

# Globaloney 2000

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In July 1980, the White House issued *The Global 2000 Report to the President*. Its basic conclusions could hardly be more stark:

If present trends continue, the world in 2000 will be more crowded, more polluted, less stable ecologically, and more vulnerable to disruption than the world we live in now. Serious stresses involving population, resources, and environment are clearly visible ahead. . . . Barring revolutionary advances in technology, life for most people on earth will be more precarious in 2000 than it is now. . . . unless the nations of the world act decisively to alter current trends.

In short, unless we change our wicked ways, disaster lies ahead. This clarion call is not new. A decade ago, the same alarm was sounded even more shrilly, dogmatically, and dramatically by the Club of Rome, a group of distinguished industrialists and scientists who sponsored one of the most influential books of our time, *The Limits to Growth*.<sup>1</sup> Their message was simple: if economic growth and population growth are not drastically curbed, the world will collapse within the next century. This time the message was very similar, but its purveyor was President Carter, backed by the authority of the United States government.

Global 2000 was prepared by the State Department and the Council on Environmental Quality in response to a request made by the President in 1977; Council Chairman Gus Speth and Assistant Secretary of State Thomas Pickering put the study together. Their two agencies were aided by the Departments of Agriculture, Energy, and Interior, the Agency for International Development, the CIA, the EPA, the Federal Emergency Management Agency, NASA, the National Science Foundation, the National Oceanic and Atmospheric Administration, and the Office of Science and Technology Policy. Who could doubt that these sober and responsible outfits know what they are doing?

Indeed, compared to the Club of Rome report, Global 2000

1. Meadows, Meadows, Randers and Behrens, (New York: Universe Books, 1972).

seems rather moderate; it is certainly more carefully worded. Although, in our view, both studies are simply disgraceful, *Global 2000* is far more reprehensible. Its authors seem oblivious to the intensive criticism to which *The Limits to Growth* has been subjected during the past eight years. Many of its more alarming arguments had already been largely discredited among most people who deal professionally with these rather abstruse matters, and other arguments need caveats or elaboration. More importantly, the U.S. government has a fiduciary role which cannot be attributed to the Club of Rome. As the designated servant of the American people, the executive branch has a serious obligation to do accurate work, and a clear responsibility for the policy implications of its research. By contrast, the Club of Rome is a purely private venture; while the Club should not behave irresponsibly, it certainly enjoys more freedom than the Washington establishment which produced *Global 2000*.

Before *Global 2000* was even completed, President Carter had discussed its conclusions with other world leaders at an economic summit held in Italy. Immediately upon receiving the report, he established a Task Force to ensure that priority attention would be devoted to the problems signalled by the report. The Task Force was led by Mr. Speth; it included the Secretary of State, the OMB Director, the President's Assistant for Domestic Affairs, and the Director of the Office of Science and Technology Policy. The group's report was submitted to President Carter a few days before Ronald Reagan was inaugurated. In addition, the outgoing President told the State Department to arrange an international meeting of environmental and economic experts in Washington in 1981 to discuss the interrelated questions of population, natural resources, environment, and economic development, which are the focal point of the report. Meanwhile, Secretary of State Edmund Muskie used *Global 2000* as the centerpiece for an address to the UN General Assembly, and the Joint Economic Committee of Congress launched a series of hearings on the report; by October a subunit of the Committee had issued a report on *Global 2000* titled *Averting Catastrophe*; a UNESCO General Conference held in Belgrade last October also discussed related issues. Finally, in his farewell address to the nation, President Carter singled out the kind of concerns which *Global 2000* addresses as one of the three most important problems facing the American people (the other two being arms control and human rights):

The shadows that fall across the future are cast not only by the kinds of weapons we've built but by the kind of world we will either nourish or neglect. There are real and growing dangers to our simple and our most precious possessions: the air we breathe, the water we drink, and the land which sustains us. The rapid depletion of irreplaceable minerals, the erosion of topsoil, the destruction of beauty, the blight of pollution, the demands of increasing billions of people all combine to create problems which are easy to observe and predict, but difficult to resolve. If we do not act, the world of the year 2000 will be much less able to sustain life than it is now.<sup>2</sup>

The U.S. government has been actively promoting the report at home and abroad. Seventeen thousand copies had been distributed by early September, more were being printed, and summaries were being prepared in French and Spanish. An advertisement for a German version of Global 2000 which appeared in West Germany's most popular news magazine proclaimed:

The new official environmental study: the oceans polluted, acid rain, drinking water running out, air becoming scarce.<sup>3</sup>

The response to Global 2000 by the media has been almost uniformly favorable; hardly a note of caution was heard, even from such presumably responsible sources as the World Future Society and the American Association for the Advancement of Science.<sup>4</sup> *Time* and *Newsweek* both gave prominent attention to the report, and *Time* commented that, compared to *Limits to Growth*, Global 2000 is "certainly restrained," even muted. *The Washington Post* observed that "the report's projections clearly err on the side of optimism."

