

SUSTAINABILITY AND FREEDOM

Sustainability is not a goal, process, or philosophy. It is a measure of freedom of choice.

Mark Lee Ford

“Nothing!”

Ask anyone who has been in the sustainability field for a while “What have you accomplished?”, and you will likely hear that answer, resoundingly so.

Their failure has not been from lack of trying. Earnestness goes hand in glove with the job description. Efforts are well-meaning and Herculean. They neither hide their disappointment in the results nor shift the blame elsewhere, for example, by scapegoating “the ignorant masses” or “evil capitalists.” “Nothing” is accurate and honest, not false humility.

So what are they doing every day that accomplishes nothing? Advocacy and audits. Being a cheerleader or a powerless cop wears thin as the years drag on. Morale nosedives because the grand goals never come to life. Success always seems just out of reach.

They admit that something is off, but they cannot put their finger on what that something is. If sustainability is such a great idea having intrinsic virtue and benefits, then why—after decades and billions of dollars—has sustainability not caught on in the world? The pockets of success are few and far between and, upon scrutiny, the successes do not feel fully earned, but propped up. “Unsustainable.”

Why?

Sustainability’s fallacy

The foundational premise of sustainability has a glaring fallacy that is trivial to expose scientifically, but is impossible to penetrate emotionally and intuitively, making the entire concept of sustainability vulnerable to political exploitation by politicians, bureaucrats, activists, and the corporate suite. One only needs a single datum to prove a hypothesis false. Japan has plenty. Ironically, the desire for sustainability is ubiquitous and ever-increasing in intensity here.

The error that sustainability adherents make is that they think the physical amount of resources equals the utility of those resources. After all, there is only a fixed amount of oil in the world. Simple math: divide the proven reserves of oil by current usage, and one knows when the oil—or any resource—will run out. Who could possibly argue with that? It looks right. More important, it feels right. And when one is on a mission to save the planet, and when that mission carries political heft, feelings count for everything.

The number of atoms of a resource is fixed. Its uses are not.

A resource is matter plus a known way to use that matter. Find another way—another use—and you have created a resource without needing to increase a single atom of it. The human brain makes that possible, but it does not make the set of timely uses unlimited. A search takes time, energy, and the freedom to try a new use, one that has not already been discovered *and* assigned. Inhibit that freedom and the known use begins to look like the entire amount of the resource.

The utility that we can extract from any fixed resource expands through efficiency, substitution, and technological advancement—in other words, by human innovation. Arguing that resources will run out and humanity will collapse once it hits the hard wall of finite resources is an elementary error. The flaw in the premise that Earth’s resources are finite is that resources are not a fixed physical quantity, but a dynamic variable defined by the creative output of the human brain. When sustainability adherents treat resources as a fixed or shrinking pie, they commit a static fallacy.

To wit, the utility of resources is defined by our innovation applied to those resources, not by the physical quantities of resources present on Earth. The pie is not fixed unless we allow it to be. And we have been allowing it to be for decades, as you will soon read, hence the ever-increasing desire for sustainability.

Two camps

The appeal of sustainability to the intelligentsia—its staunchest advocates—is unsurprising given its close connection with the unconstrained vision and the erroneous tenet of the fixed pie.

Thomas Sowell has distinguished two ways of looking at the world. One treats man as perfectible—inherently good and virtuous—and resources as fixed. If we can find the right smart and virtuous people—central planners—to decide

how to divvy up the resources among all of us, then we will achieve something close to Utopia. This is a powerfully attractive idea: justice conquering injustice, equal outcomes, fairness, and so on. And a happy ending with a fixed pie.

The other carries a story that is unattractive, even dirty by comparison. Man is flawed from Day 1. There are no solutions, only tradeoffs that come with decisions, and the problem of optimizing the tradeoffs is an infinite-variable problem that is impossible to solve by any one person or politburo or computer. Only when people decide in their own private capacity will the benefits to the greatest number of people be maximized. No Utopia. No happy ending for everyone. At best, a happier ending for most, but certainly not for all. Astonishingly, despite the messiness and apparent chaos of people making their own decisions about how their labor and resources are used, the pie is not fixed.

The desire for sustainability

The desire for sustainability means that someone—some authority—has closed the search for new uses of a resource. It does not mean the world is running out of stuff.

