

SYNOPSIS OF FUTURE MAKERS, FUTURE TAKERS: LIFE IN AUSTRALIA 2050

The world keeps looking for convincing alternatives to, not only the laissez-faire and the communist models of social organisation, but also the pragmatic mix of policies and programs that seemed to work in mixed economies in the 1947-73 'golden age' but which began failing soon after. This is despite the fact that the battle to have societies organised around the ideas of self-regulated market capitalism and small government has been temporarily won by the proponents of those ideas. The first world is likely to be made up of societies that are variants of the 'capitalist democracy' model for a good half century to come. One of these will be Australia. Within that boundary condition, what are the practicable choices we have for managing our society? If we want a society with good long-term survival prospects and offering high quality of life to all (goals that I lump together as *quality survival*), as this book assumes we do, can we articulate and evaluate defensible and distinctly different alternative ways of attempting to create such a society? Even if it takes 50 years to get there?

This book is based on the unadventurous assertion that it is not too difficult to abstract, from our culture's pool of ideas about societal organisation, several coherent, integrated ideotypical strategies for managing Australian society. While there is evidence and argument available to support the adoption of any of these strategies, evidence is not proof and, in the end, these strategies have to be regarded as belief systems which, if implemented, may or may not produce the Australia we want.

What I have tried to do is formulate three strategies that address a common set of economic, social and environmental concerns in different ways and with different emphases. Inevitably, it is easy enough to identify similarities between these strategies and contemporary political positions. But I have bent over backwards to play down such links and compensate for my own biases and I present the three strategies in as fair a way as I can. I would like readers too to resist going into partisan mode as soon as they think they know which strategy best reflects their political allegiances.

The three strategies are presented as manifestos for three hypothetical political parties seeking to govern Australia over coming decades---the Conservative Development Party, the Economic Growth Party and the Post-Materialism Party. These manifestos then become the foundations on which I build three scenarios that speculate on what the longer-term quality-of-life consequences might be if Australian society made a conscious choice to be guided for some decades by each of these socio-political philosophies. Starting with a well-defined socio-political philosophy permits one to plausibly infer something about (a) society's subsequent choices of policies, priorities, plans and programs for seeking its goals and (b) society's reactions to various contingencies, including a set of global-change possibilities.

A scenario is a preview of future events or conditions. The proposition behind my 'narrative experiment' is not that scenarios can predict the achievement or otherwise of particular social goals by some mid-future date---they cannot. Rather, it is that by carefully detailing a small but diverse selection of the many paths Australian society could choose to follow and by speculating in an informed and disinterested way about the differential consequences of following one or other of these paths over time, it might be possible to make a better choice about which, or which mix of, or which variation on these paths to start on now. Selecting a path to start down now does not commit the society to remaining on that path for 50 years of course. Tomorrow (figuratively speaking), when circumstances change, the experiment can be repeated and another path perhaps chosen.

I particularly want my scenarios to alert people to the need to avoid *short-termism* when choosing paths. Despite the fact that many private and collective decisions made in the late twentieth century will have marked consequences for our grandchildren's quality of life (ie the degree to which their needs are being satisfied; the things that contribute to the feeling that life is worth living) in the mid-future---around 2050---and beyond, these consequences are rarely taken into account more than minimally in choosing what to do today about education, infrastructure, environmental management, defence and so on. Further, there are many recurrent decisions that, while individually having little effect on quality survival now or in 2050 (eg land clearing; annual immigration levels; groundwater loadings), cumulatively stand to have enormous impact on indicators of quality survival by that time. Also, despite the fact that a number of exogenous threats to national sovereignty, to the basic structure of society and to individual well-being can be dimly foreseen occurring in the 21st century, we do little to pre-empt them or deflect them. The same applies to opportunities, eg how do we plan to capitalise on the ubiquity of access to the Internet? Our society's inability to factor these sorts of longer-term implications into its current decision-making is widely recognised as a blind spot and has been given a name---short-termism or grasshopperism.

THE THREE SCENARIOS

The three scenarios are built around three core beliefs about how a society seeking high quality of life for all should respond to four over-arching hazards of our late 20th century society: an inappropriate rate of economic growth (too low? too high?); increasing environmental degradation; increasing social injustice; and declining sociality (social health) paralleled by rising sociopathy (social decay).

The first of these core beliefs, underpinning an *Economic growth strategy*, is as follows:

While it is true that environmental degradation and social injustice are important impediments to achieving high quality of life, these hazards will be ameliorated without resorting to any serious collective intervention if we move towards a more individualistic form of social organisation focused on the feasible objective of reaching and maintaining a high rate of economic growth. Sociopathy is not a priority problem.