Thus, as far as published comment is concerned, Global 2000 has been almost universally accepted at face value, and accorded great respect. Mr. Speth correctly described response to the report as "overwhelmingly positive," and added that those few who were concerned that the report would be counterproductive have been "proven wrong."

These rave reviews have their own consequences: the prevail-

2. *The New York Times*, January 15, 1981.

3. There is no indication that the ad was officially sponsored.

4. The only exception known to us is Julian Simon, "Global Confusion 1980: A Hard Look at the Global 2000 Report," *The Public Interest* (Winter 1981). His article appeared just as this article was being completed.

ing pessimism of our society has been powerfully reinforced. To quote Representative Henry Reuss of Wisconsin, co-chairman of a Joint Economic Committee subcommittee, the report documents a world a bare 20 years from now that is desolate and dying, the result of the past, present, and prospective follies of its people.

As it happens, we recently participated in a series of briefings for freshman congressmen. We learned that, with some exceptions, congressmen had not been particularly affected by Global 2000; many were not even aware of its existence. However, many members of their staffs knew a great deal about it. And the real importance of this document lies in its impact upon people who are professionally concerned with environmental issues. In addition to government officials, this includes many college professors and public school teachers who are eager to exploit any respectable material which tends to support their pessimistic attitudes toward the U.S. economic and political system. Global 2000 is tailor-made for this kind of exploitation.

President Carter's Task Force asked some 600 experts, constituency group leaders, and business leaders how the government can enhance its capability to work with the private sector to address these problems more effectively. At hearings on Global 2000, Representative Reuss asked rhetorically whether the world could not do a better job of averting "Apocalypse 2000" if the "insane arms race" were stopped. He added, "We've got a great thing here; let's not louse it up." In response to urging from Senator Russell Long of Louisiana, Assistant Secretary of State Pickering observed that a consortium of foundations and other private bodies might deal with the issues raised by Global 2000.

### **Novus Ordo Seclorum**

The Carter administration would obviously have liked to see Global 2000 become the centerpiece of a vast effort to save mankind. Of course, President Carter's mandate for such an effort has run out.

And why should the Global 2000 report not enjoy this status? Because it is biased, misleading, and sometimes plain wrong.

The bias of Global 2000 is toward pessimism on practically every issue; a pervasive tendency always to see every glass as half empty rather than half full, and to consider some which are two-thirds full to be two-thirds empty.

At the outset, Global 2000 asserts that “Despite great material output, the world’s people will be poorer *in many ways* than they are today.” (Emphasis ours) The reader is expected to understand that, although almost every country will technically have a higher real GNP per capita, something else, presumably quality, will suffer as time goes by — and that this is more important than mere quantity. We agree that quality is always important; indeed, a sufficient decline in quality can negate any increase in quantity. But many complaints about the quality of life today turn out to have more to do with the perceptions and misperceptions of the middle class in Western culture than with the welfare of most people in these societies. Thus as mass consumption societies develop and expand, the way of life of the upper middle class often declines in certain respects (for example, the disappearance of servants, crowded resorts, and less easy access to prestigious universities). Global 2000 seems to be projecting this problem on other countries as well as on other classes within this country.

Although the study projects a 90 percent increase in world food production from 1970 to 2000, and a per capita increase of “less than 15 percent,” it adds that per capita consumption in South Asia, the Middle East, and the less developed countries (LDCs) of Africa “will scarcely improve or will actually decline below present inadequate levels.” In our view, about 300 million people now live in countries which are desperately poor and unlikely to improve much in the next decade or two. Examples are Bangladesh, the Sahel of Africa, Haiti, and Bolivia. About 700 million additional people live in what we call “coping” poor countries: such nations are not doing badly as a whole, but many of their citizens are very poor; India, northeastern Brazil, and the peasantry of Mexico are examples. As the world’s population grows from the current 4.3 billion and levels out around 10 billion in the middle of the twenty-first century, about a billion people will almost surely still be very badly off. These problems are both very important and very difficult to deal with. But they will have little relevance for the great majority of the world’s population.

Nowhere is Global 2000’s pessimistic bias more blatant than in its preoccupation with the so-called gap between the rich and poor people of the world — although this is a conventional sin. The concept is painfully simple. Since some people are richer than other people, a gap divides them. If both groups are becoming richer, the best way to distract attention from this agreeable prospect is to focus on something else, especially if it stimulates guilt feelings in

the likely consumer of the information. Following this formula, Global 2000 tells us:

The present income disparities between the wealthiest and poorest nations are projected to widen. Assuming that present trends continue... industrial countries will have a per capita GNP of nearly \$8,500 (in 1975 dollars) in 2000... By contrast, per capita GNP in the LDCs will average less than \$600....

Only by consulting a statistical table in Global 2000 can the reader learn that GNP per capita is projected to rise from \$382 for the LDCs in 1975 to \$587 in 2000, an increase of over 50 percent in two decades.

After these and other doses of pessimism, the report disarmingly admits that it may not be objective; we are told that the methods available for carrying out the study "tend to impart an optimistic bias." At least we have been warned.

