Vol. 5, No. 1 January 2010

A Rocket Left Launcher — Modern Industrial Civilization

(No. 2 of the series of Reflections on Economics Law and Ethic Culture Caused by World Financial Crisis)

Yu Tian

Northwest University of Politics and Law, Xi'an 710063, China E-mail: leihan599@hotmail.com

Abstract

Focused on the macro level of economics law and ethic culture, this paper aims at finding out the fundamental obstacles for sound development of world economy and providing scientific theory for the establishment of a healthy global financial, economic, legal and social system as well as ethic cultural basis.

Through macrolevel analysis on modern economic theories, this series 2 exposits the essence of the modern economic theories and industrial civilization of the world from historical perspective.

Keywords: Science and technology, Modern economic theories, Global economic crisis integration, Space for development of industrial civilization

1. The Modern Economic Theories Stand on the Same Base Point of Science and Technology

Looking at the various schools of western economists, the theories, whatever live in the orthodox position in post-war west economic circles of the post-Keynes mainstream economists, or the Neo-classical liberalism Economists who take Hayek as the representative compete with the Keynesian, although there are too much difference in their theories, the purpose is same: seeking the causes of various social ills under the capitalist system, finding the way of curing the ills, making an ideal, happy, stable, sustainable capitalism. One word, much better social order and life for mankind.

All kinds of theories have some effects for helping governments or enterprises to regulate economic activities, However, their effects are just in short-term and unsustainable, it has been full proved by the global financial crisis, soever advocating "market regulation", or stressing "government's intervention", or combining the both.

Marxism and some left-wing economists are opposed to the capitalist system, but their purpose is not contradictory with the others mainstream economists of Western capitalism, The reason why leftists are critical of capitalist system and oppositional to such a system because they believe that there are too many serious drawbacks which are insuperable obstacles by capitalism. Human beings have to establish a new ideal social system will be able to avoid economic polarization and recurrent crisis to enjoy an equal, happy, well-ordered social life. The theories of Marx and all his followers including all left-wing economist do not guide them to build a successful example of socialism institution finally during they practice the socialism, their practice on socialism in global field is frustrated, and up to now can not supply a perfect hypothesis which is not only able to solve the new economic crisis caused by overproduction and waste of resources under capitalism, but the economic crisis of shortage for material products caused by underproduction also, and bureaucratic privileges with corruptions because of the extreme centralization. (Ding, Sheng-Zhen et al, 2009. etc)(Note 1)

How incompatible and different the economists are in schools, but they are totally same with keeping industrial civilization up on the premise of developing science and technology. All the bifurcations or differences are that people should put what kind of institution, organization and policy in practicing the how of gaining, occupying and sharing wealth is the best way, which is maximum, stable and sustainable. It is indubitable that modern economic theories stand on the same base point of science and technology, are not contradictory.

All the socialism countries, including the former socialism countries, invest manpower and material resources in developing science and technology, especially in heavy industry and military not less than developed countries. Taking former Soviet Union and North Korea as an example, millions of hungry people have not enough food to eat, in such a case that the rulers make the countries gone in so powerful states of nuclear deterrent actually that the whole world have to pay big attention to them.

Modern science and technology develop rapidly every day, which is the sufficient evidence that all the world is making every effort to pursue and promote its developing speed. The reason is a rigid rule, that is, who is prevailed in this area,

which is mean in possession of priority and dominant position, the others have to obey this position in economic and even political, make too much sacrifice to the owner of the position. The status of the first powerful country, United States, is generated by this case.

In industrial civilization, human beings tie own to science and technology too tight to separable as one as flesh and blood, in order that they have controlled the mode of production and life, even law, institution, culture, moral consciousness and way of thinking, every aspect. Standing on this same base point was precisely why the world economy was able to complete the economy integration rapidly in several torrents of technology developing swept after the war. (2009)(Note 2)

2. Global Economic Crisis Integration

The completion of world economic integration can not help but make economic crisis go into integration, either. Its routing showed when economic crisis appeared, trade protectionism is against world economic integration to be gaining some ground. Nevertheless the case is on the contrary every time, crises in a new round that accelerate the process, and make it deeper and wider in the world over but do not stop.

