Today's progress trap

INTRODUCTION

In the past, societies often robbed the future by spending the last reserves of natural capital, in order to pay the present and create a few generations of prosperity. But as resources depleted, societies destabilized. Today it seems as if we are again focused on a shortsighted version of progress. What can we learn from former 'progress traps'?

OBSERVATIONS

‒ Measures of progress evolved over time: from the material stage (economic indicators, e.g. GDP), to the social stage (economic + social indicators, e.g. the list of social indicators of the OECD of 1982), to the current global stage (economic, social, and environmental stage, e.g. Millennium Development Goals).
‒ As we noted earlier, GDP does not prove an inclusive measure of well-being, and Fukuyama’s idea of the end of history, democracy as the ultimate system for society, is challenged.
‒ In The Rise and Fall of American Growth (2016), Robert Gordon shows that economic growth has stagnated in the U.S. Technologies that propelled growth peaked in 1970, and new technologies have not increased productivity. Gordon foresees slower growth in the future.
‒ In historical analyses, humans have been described as animals obsessed with progress (Yuval Harari). Our human needs, in fact, drive progress (Ronald Wright).
‒ In Collapse (2005), Jared Diamond studied what occurred when societies entered a progress trap and documents successes of societies who altered their course.

ANALYSIS

Our concept of progress changed over time. Although most would agree that the human condition has continually improved over the course of history, the 20th century with events such as the two World Wars, the use of nuclear weaponry, and climate change sourcing new conflicts and migrant crises, cast doubt on the idea of the linear continuity of progress. Instead, we have come to accept that improving the human condition is a complex, multi-dimensional matter.

Wright’s concept of ‘progress traps’ tries to explain why. Progress traps are new technologies that improve life at first, but whose large-scale implementations lead to unsustainable behavior and a failure of managing the risks. One of the earliest examples is how stone-age men, who improved hunting by using bows and arrows, finally caused the extinction of species that led to food shortages. Short-term focus on the quality of life, stability, or status, drives collateral problems to the back of our awareness. Our brain’s reward system has evolved to promote survival, reproduction, and novelty: we are primarily interested in consumption and less in coping with the by-products of our behavior, e.g. climate change, and an unsustainable financial system.
Are we creating a progress trap today? OECD’s report How was life? tracks dimensions of well-being since 1820 and shows the correlations between GDP and other dimensions of well-being. A negative correlation between GDP and the quality of the environment is clearly visible: we witness a declining biodiversity, pollution, and overpopulation. We treat these problems as negative externalities, but if we compare them to the signs of progress traps of earlier civilizations like the Sumers and the Romans, our global capitalist society seems trapped by its mainstream concept of progress. Climate change risks have unknown economic costs. In the end, these negative externalities will possibly weigh down on the GDP growth rate.

Wright and Diamond show us that societies can recognize and alter unsustainable practices. Several contemporary theories like Accelerationism, as we noted earlier, try to speed up the process of moving beyond the limitative conception of progress imposed by capitalist societies. In an intertwined, globalized world, our measurement of progress is already more inclusive. Trump’s decision to back out of the Paris Climate Change Agreement shows how hard it is to free ourselves from pursuing a one-sided idea of progress.

POTENTIAL BENEFICIARIES

‒ Sharing economy initiatives that add to economic growth while benefiting from more efficient asset utilization by sharing goods.
‒ Businesses and institutions that find new ways of aligning rewards of work with Millennium Development Goals.
‒ Sustainable investment funds.