### The Authors and Their Biases

Dr. Gerald O. Barney, the director of the study, states in Global 2000 that two groups of expert advisors actively participated in preparing the report. Listed among an inner circle of seven such experts are Mihaljo Mesarovic, Anne Ehrlich, and Kenneth E. F. Watt.<sup>5</sup> All three are closely identified with opposition to growth. Mrs. Ehrlich and her husband Paul (who wrote *The Population Bomb*) are leaders of the Zero Population Growth movement in this country; in 1974 they published a book called *The End of Affluence*; Mr. Mesarovic was co-author of the Club of Rome's second study of "the human predicament"; Mr. Watt added another volume to the literature of doom by publishing a book in 1974 on the "titanic effect"; his definition of this concept epitomizes the strategy of wolf-crying:

the magnitude of disasters decreases to the extent that people believe that they are possible and plan to prevent their effect.

5. The other four are Anne Carter of Brandeis University, Nicholas Carter of the World Bank, Peter Henriot of the Center of Concern, and Douglas N. Ross of the Joint Economic Committee of the U.S. Congress. While their attitudes toward growth are not known to us, the two Carters are professional and respected economists who specialize in the kind of complex and detailed quantitative models which we find most misleading. According to the *Encyclopedia of Associations*, the Center of Concern is devoted to human rights and, *inter alia*, "calls for a more equitable sharing of material resources." This is doubtless a worthy aim, but it suggests that its members would approach any study like Global 2000 with preconceived goals.

The second advisory group consisted of some 134 individuals. Among them are Dennis and Donella Meadows, two of the authors of *The Limits to Growth*, and their acknowledged mentor, Professor Jay Forrester of MIT. The organizations identified with many of these individuals read like an honor roll of certified opponents of the kind of economic growth that most Americans support; among them are: the Natural Resources Defense Council, the Population Reference Bureau, the Rachel Carson Trust, the Friends of the Earth, WorldWatch Institute, the Canadian Association for the Club of Rome, the World Population Society, Environmental Action, the Environmental Fund, the Population Crisis Committee, the National Wildlife Federation, the American Conservation Association, the U.S. Association for the Club of Rome, the World Wildlife Foundation, Zero Population Growth, the Massachusetts Audubon Society, Nature Conservancy, the National Parks and Conservation Association, and the Population Council.<sup>6</sup> While such groups should be consulted in preparing a study of this kind, who can doubt that they are strongly inclined to put their concept of adequate environmental protection ahead of almost all other goals?

Global 2000 asserts that its conclusions were reinforced by those of similar studies which it examined; it claims that

all these studies are in general agreement on the nature of the problems and on the threats they pose to the future welfare of mankind. The available evidence leaves no doubt that the world—including this Nation (sic)—faces enormous, urgent, and complex problems in the decades immediately ahead.

No one argues that the world does not face “enormous, urgent, and complex problems,” but do all the studies really agree on the nature of these problems?

Global 2000 compared the government’s several models to five other global studies:

(1) “Worlds 2 and 3,” both commissioned by the Club of Rome; the latter model was the basis for *The Limits to Growth*.

(2) The Mesarovic-Pestel World Model, also commissioned by the Club of Rome; both authors are Club of Rome members.

(3) MOIRA [Model of International Relations in Agriculture] also commissioned by the Club of Rome; according to Global

6. The list is not totally one-sided. It includes individuals affiliated with such institutions as A.T.&T., First National City Bank, and the American Petroleum Institute. However, organizations of this kind are outnumbered by at least 5 to 1; furthermore, this minority apparently wielded little influence.

2000, "the modelers were motivated by the sentiment that human suffering is morally wrong and by a desire to minimize world hunger." While few could dissent, we would argue that objectivity and realism are far better motivations for policy researchers.

(4) The Latin American World Model; although this study was also inspired by the Club of Rome, it was, according to Global 2000 designed to address the question "How can the resources of the world be used most effectively to improve the lots of all people?"; thus "it is almost the antithesis of what the Global 2000 study is seeking. Rather than dealing with the problems of resources and environment, the modelers began with an assumption of no problems—particularly no serious resource problems. Their analysis much resembles that presented by Herman Kahn in *The Next 200 Years*."<sup>7</sup> The Latin American study concluded that "the fate of man does not depend, in the last instance, on insurmountable physical barriers, but on social and political factors that man must modify."