We observed only from the 1970s. to start: In 1975, the United States, Britain, France, West Germany, Japan and Italy, the six main industrial countries combine into one Group of Six (G6), since then, the group's expansion process had never been stopped. In 1991, the world patterns undergone great changes, former Soviet Union entered actively into western world, and formed the G8 soon. The financial turmoil in 1977 appeared newly-emerging nations in Asia and influenced over the western economies, therefore the western nations established an informal dialogue mechanism with the emerging nations so as to prevent the recurrence of the financial turmoil from affecting severely on the world economy, G20 was put forth by the financial turmoil really.

We are able to see that taking more than ten years from G6 to G8, however, only a few years from G8 to G20. According to a United Nations estimate, in terms of the size of its economy of all the members of G20 has taken up 85% in the world. All leaders including the United States put forward unanimously to reconstruct a new world economic order, at the G20 meeting in Pittsburgh. It is sure to say, the new order will reflect a fresh global architecture which is much more co-operation and integration in the future world economy. As President Barack Obama said, the summit laid the ground for an era of co-operation, and he linked the co-operation of summit with the prosperity of ordinary Americans. In the statements the White House said, because of "Dramatic changes in the world economy" the leaders had "reached a historic agreement to put the G20 at the centre of their efforts to work together to build a durable recovery while avoiding the financial fragilities that led to the crisis". Gordon Brown, the UK prime minister, went even further, describing the new body as offering "more chance of delivering results than anything since the Second World War." All these symbolize that the move is very important since it brings the system of economic co-operation up to date with changes to the global economy that have been apparent for more than a decade - notably the rapid shift of economic, the crisis accelerates the global economic integration even further.

From this history we see clearly, world economic integration has led to the integration of the crisis, in turn, the crisis integration strengthen further the speed and degree of economic integration. In the end, the world economy just like what a Chinese proverb says, all nations are that "the grasshoppers tied to one rope", no one is out of the rope.

3. The Confined Space of Human Industrial Civilization

Human industrial civilization has developed over 200 years since Industrial Revolution, during the period material wealth produced exceed much more than the sum of the previous history over five thousand; simultaneously non-renewable resources consumed are also further more than the sum of the history. The society of industrial civilization is developed greatly by human using means of science and technology, however, is the developing space of industrial civilization infinite? In addition to financial, economic, political, cultural, moral and the other sociality crises, between the mankind society and nature wherein even serious crisis lurk at present, which means that human industrial civilization development of space is limited, not unlimited. Someday this space will be no longer existed for the life mode of human beings.

In 1972, Meadows and other 17 leading scholars from developed and developing countries, pointed out, in their report caused a big stir in the world, "Limits to Growth", that the main resource of supporting the industry, oil, coal and the other sorts of indispensable essential mineral resources are drastically reducing, most of them will be exhausted within a hundred years. "World Resources 1988-1989", edited by WRI and IIED, indicate that oil reserves can maintain the world only 32.5 years, natural gas can last only 58.7 years, coal keep only 226 years, by the drain rate on resources meanwhile. The famous "Daly Statistics" shows: put all the world's essential non-renewable resources together, only enough for 18 percent of the world's population to live with modern American life style. Some one put such a question to Mahatma Gandhi over half a century ago, "Like after getting independence whether India can reach the living standard of the suzerain. Gandhi asked back: Britain achieved such a rich level that it had consumed a half of the resources on earth, how many earth does a country like India need? "Gandhi answered this question from in terms of

entire mankind and the global ecology. He clearly realized that it is beyond the bound of nature that the industrialized consumption for resource and the desire human beings for enjoy material wealth.

The data from Guangzhou of China Environmental Sanitation Bureau show that in 2008, domestic garbage in Guangzhou reached 9776 tons daily, the output is expected up to 2010, will be over million tons per day. It has been at an annual increase of 5% since 2004, because of increasing so speedy that the largest urban garbage treatment site is ended in advance of 8 years. It lasts to 2012 only. Another emerging industrial city, Dongguan, the garbage output is thousands tons daily, only 30% in a harmless treatment. Beijing, Shanghai, Jiangsu and other places have had to face the predicament of waste disposal. (Note 3) These problems are only a tip of the iceberg around the world. (2009)

The ocean, which covers 71 percent of the earth's surface, is threatened with certain destruction, the problem, ocean pollution and ocean trash, is increasingly severe. "The New York Times" published a group of photos recently on the Pacific Garbage Patch on its website, to remind people that the ocean has been becoming a garbage dump of humanity. And most of them are high-tech trash.

