

WORLD ON THE EDGE: How to Prevent Environmental and Economic Collapse

- A new book by Lester R. Brown -

Over-lending led to the U.S. housing bubble that sent shockwaves through the world economy when it burst, culminating in the worst recession since the Great Depression. The world today is in the midst of a less visible but far more basic bubble economy—a **food bubble economy**—created by overpumping aquifers and overplowing and overgrazing land. Further strained by climate change, the global food bubble is showing signs that it could be near bursting.

On the Edge

- Grain and soybean prices are fast approaching the peak prices seen during the spike of 2007-2008.
- All indications are that China is on the verge of importing massive quantities of grain.

*"The situation in which we find ourselves pushes us to **redefine security** in twenty-first century terms. The time when military forces were the prime threat to security has faded into the past. The threats now are climate volatility, spreading water shortages, continuing population growth, spreading hunger, and failing states. The overriding challenge is to revise fiscal priorities to respond to these new security threats."* – Lester R. Brown

How soon could the food bubble burst?

Consider the following scenarios:

- In the summer of 2010 **scorching temperatures and wildfires** hit Russia, with July temperatures in Moscow averaging 14 degrees Fahrenheit above the norm. As a result, Russia's grain harvest shrank by 40 percent from roughly 100 million tons to 60 million tons, boosting wheat prices worldwide.
- As global temperatures rise, the frequency and severity of such **heat waves** are projected to increase. A similar heat wave centered in Chicago would cut the typical 400 million ton U.S. grain harvest by 160 million tons. This would **drive global carryover grain stocks down** to just 52 days of consumption, well below the 62-day buffer that preceded the 2007-2008 tripling in world grain prices. The story would play out similarly for a heat wave in Beijing, sited on the highly productive North China Plain.
- In either case, **grain prices would climb off the charts**. Exporting countries would withhold shipments to control domestic food prices. Grain importers that produce oil could try to barter oil for grain, but low-income importers would lose out. Food shortages could quickly spark **political instability** as hunger spreads and governments fail.
- In short, the world is **only one poor harvest away from chaos** in world grain markets.

Preventing the "ultimate recession"

It is possible to pull back from the edge. **World on the Edge** presents a bold wartime mobilization strategy to ensure future security by **restoring the earth's ecosystems, stabilizing climate, stabilizing population, and eradicating poverty**.

The challenge is to accelerate movement toward the **positive social tipping points** that Brown describes, like the U.S. movement to close coal-fired power plants, before the big bubble bursts. It is our choice to make.