(5) The UN World Model; this study, led by the Nobel Laureate Wassily Leontieff, was published in 1977. Among its conclusions:

Known world resources of metallic minerals and fossil fuels are generally sufficient to supply world requirements through the remaining decades of this century. . . mineral resource endowment is generally adequate to support world economic development at relatively high rates, but. . . these resources will most probably become more expensive to extract as the century moves toward its conclusion.<sup>8</sup>

7. This book (H. Kahn, W. Brown, L. Martel; New York: Morrow, 1976) did not assume that the world faces no environmental or resource problems. On the contrary, it explicitly argued that mankind faces two kinds of "issues," of which eight are basically "solvable," and eight are basically "uncertain"; among the latter are "possible damage to earth because of complicated, complex, and subtle ecological and environmental effects." The authors attempted to match resources against probable needs, and found few serious problems—if proper investments are carried out. In general, many problems which now preoccupy elites in affluent societies can be solved by relying on business-as-usual methods—many serious problems are likely to arise in the future, but those signalled by Global 2000 are not likely to be very prominent among them. The authors of Global 2000 are not Cassandras. It was Cassandra's fate to warn of real problems and not be believed. The fate of Global 2000 is to warn of mostly unreal problems and to be mostly believed. One reason for Cassandras is that the public is confused by false signals and incorrect analyses.

8. *The Future of the World Economy* (New York: Oxford University Press, 1977), p. 6.



Thus, it turns out that, rather than uniformly agreeing with Global 2000, three of these models share its ideological bias, and two seem to dissent from its conclusions.

### Manipulating the Evidence: Population

As for being misleading or wrong, let's look first at population, perhaps the single most important topic for studies of this kind. The report first asserts that rapid world population growth will "hardly have altered" by 2000, adding that the world's population will reach 6.35 billion by 2000, a 50 percent increase over 1975; the growth rate is projected to drop from 1.8 percent per year in 1975 to 1.7 in 2000.<sup>9</sup> The report adds that "if the fertility and mortality rates projected for 2000 were to continue unchanged into the twenty-first century, the world's population would reach 10 billion by 2030 and nearly 30 billion before the end of the twenty-first century."

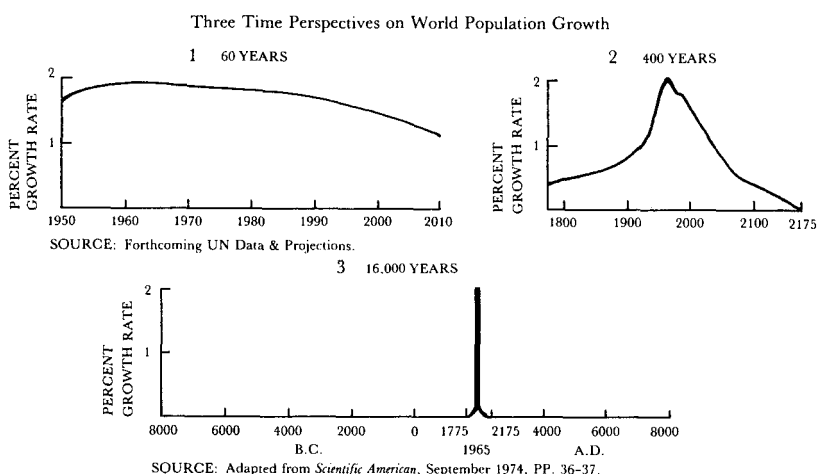
While this latter assertion could be interpreted as arising out of the available data, it clearly misrepresents conventional demographic wisdom; this includes the estimates of the Census Bureau. The best current data indicate that, after reaching a peak rate of about 2.1 percent in the mid-sixties, the world population growth rate declined sharply to 1.6 to 1.7 percent; this represents a 20 percent drop. These estimates are, by definition, uncertain; however, they are accepted by most of the world's demographers.<sup>10</sup> The overall world rate will almost surely continue to decline, certainly in the time period to which Global 2000 addresses itself. By assuming the opposite, Global 2000 seems to be engaging in de-

9. Donald Bogue and Amy Tsui argue in "Zero World Population Growth?" (*The Public Interest*, Spring 1979) that "population in the year 2000 will be as much as 250 million less than the lowest of the current predictions, and 700 million less than anticipated by the U.S. Census Bureau and the United Nations." They project a world total between 5.7 and 5.9 billion people in 2000, and conclude that by then "the world will have largely brought the problem of high population growth under control."

10. The most recent annual report of the UN Fund for Population Activities found, according to *The New York Times* of June 15, 1980, that "By the end of the century, the pace of (world) population growth is expected to fall by 20 percent." The World Fertility Survey, covering 400,000 women in 61 countries, has concluded that birth rates in Third World countries and developed nations diminished significantly during the 1970s (*The New York Times*, July 15, 1980, C1). Bogue and Tsui (see footnote 9) report that 81 percent of the earth's inhabitants live in nations which experienced population decline between 1968 and 1975; furthermore, they found that the nations with higher birth rates in 1968 tended to experience the largest fertility reductions.

liberate scare tactics. The recent sharp decline seems likely to continue, reaching about 1.4 percent by the end of the century. Thus, the most important characteristic about the rate of population increase is its rapid rise and even more rapid decline; this should not be thought of as a long, drawn out process.

