



**Book Review: *The Essentials of Economic Sustainability*,  
 by John Ikerd**

**Second** of two reviews by Gilbert Gillespie, Cornell University, and Antonio Roman-Alcala, San Francisco Urban Agriculture Alliance

Ikerd, J. (2012). *The essentials of economic sustainability*. Sterling, Virginia: Kumarian Press.

## Sustainable economies: A question of values

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I work with my hands in the ground, as a farming educator in San Francisco, working to reskill communities with sustainable agricultural design tools that I believe will contribute to a more sustainable society, person by person. Specifically, my work is located in communities on the economic edge of society because I believe strongly that a “sustainable” food system must by nature be equitable. Throughout this work, while occupied with everyday concerns of running community food projects, I have remained concerned with how true, or global, sustainability might be achieved within a context of the current economic structure and its apparent commitment to endless growth. Due to my growing interest in the complex

factors determining the success of projects like mine, I was excited to review John Ikerd’s *Essentials of Economic Sustainability (EES)*. Knowing of Ikerd’s background in neoclassical agricultural economics and his conversion over time to a position more appropriate to an ecological economist, I figured he would have something valuable to offer regarding the prospects for transitioning to more sustainable economies.

Though it did not provide too many of the practical solutions I was hoping for, *EES* provides a concise, thoughtful exposition on the kinds of values that underpin current efforts toward sustainability, values that might prove crucial to a future economy fundamentally and foremost

committed to environmental and social goals. The book's form would also prove useful to teachers of introductory courses on sustainability, as the chapters are short and the ideas within them are simply presented yet are thought provoking, and can be considered in isolation (although certainly the chapters interrelate). Ikerd also provides lists of thoughtful questions at the end of each chapter as teaching tools for reflection and discussion, which lends itself to splitting the book into teaching modules, each module/chapter building toward a better understand of the basics of ecological economics.

It's true that the 10,000-year human experiment of agriculture has proven far more dynamic, and less stable, than our previous economy of hunting and gathering. From ancient societies irrigating their lands until the salt content precluded production, to the historic Dust Bowls, to modern soil destruction in the Amazon for soybean production, the pattern of agriculture destroying its own basis for existence is hard to ignore. But Ikerd isn't leading us back in time; the questions he raises are whether and how we can create a sustainable economics today. If (as he and so many others have pointed out) "all economic value is ultimately derived from nature and society," then *economic* sustainability really means *environmental* and *social* sustainability. The "essentials" of the former, then, must entail the protection of the latter, and yet our modern economies provide plenty of examples where the latter is compromised for the former.

Ikerd does include some useful ideas, like "solar budgets" being used as the base of government budgeting processes — knowing that at base a sustainable economy is one that relies foremost on our most sustainable energy source, the sun. He decries the misdirection of energy toward creating more economic output with fewer workers, rather than more jobs from a given amount of economic output. Similarly, he points out how prosperity can grow without growth (what Herman Daly calls "qualitative growth"), and that policies prioritizing economic growth are "more likely to compromise rather than enhance the ability of individuals to grow socially and spiritually" (p. 114). Ikerd also criticizes modern society's reliance on contracts as

a function of the untrustworthy world we operate in. A sustainable economy must be built on trust, he argues, backed up by common-sense insights about the roles of trust, integrity, and honesty in human social and economic relations.

On the whole, Ikerd — considering his background in agricultural and applied economics — offers a heterodox take on capitalist economics: he is decidedly against the fixation with growth; he thinks that "free trade" regimes are damaging to the economic sovereignty of nations and that all economies are to varying degrees composed of market and government forces; he argues that "employment opportunities are too important to the overall well-being of society to be left to the economy" (p. 116); he is clearly concerned with values, and is convinced that the role of government as enforcer of cultural standards stemming from these values is crucial.

However, can a fundamentally flawed system really make the transformations Ikerd calls for? Ikerd still idealizes aspects of capitalist markets, arguing that markets contribute to "operational efficiency" (by which he means efficiency of production) and that, given conditions of economic competition (what other economists call a "perfect market"), the market's invisible hand would result in "allocative efficiency" (the satisfaction of society's *collective* needs). I've never seen a perfect market or any proof that one has led to allocative efficiency (in actuality, one sixth of the planet lives on less than \$1 per day). And after 2008's economic collapse I find it ever harder to accept the notion that markets lead to productive efficiencies, when we've see them instead increase profit-making for some at the expense of the production of needed goods and services for the many. In the end Ikerd's discussion of economic principles, like that of the neoclassical economists with which he disagrees, sometimes seems mired in perfect worlds that don't hold up to scrutiny.

What I find is missing from *EES* are concrete suggestions for how to implement "principles of economic sustainability" from our current historical position. Perhaps Ikerd intentionally avoided being overly prescriptive since solutions are so regionally determined. However, if his goal was to inspire action, I think he should have gone further.