The two-pronged strategy proposed for implementing this philosophy is to selectively remove significant barriers to profit-making by entrepreneurs (eg environmental regulations) while focusing a small (by today's standards) government sector on the task of providing business with cost-saving infrastructure such as transport and communications and with productive human capital in the form of a technically educated workforce. Other priority components of this strategy are: population growth; extended property rights; a flexible labour market; and free trade.

The second of these core beliefs, underpinning a *Conservative development strategy*, is as follows:

Environmental degradation and social injustice are important impediments to high quality of life which will only be ameliorated if they are managed directly within the context of a more hierarchical, reconstructed form of social organisation. Nonetheless, it is desirable, and should be possible, to do this and simultaneously reach and maintain a high rate of economic growth. Sociopathy is a collateral problem rather than a priority problem.

The strategy proposed for implementing this philosophy centres on achieving full employment, this being the best way to address both social injustice and social decay. A Jobs and Incomes Program will be funded by a major tax reform program. Environmental degradation will be addressed by an Environment Management Program which will have a significant 'green jobs' component. Environmental damage is strongly related to energy consumption and to the quantities of raw materials entering the economy as inputs and leaving the economy as pollutants. Regulatory, fiscal and market-based measures will be used to stabilise net materials-use and energy use as rapidly as possible and to cap the rate at which land is converted from low-intensity to high-intensity uses. Other priority components of this strategy are industry support programs, trade management programs and population stabilisation.

The third of these core beliefs, underpinning a *Post-materialism strategy*, is as follows:

Environmental degradation, social injustice and sociopathy are all important impediments to high quality of life which will only be ameliorated if managed within the context of a more mutualistic form of social organisation. Economic growth is also a priority problem requiring management, but in the sense that it is too high rather than too low, with social and environmental costs exceeding the benefits.

The strategy proposed for implementing this philosophy focuses on transforming the economy, redistributing power in society and radically reforming the socialisation system, these being the starting points for ameliorating environmental degradation, social injustice and pervasive social decay.

The socialisation system, assisted by a formalisation of citizens' rights and responsibilities, will concentrate on producing responsible, collaborative and useful community members. Power redistribution will be sought through the widespread development of participatory, non-adversarial institutions and the devolution of State and Commonwealth powers to strong regional governments. A range of tools (eg comprehensive recycling, population stabilisation, decentralisation, import replacement, a cap on personal consumption) will be used to diversify and localise and 'green' the economy and the cities so as to conserve energy, materials and natural systems. Stabilising consumption will facilitate investment in social, human and institutional capital at the expense of 'output-increasing' capital.

While it would be surprising to see the Australian electorate vote for and persist with any of these strategies strictly as described, it would be most surprising to see the Post-Materialism strategy adopted. It implies a greater change from reigning values and ideas than the other two scenarios. Adopting an Economic Growth strategy or a Conservative Development strategy would be less surprising in the sense that these strategies simulate positions towards the ends of the range of conventional wisdom in first world countries.

SCENARIO OUTCOMES

By role-playing each strategy's proponents in turn, we can evoke some perceptions of possible successes and failures for each strategy in relation to the mid-future societal goal of quality survival, particularly its economic, environmental and social dimensions.

Thus, the Economic Growth scenario, which lacks any direct incentive for income redistribution, could lead to a highly polarised society of 'haves' and 'have nots'; but it could also lead to a society where large economic surpluses and high middle-class incomes become available for enhancing non-market aspects of quality of life. Alternatively, attempts to achieve high economic growth with minimal intervention could fail for various plausible reasons and this, the worst of both worlds---no growth and no equity---could generate great social conflict. Given (a) the correlation between economic growth and energy growth, and between energy growth and environmental degradation and (b) an absence of extra-market environmental controls, this strategy could also lead to poor environmental quality if highly successful in its main endeavour. A possibly higher rate of technological change under an economic growth scenario could work to either the advantage (eg cleaner fuels) or the disadvantage (eg toxic new chemicals) of the environment.

The Conservative Development scenario could lead to a society enjoying both a healthy environment and resource base and quite high consumption of market goods. Success in achieving full employment would stand to improve quality of life for all, not just the unemployed. Alternatively, stubborn resistance from the business community to having to pay the full social costs of using natural resources and having material and energy throughputs regulated and taxed might result in GDP decline or half-hearted environmental management or both. A gridlocked society, gripped by pluralistic stagnation, could be the fishhook lurking in a strategy that pins its hopes on strong government to solve problems in an age of globalisation when governments are becoming less able to change their societies.