The misleading nature of excessive preoccupation with recent high rates of world population growth is dramatized by the three graphs shown below:



These three graphs put the whole question of population growth into a meaningful historical perspective. The first focuses on a 60-year period; it indicates that these rates have been rather stable during the past several decades, but are now declining rather rapidly. The second covers a much longer period: 400 years. It illustrates the nature of the current demographic transition. This transition initially resulted from a sharp decline in death rates, followed by a similarly sharp drop in birth rates; this continued until a rough balance was achieved. The third graph, which covers 16,000 years, is of course the most dramatic. It shows that population growth was very slow before the demographic transition, perhaps 0.1 percent; at this rate, total population goes up by a factor of 3 in 1,000 years. The peak is incredibly sharp, only 100 years wide at the one-percent point. In this perspective the current era can be characterized as a "Great Transition" from a world where:

200 years ago almost everywhere human beings were com-

paratively few, poor and at the mercy of the forces of nature to one 200 years ahead where, barring bad luck and/or bad management, almost everywhere they will be numerous, rich, and in control of the forces of nature.<sup>11</sup>

If such a transition really occurs, it will certainly cause all sorts of problems and other growing pains; in many ways, it might even be disaster prone. But Global 2000 contains hardly a hint that an exciting and basically constructive process of this kind may lie ahead.

Since the decline in world population growth rates reflects the changes which occur in values and ways of life as most of the world's people gradually become more affluent, this trend is unlikely to change rapidly, if at all, within a decade or two. This basic pattern is unmistakably clear. Poor people tend to have large families, and affluent people small families.

As such diverse countries as the United States, Japan, the U.S.S.R., Brazil, and Mexico have become better off, their fertility rates have all declined. Spectacular decreases in fertility have taken place in China, Sri Lanka, Indonesia, and the Indian states of Kerala and Karnataka in recent years. In 1980, India's population growth rate dropped to 1.9 percent; since India represents one-sixth of the world's population, this is especially encouraging. And, according to Global 2000 itself, China, the world's most populous nation, will grow at an average annual rate of only 1.4 percent during the 1975–2000 period. This estimate was made before the new Chinese program which attempts to restrict Chinese families to one child.

### World Needs in Transition

Global 2000 puts much stress on its projection that 79 percent of the world's population in 2000 will be living in less developed countries. Whether this grim sounding prospect has much to do with reality depends, of course, upon how LDC is defined. By any traditional standard—say less than \$500 annual per capita GNP in constant dollars—China, Thailand, Egypt, Nigeria, and the Philippines will probably no longer belong in this category by the year 2000. If Global 2000 had adopted the simple device of splitting the developing world into two groups—LDCs and those in transition to affluence—the LDC population in 2000 would be

11. See Kahn, Brown, Martel, *op. cit.*, p. 1; this definition is paraphrased here.

under 40 percent. On the whole, middle income and poor countries tend to attain faster economic growth than affluent countries; on a per capita basis, the results are about the same for both groups.

In dealing with energy, Global 2000 repeats the familiar litany which is almost certainly misleading:

During the 1990s, world oil production will approach geological estimates of maximum production capacity, even with rapidly increasing petroleum prices. . . richer industrial nations will be able to command enough oil and other commercial energy supplies to meet their rising demands through 1990, [but] many less developed countries will have increasing difficulties meeting energy needs. For the one-quarter of humankind that depends primarily on wood for fuel, the outlook is bleak. . . While the world's finite fuel resources— coal, oil, oil shale, tar sands, and uranium— are theoretically sufficient for centuries, they are not evenly distributed; they pose difficult economic and environmental problems; and they vary greatly in their amenability to exploitation and use.

The Global 2000 view that no early relief from the world's energy problems is in sight rests largely upon the notion that petroleum production capacity will not increase as rapidly as demand. This outlook is not unusual; it is based upon projections made by the Department of Energy in 1977. But agreement is growing that current high oil prices are rapidly bringing about the needed adjustments. Thus, projections for increased world demand for energy have been scaled down from about 3.5 percent per annum. For example, the U.S. Energy Department recently reduced its estimate of growth in U.S. energy demand to 1 percent annually, the latest in a series of reductions from a forecast of 2.5 percent in 1979.<sup>12</sup>

The important transition now being experienced reflects the world's ability to restructure its economics to produce desirable fuels at tolerable prices, and to adjust demand for those fuels accordingly. No doubt such adjustments will often be more painful to poor people in poor countries than to others, but this is a virtually inevitable result of poverty. By definition, a rich person can command more of the world's goods and services than a poor person; this is why most people prefer more money to less money.

12. *The New York Times*, January 4, 1981, p. 1.

The solution, of course, is to eradicate poverty. This is happening; slowly and unevenly, but still happening.

In sum, on energy issues, Global 2000 is badly outdated; even when this is not the case, it tends to overstate demand and understate supply, while often ignoring the role of economic forces. In any case, there is little reason to place much credence in official forecasts of this kind; a cursory look at the record shows that they have consistently turned out to be wrong, almost always erring toward pessimism.<sup>13</sup>

### Feeding the World

What about food? Global 2000 forecasts that world food production will grow by 2.5 percent per annum during the 1970–2000 period, but projects a 95 percent increase in the real price of food during those years. Food output in LDCs is expected to “barely keep ahead of population growth,” and the outlook for improved diets for the poorest people in the poorest LDCs is described as “sobering.”