Ikerd promotes the importance of government to deliver and sustain better economic, social, and environmental conditions, but doesn't analyze relationships of power that prevent this mission, and therefore doesn't suggest initiatives to fix these relationships. He addresses the market failures that emerge from monopoly power, but not the generalized corruption that constitutes many of the world's ostensible democracies. He misconstrues the actions of individuals within economies as well, arguing (for example) that: "Women traditionally have been paid less than men in most parts of the world, not because they were less productive but because they were more willing to work in lower-paying jobs" (p. 55). This implies that women, as a collectivity, were passively accepting of this inequity, rather than forced into it by social conventions of male dominance and female dependence, and the gendered marking of socially reproductive labor (the type that generally goes unpaid around the globe). In other words, Ikerd's treatment of both the larger, macro issues of global economics with regards to corporate internationalism, and the smaller, micro issues of personal choice and participation in the market economy leaves out questions of contingent constraints based in inequities of power, such as how power relations affect the ability of someone to contribute to the implementation of sustainable values or to redress grievances through government or civil institutions.

Economic sustainability is and will likely continue to be a contentious subject. Those who see economic growth as necessary for attaining sustainability or reducing poverty are loath to criticize capitalism itself: building from the argument that growth brings money, money brings wealth, and wealth brings better human and environmental health, capitalism's dynamism will likely continue to be seen by some as a blessing. Yet even if the capitalist economy contributes to "sustainable" technology development and increasing access to consumer goods, our modern economy's crashes, tragedies, and failures — driven partly by the growth imperative's superposition over all other values — are increasingly hard to ignore. Those who, like Ikerd and myself, see *quantitative* eco-

nomic growth as inherently opposed to sustainability doubt that technologies or technocratic solutions alone can solve problems that emerge from dysfunctional imperatives that themselves stem from the unique social relationships called into being by capitalism.

In attempting to provide a way forward, without being too capitalistic or socialistic, Ikerd is reaching for the middle ground, encompassing economists and environmentalists. This is admirable, and overall he succeeds. I doubt, however, that economists will accept his unavoidably values-laden vision, as theirs is a world steeped in numbers. Economists' values tend to be hidden by the presumed "objectivity" of their mathematical approach, and conceiving of our complex social-biological systems as machines with quantifiable parts makes the incorporation of values (into economic models) very difficult. This reduction of life to numbers is part of what ecological economist Richard Norgaard calls a worldview of "economism." If, in digging deeper, we find that the principles for sustainability (environmental and social values, according to the logic of *EES*) are directly and inherently precluded by the structure and ideologies of the current form of capitalist economy, how are practitioners such as myself to move forward? How might I deal with the fact that sustainably produced food costs more, making it inappropriate for me to tell my low-income friends and mentees to "vote with their fork"? How can I advocate for community-based agriculture as a valuable use of urban land, when that activity is very unlikely to compete economically with market-rate housing development or other money-making interests? Unfortunately, Ikerd does not give me much to work with in this area. Perhaps he will write another book that alludes to these less theoretical problems?

Still, I do take heart in Ikerd's sources of hope. One such source he locates in the "uniqueness of human intentionality" (p. 20). Compared with so many other beings on the planet, Ikerd reminds us that our effects on our surroundings can be shaped — and our negative effects mitigated — by the application of intention. It's not only individual positive intention motivated by values of sustaina-

bility that creates change, but also the combination of such forces into institutions and new social-structural arrangements. Ikerd's promotion of the synthesis of diverse knowledges into better and better analyses and solutions ("collective learning"), in the service of solving sustainability issues, is the idea for one such institution. This idea provides intimations toward the concept of a more decentralized and deliberative democracy as a basis for sustainability. Such a transformation of our political system could make headway toward sustainability by developing systems thinking among the populace and by reducing the voice of the currently powerful. If one accepts that our unsustainable behaviors aren't just the conscious choice of most people on the planet, and that our current governments are failing as mechanisms for social choice around environmental preservation and community development, reflecting instead mostly economic principles, perhaps all books on sustainable economics should from now on be read as

books about democratic governance, or the lack thereof.

The *Essentials of Economic Sustainability* was, for me, a reminder of the values that drive my work more than an introduction to new values or an exploration of how to change the world to bring about more democratic governance. Don't get me wrong, though: this doesn't mean it isn't a valuable book! I would recommend this book to anyone wanting a fully fleshed-out framework for understanding the hierarchies, values, and challenges of more sustainable economic systems. Considering its serious and political subject matter, it is about as un-ideological as is possible, and thus it also would make a great gift for someone who would be turned off by more polemical writing. If many more people were to be convinced of the importance of the values championed by Ikerd, I believe we'd be at least a little closer to the economically sustainable world that many of us are seeking. 