In economic terms, the danger in the Post-Materialism scenario is that if consumption is capped and the economy is pushed to be more diversified, democratised, localised and environmentally-benign, activity might simply decline rather than move vigorously towards a new production-investment mix. For example, the economy's 'brain workers' might emigrate in search of higher salaries and poverty could be widespread. A 'banana republic' economy is conceivable. However, if the Post-Materialism economy flourished within its self-imposed constraints, and if plans to actively combat sociopathy succeeded, the result would be an increasingly equitable, supportive, collaborative and environmentally-healthy society, with most living in modest comfort.

Finally, looking outwards, what are the threats and opportunities posed for these three strategies by the uncertainties of socio-economic globalisation and environmental global change? For example, by war, uncontrolled mass migration or natural disasters and rainfall shifts associated with climate change? Or by a booming or slumping world economy? Or by domestic contingencies such as sharply declining local oil and gas supplies or the rapid loss of crop and pasture lands to degradation?

Perhaps Economic Growth is the best strategy for guaranteeing participation in the growth sectors of a booming world economy. But, remembering that all competition creates losers, would the price of failure here be higher than under Conservative Development or Post-Materialism? And a diversified, localised, more self-reliant Post-Materialism economy might serve us better under global recession; a diverse economy can be a strength or a weakness. An Economic Growth economy generating high GDP would have the productive capacity, although perhaps not the necessary incentive, to tackle many of the foreseeable threats to Australian society. Outcomes would depend on whether the business sector decided to collectively support any politically chosen response to a shock; a somewhat unlikely eventuality except in the case of total war. Also, a growth-oriented society might lack the social cohesion, the social capital (eg trust between groups), to respond to contingencies requiring widespread mobilisation of the population.

Being relatively decentralised and relatively less developed economically, a Post-Materialism society might find it difficult to respond in a coordinated productive way to various nation-threatening contingencies. Conversely, an actively managed society with strong central government and an experienced bureaucracy, as in the Conservative Development strategy, could be well-placed to respond to national emergencies and external shocks, eg the imposition of strong global carbon dioxide emission controls.

LESSONS AND CONCLUSIONS

Does the prospect of finding a place in the sun, or of going down the gurgler, economically, socially or environmentally, differ significantly between strategies? It has to be concluded that all three strategies contain both favourable and unfavourable portents for this society's quality survival, and that, from the analysis in *Australian Futures*, it is difficult to claim a clear superiority for any one.

Accepting this inconclusiveness, several lessons follow:

None of the debates we have visited is new. All three strategies reflect reasonable positions and supporters of one have no grounds for being intolerant of disinterested supporters of the others. Reasonable pluralism, ie a pluralism of reasonable positions, is an indicator of a healthy society.

In reality, as distinct from Scenario Land, democracies never select a strategy like Economic Growth, Conservative Development or Post-Materialism and stick with it single-mindedly. It is more accurate to think of society as trying to follow several strategies simultaneously and that what is being regularly re-adjusted is the balance of effort going into each of these. The question we can reasonably ask is which strategy we need a measured dose of at this time, assuming our three strategies span the possibilities reasonably well, as I have tried to ensure. I leave this question to the reader; just as I leave it to the politicians to recognise that the primary malfunction in our system of government is its incapacity to identify farsighted, comprehensive and explicit alternatives and to give people a choice between these rather than a choice between marginal responses to topical issues.

The other more general legacy of this study is some conclusions about the value of scenario building, the first being that it sadly underused as a decision aid.

Scenario building is essentially a perception-heightening or awareness-heightening exercise. It sharpens one's view of current reality and one's view of what future reality could be like. It does not produce an explicit solution to a clear-cut problem such as choosing a national goal-seeking strategy. What it promises is to help people:

- . develop a way to think about the future of Australian society;
- . clarify options for national mid-future goals;
- . clarify differences between target values (ends or goals) and instrumental values (means);
- . foresee external and internal problems and opportunities that could emerge in coming decades---and perhaps to foreshadow responses to these;
- . think strategically about alternative ways in which society can still be feasibly managed, and the limits to such management;
- . speculate about some of the mid-future consequences of choosing and persisting with each of those alternatives; and
- . realise that apparently diverse strategies for quality survival have much in common after allowing for differences in emphasis.
- . become aware of the range of factors to be taken into account when considering the longer-term consequences of today's choices.

Building national scenarios will never be seen as useful by the minority who reject the idea of 'society' or reject as meaningless the idea of society adopting or being able to adopt a collective purpose in the form of social goals; nor those who believe that the forces moulding the more-distant future are so wild and unpredictable that the costs of attempting to choose between options on the basis of their foreseeable consequences will always outweigh the benefits.

Many people fear what the future holds. By demonstrating that the future can be analysed, discussed and bounded I hope to improve public confidence and, as Kenneth Clark (1993) observed, 'it's lack of confidence, more than anything else, that kills a civilisation'. Having explicit social goals and strategies, a vision for the society, can provide people with an energising sense of purpose.