Does this make much sense?

As for real food prices, the world price for wheat and corn in constant dollars was roughly the same in 1977–1979 as it was in 1967–1969, despite sharp increases in 1973–1975. Such fluctuations can recur, and are indeed likely for 1980–1981, due mainly to the U.S. drought and the poor harvest in the Soviet Union. But an inexorable continuing rise in real terms has not occurred, nor is it particularly likely. While food prices in real terms are likely to go up in the immediate future, there is little reason to expect a long-term rise. The application of capital and technology should be able to overcome any tendency toward diminishing marginal returns.

In terms of numbers of people alone, China, India, Pakistan, Bangladesh, and Indonesia lie near the heart of any potential global food problem. These five nations account for 2 billion people today, and will number close to 2.75 billion by 2000. How are they doing?

China’s agricultural situation today is not unsatisfactory in the sense that most of China’s one billion people seem to be ade-

13. An interesting list contrasting oil prophecies and realities since 1866 appears in *Presidential Energy Program*, Hearings Before the Subcommittee on Energy and Power of the Committee on Interstate and Foreign Commerce, February 17–21, 1975, Serial No. 94-20 (Washington, D.C.: USGPO, 1975), p. 643.

quately fed. When shortages arise, the government has sufficient foreign exchange to import food from abroad. As for China's prospects, Global 2000 itself projects a 69 percent increase in food production during the 1970–2000 period, and a mere 42 percent increase in population between 1975 and 2000.

Under Indira Gandhi, India has increased food output by giving greater priority to agricultural development, improving incentives to farmers, and relaxing barriers to interstate grain trade. As a result:

(1) India exported 700,000 tons of grain in 1980 (in 1975 she imported 7.5 million tons). India normally produces over 95 percent of her own grain requirements.

(2) Substantial grain reserves have been accumulated.

(3) 7 million additional acres were irrigated in 1978.

In the longer run, India should be well off agriculturally. With twice the arable land per capita of China, India's intensity of fertilizer use is less than half that of China. India has extensive fertile river basins where water management is starting to take hold. And India's earlier emphasis upon industrialization has provided some of the infrastructure which is needed for rapid agricultural development.

Both Pakistan and Bangladesh dramatically improved their grain output in 1980—because of good weather and expanded fertilizer use. Indonesia has experienced two successive record rice harvests—by using more high yielding varieties, by higher fertilizer use, and by suffering less damage from floods and pests. Furthermore, multiple cropping and year-round irrigation are spreading fast in both countries.

In contrast to the hopeful outlook in Asia, the developing countries of the Sahel and Central Africa will probably need food aid on a continuing basis for at least a decade. Fortunately, the populations concerned are relatively small—about 40 million. If the Sudan, Ethiopia, and Somalia are included, the number rises to 120 million—still small compared to India's 670 million and China's one billion. And some faint signs are visible that the same awakening to agricultural technology that has taken place in South Asia is starting to happen in black Africa.<sup>14</sup>

14. Richard Critchfield, a journalist specializing in peasant societies, has observed: "Is there something in the American psyche that feels more comfortable with a (fake) picture of Asian village misery and desperation? Do we really, deep down, *want* to hear bad news? This gap between reality in village Java and its perception in Washington... will not matter in the long run. Realities assert

This is not to argue that many millions in poor countries do not suffer from malnutrition. Fortunately, however, various technologies could solve or alleviate most of the world's nutritional problems in a few years. Their adoption has often depended upon effective demand, i.e., demand with money behind it. If there is any single cause of world hunger, it is poverty, not a lack of food. Thus, the problem is financial rather than simple production.

The insistence of Global 2000 that the world is headed straight for disaster is intrinsically implausible. Gross World Product and Gross World Product per capita have been growing inexorably almost every year for at least a century. Life expectancy, the best single available indicator of human health and welfare, continues to lengthen almost everywhere, year after year. Pollution levels in the developed world are being reduced;<sup>15</sup> as the rest of the world becomes more affluent, this pattern will probably be repeated. Even more basic, of course, is the peaking of world population growth which occurred in the 1960s. Given these facts, it seems passing strange that the doomsdayism of Global 2000 is playing to rave reviews.

Of course things can go wrong. They often do, and this will surely happen again. But to argue that the whole world is heading straight for disaster within two decades borders on the foolish.

### The Lure of Doom

If Global 2000 is so biased toward doom, why did President Carter, a reasonably cheerful and responsible man, embrace its

themselves in time." ("Javanese Village: The View from Below," *Society*, September-October 1980, p. 43.) The idea that the world is more or less permanently short of food has been propagated by prestigious organizations anxious to dramatize the plight of the few by making it appear to be the curse of many. The Food and Agricultural Organization (FAO) is the prime example of this tendency. Its director, Lord Boyd-Orr, claimed in 1950 that two-thirds of the world's people went to bed hungry. It was later shown that Lord Boyd-Orr's successors knew this statement was untrue; it had been based on a simple confusion compounded by inaccurate FAO statistics, but the FAO was loath to soften the impact of this assertion. See Colin Clark, *Starvation or Plenty?* (New York: Taplinger Publishing Company, 1970).