A service is what people want: heat, food, a material, and so on. A known use is one way that has already been created to get the service. The search is an attempt to find another way, a way that nobody has assigned. A creation is an attempt that works. The search closes when the person doing the work is no longer free to try.

Close the search, and new creations stop. The known use starts to look like the whole supply. The stock looks like a pie that must be guarded. People want to keep the known way going because nobody is looking for another. When the search stops, they mistake the absence of creations for a limit of nature. They are voluntarily choosing the pie to be fixed.

A listed reserve is not the planet's inventory. It is the part already found and worth using at today's price and method. Divide that by today's consumption and you get a date that mostly measures ignorance and a low price. Where someone can charge for scarcity, the price pays for more search, for poorer ore, and for substitutes. Treating today's reserve as the pie is the mistake.

Meiji and Taishō industry is the exhibit, not the metaphor.

Kunihiko Iwadare, the co-founder of NEC, was not a poor boy. He was a domain samurai's son who had already been to Thomas Edison's shop. What he added was a use Japan did not yet have. He chose alternating current because it was the better way to move power, not because it was the assigned way. In 1899 he took Western Electric's investment of 54 percent in NEC so that Japan would have a telephone works. The copper and the coal were already here; the use was not. He created the use by refusing the method in front of him: Edison's direct current, and Kibataro Oki's refusal of foreign control.

Namihei Odaira, Hitachi's founder, is the plainer case. No inheritance. An engineering job at a copper mine. The assigned work was repair of imported machines. He built a five-horsepower motor instead, and Hitachi began as that disobedience. A repair order would have sustained the known use. The unassigned attempt created the firm. He did not even own it at the start. Kuhara did. Ownership was not the point. The attempt was.

Innovation depends on freedom of choice

Freedom to choose is freedom for one to pursue the problem, not to select from a menu of resources approved and assigned by an authority, be it central planners in government or the CEO and his (fair weather) supporters in a company.¹

Nobody spends someone else's freedom as carefully as he spends his own. Authority assigns for control (countable result) and insurance (fear of fixed pie). With it comes a paradox of control: securing the known result destroys attempts that would make control less necessary. Authority keeps the limit as insurance for the known creation—the known use. The missing creations then make the resource look like a fixed pie so the call to guard the resource gets louder, and the louder call justifies a tighter limit.

As cronyism between government and business has grown steadily since the 1960s, and the attendant bureaucratic mindset has infected all affairs in society, restrictions on freedom of choice have likewise increased, hampering creativity and innovation.

Authority assigns the way because it wants a result it can count, check, and blame. An open search promises no creation. It may fail. It may miss the target. It may create a use authority did not choose. So a planner, a ministry, a

¹ Falsifiers of my conjecture: (i) the menu truly cannot grow; (ii) the authority's assigned uses and outside creations still appear at the same rate; and (iii) desire increases with the actual drawdown of the resource, not the fall in unassigned attempts to create a new use.

firm, or a law names the method, and enforces it with an order, a permit, a quota, or a penalty. Ingenuity is not capped in the brain. It is capped by the order.

The limit stays because authority fears a fixed pie. Other attempts look like waste, or a risk to the stock. The limit insures the known creation by stopping the search that would create another. The closed search makes the scarcity look more real, and the call to sustain the known way gets louder. The more people focus on sustainability, the less free they are to choose. More focus, tighter limit. Tighter limit, more focus.

Control can protect a known creation. It cannot order the next one. A creation is an attempt that had to be free to be wrong. Iwadore's alternating current could have been a career-ending mistake. Odaira's motor was not his job. Success at control is failure at renewal.

Two limits remain, and they should not be romanticized away. If no one owns the stock, the price never rises and the search is never paid for. A fishery. An aquifer. A dump for waste. And a search takes time. It can lose to the clock. Those are limits on institutions and on time. They are not a fixed pie. A fixed pie is ingenuity on orders.

Control is the motive. The limit on personal freedom is the instrument. The desire for sustainability is the result. None of the three means matter is infinite. But it shows that the desire for sustainability runs inversely to freedom of choice.

The claim fails if uses really cannot grow, so guarding the known creation is the only sane response. It fails if a center assigns the problem and outside creations still appear at the same rate. It fails if the desire tracks atoms actually running down, rather than a fall in attempts nobody assigned. Until one of those is shown, treat a loud sustainability program as a report. It is telling you where the freedom to try has already been spent.

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