15. For official data on improved U.S. air pollution levels, see Paul Portney, ed., *Current Issues in U.S. Environmental Policy*, published for Resources for the Future (Baltimore: Johns Hopkins University Press, 1978), p. 27, and Walter Rosenbaum, *The Politics of Environmental Concern*, (New York: Praeger, 1977), p. 152. The annual report for 1980 of the Council of Environmental Quality reported that the air in most American cities is becoming cleaner, including those with the dirtiest air (*The New York Times*, January 18, 1981).

conclusions so eagerly, and why is the world press little more than a claque for its gloomy message?

One motivation behind these apparently mysterious phenomena seems to us more emotional than rational, and rather admirable at that. Who cannot sympathize with the pious wish of the rich and comfortable to help the poor and deprived? For this is what Global 2000 seems to be about; to the extent that this claim has some validity, it is an uncomfortable task to find fault with studies of this kind. But where compassion blooms with such entrepreneurial vigor, can guilt be entirely absent? This perhaps explains the preoccupation of Global 2000 and similar studies<sup>16</sup> with the gap between rich and poor — which has little resonance among the poor. We feel sure that, in reality, the peasants of Bangladesh and the African Sahel are much more interested in self-improvement than they are in the difference between their lives and those of the affluent elites of New York, Dusseldorf, and Tokyo.

Why does Global 2000 proclaim, with such dismay, that the one-quarter of the world's population that inhabits industrial countries is projected to continue absorbing more than three-fourths of the world's nonfuel mineral production?

It would be odd if this were not the case; the problem of course is to create conditions under which the non-industrialized majority of the world's people can duplicate the high consumption of the industrialized world. But this is hardly the reason why Global 2000 revives this old chestnut. Guilt leads to compassion, and compassion may lead to action, to doing good deeds. Thus the inconsistent theme in Global 2000 that all is not (yet) lost:

Prompt and vigorous changes in public policy around the world are needed to avoid or minimize these problems before they become unmanageable.

Crying wolf, then, is the strategy of the do-good establishment which specializes in proclaiming that disaster will strike — unless we follow their advice in a big way right away. Aurelio Peccei, the founder of the Club of Rome, conceded that this was the case when he commented that "the limits to growth report had served its purpose of 'getting the world's attention' focused on the ecological dangers of unplanned and uncontrolled population and industrial expansion."<sup>17</sup> He made this statement in the context of

16. Notably the so-called Brandt report; for critical assessments of that study, see *Encounter*, December 1980, and Peter Day "Beneath Charity: The Brandt Report," *Policy Review*, Summer 1980.

17. *The New York Times*, April 13, 1976.



abandoning the Club's formerly negative attitude toward the desirability of further economic growth. By contrast, Global 2000 avoids taking a position for or against growth as such; its policy prescriptions are implied rather than stated. In his testimony before the Joint Economic Committee, Mr. Speth asserted that "the conflict between development and environmental protection is largely a myth"; adding that "we don't think that this report holds out a specter of limited or no growth." In this way, those responsible for Global 2000 seemingly want to avoid the onus of advocating limits to economic growth or resource use.

If, indeed, Global 2000 were the basis for U.S. policy over the next decade, what would happen? Solutions to the problems posed by Global 2000 are explored in the report delivered to President Carter by Mr. Speth and Secretary of State Edmund Muskie on the eve of Ronald Reagan's assumption of power. The report's tone is embodied in its title: *Global Future: Time to Act*. Among its recommendations are:

(1) An expansion of U.S. foreign aid by 40 percent over the next five years.

(2) A doubling of U.S. support for family planning.

In addition, the report makes dozens of suggestions for specific actions, many of them calling for the creation of new institutes, centers, task forces, and committees—as well as the expenditure of U.S. funds for such diverse purposes as aid to agriculture in poor countries, a conference on a conservation and management strategy for U.S. fisheries, and expanding efforts to train farmers in water management.<sup>18</sup> In general, *Global Future* is more restrained and reasonable than Global 2000, perhaps because it appears to reflect the thinking of bureaucrats more than the predispositions of professional environmentalists. As for the merits of its proposals, more U.S. foreign aid might be a good idea, but only if it is targeted on countries which need it most, and administered in ways which in fact encourage development rather than stifle it. On the record, this has often not been true. In any case, the affluent nations of the world clearly have a moral obligation to help the poor to improve their lot. To expand support for family planning is very probably desirable, given the strong likelihood that more and more people in developing countries will, for social

18. According to *The Washington Post* of January 15, 1981, Gus Speth estimated that it would cost \$1 billion to \$1.5 billion annually to implement the recommendations of *Global Future*.

and economic reasons, wish to limit their progeny, and need access to this information. Except for programs which penalize families for having excess children (for example, Singapore and China), such efforts are usually ineffective as propaganda, but can be very effective in providing information for people who want fewer children.

Some further policy clues are provided by Representative Reuss's report on *Averting Catastrophe*. While most of its recommendations are not policy specific, the report suggests focus on:

(1) The relationship between economic development and the globe's resource base.

(2) Dismantling barriers to the flow of capital and goods internationally.

(3) The links between the arms race and other global problems.

While these goals are, to some extent, unexceptionable, their implications are not entirely harmless. The first certainly suggests that development may deplete scarce resources. Preoccupation with resource shortages may promote conservation, and more conservation is certainly an important aspect of a rational energy policy. But conservation, at least as a rhetorical goal, has hardly been neglected by the Nixon, Ford, and Carter administrations. The trouble is that, unless the price rises enough, rhetorical exhortation and conservation are remarkably ineffective. By now, however, the price has reached levels which really promote both conservation and production.

There is no rational basis for singling out military spending as a possible source of funds to save the world. While arms are certainly non-productive in the economic sense, this is no news. Indeed, it is arguable that no economic growth whatever could occur without the security shield provided by military strength.

But the real point lies elsewhere. Our society pays a heavy cost in terms of low morale when its establishment endorses the notion that our socio-economic system is, in effect, corrupt and evil. If the idea that more economic growth will pollute the environment and rob the world's poor further infiltrates our school system, we should not be surprised that young people prefer the Sierra Club and Nader's Raiders to Exxon and General Motors. The upper middle class youngsters who graduate from our most prestigious colleges generally lack the kind of direct experience with work and hardships of any kind which breeds realism. They tend to be sheltered and idealistic — easy prey to those who deplore industrialism

and economic growth as vulgar and materialistic. It is precisely the prejudices, guilt feelings, and class interests (conscious and unconscious) of the affluent, the elite, and the privileged which inspire studies like Global 2000.

Since the advent of Global 2000 coincides with the demise of the Carter administration, the new team taking over in Washington should use Mr. Carter's Global 2000 swan song as an opportunity to show the differences between their respective world views in terms of sobriety, realism, and policy orientation. More importantly, a new study could identify problems more serious and pressing than those addressed by Global 2000: perhaps, for example, nuclear proliferation and runaway inflation. After all, Global 2000 arose from a worthy impulse to assess long range problems, and do something about them. If President Reagan decides to give us a more accurate and productive view of the future, he might help to inspire all of us to make a better world.

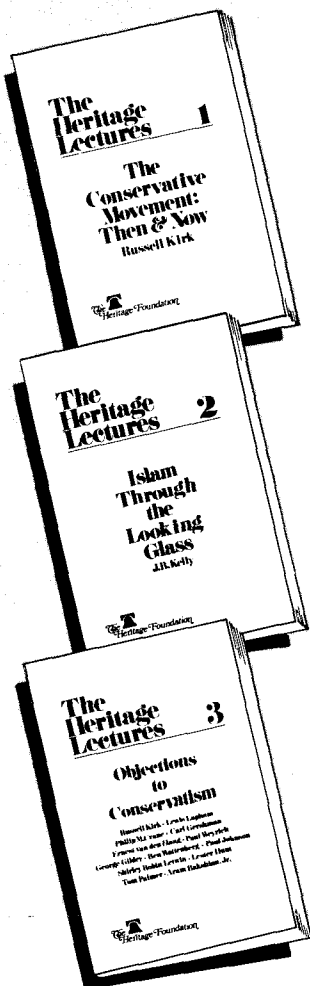
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# Tales from the Public Sector

Justice has been re-routed  
From present to future tense;  
The law is so in love with the law  
It's forgotten common sense.

Ogden Nash  
*The Old Dog Barks Backwards*

## *The Spoils of Regulation*

When some sector of the Soviet economy is even less efficient than the notoriously inefficient norm, the first bureaucratic reaction is to find a scapegoat and the second is to create a new Ministry. Last December it was announced that a new U.S.S.R. Ministry for Fruits and Vegetables had been formed and that Nikolai Timofeevich Kozlov, 55, had been appointed to the new ministerial post. The fact that he has spent all his working life dealing with the agricultural problems of Moscow Province, and that Moscow is still desperately short of fresh vegetables, does not seem to have counted against him.

Of course he faces an impossible task, and perhaps his being injured to disappointment was his greatest qualification. The Soviet Union covers such a vast and varied territory that it should be possible to satisfy most demands for fruits and vegetables throughout the year from its own resources. The problem, however, is that operating according to the laws of supply and demand is illegal, and "speculators" who can make huge profits satisfying the population's natural desire to avoid scurvy, can likewise earn huge jail sentences if they are caught.

Customers do have a choice. They can try to buy from the State trade network, where prices are reasonable but quality atrocious. Even the government newspaper *Izvestiya* (December 9, 1980) admits the problem: "Does everything which is grown get to the consumer? And if it does, in what sort of condition is it? Even at the height of the vegetable season customers often left shops with their string bags empty. People would come up, look at the