In fact high-tech trash has polluted in the outer space, which also become a serious environment problem. Since the first artificial satellite was fired off in 1957, various space vehicles has launched into space by human beings during the 52 years, a part of them is flying in orbit as space trash. Space scraps recorded can be observed from the earth about 4000, which have been space trash about 3,000 tons, and the amount more and more every year, even caused some satellite accidents.

So many data prove that industry civilization not only consume earth resources out too fast, but pollute and destroy the living environment, which brought by science and technology to human. In addition to all above, even it is advanced the evil consequence that the expansion of world population encroaches on land resources. All these tell us that the confined space for developing industrial civilization will is approaching to the end.

4. A Rocket off Launcher — Modern Industrial Civilization

Many people who are filled by the confidence for the future of human believe, all the crises faced by human will be resolved one by one in the process of developing science and technology. It is indubitable that all the crises will be able to solve with some wises, however, may the modern science and technology make various crises done for humanity?

Based on the conclusion in the analyzing the characteristics of science and technology in No. 1 of this series articles, the answer is: no. use the means of science and technology to regain a perfect earth which would no longer be spoiled, make them obey to be dictated by human and become human's servant, which is never the nature of them. Everything in the universe is never out of the "law" in counterpart each other, exists side by side and plays a part together, only advantages no disadvantages in any thing that is never exist. Enjoying the lap of luxury under industrial civilization that means inevitable facing the evil consequence the environment is destroyed. Being stuck on enchanted "Pandora" that means accepting her gift. It is nothing more than mankind's unilateral nice willingness that making science and technology return the earth as beautiful as ever to human. Modern industrial civilization just like a rocket left the launcher which is blazing out into space until it vanish in thin air. Maybe we can make out this subject clearly by the following facts.

First, a well-known fact is that with regard to Convention come to a binding treaty cuts in carbon emissions. From the last century, 38 developed countries signed the "Kyoto Protocol" to the February 16, 2005 which became effective, US and developing countries are still in the "blame game", make the treaty which only maintain a low cuts standards can not be executed. The attitude the American government is opposite to "Kyoto Protocol" come from the view of majority public, especially from these states such as Virginia, Nebraska and Michigan, which have either strong coal-based manufacturing or agricultural lobbies. The excuses by the three: first, that some people offer: the science underlying climate change is highly uncertain, and costs exceed benefits; second, that it would delay the democratic process of industry in the world, or transfer wealth into developing countries; third, that it will increase unemployment, it is absolutely not allowed.

China and India, the two most populous emerging countries have relatively lower, but very high in absolute emissions per year because of the huge population, so as to growth rapidly, China has even surpassed US. These emerging countries claim that high-carbon emissions should be traceable to the primary developed countries in world history, especially US. So they should bear the chief responsibility, and take effective measures firstly, then developing countries would follow. It means that the developed countries had enjoyed the benefits of high-tech meanwhile the world environment was destroyed by them, the new emerging countries under developed, why should charge with the duties at the same time with the developed countries, it is absolutely not fair, and allowed either.

Under these circumstances, United Nations climate change conference in Copenhagen focused by the attention of all world will be reached some agreement and specific promise which is almost impossible. All these fully reflect that the value orientation of human beings who face environmental protection and vested interest. (Nancy Birdsal, Arvind Subramanian et al, 2009.). (Note 4)

Next, the difficult problem that no politicians and business leaders would take an initiative action to be responsible for cutting emissions has not been resolved yet, the scientific circles fell into another conflict. One side is the more aggressive green groups, the other side is the increasingly bold ranks of the skeptics, who insist on no tangible proofs some certain relationship between climate changing and carbon emissions. It seems the conflict in this turn the sceptics have gotten some ace in the hole, which is the opposing side overstate the scientific case for global warming and suppress contrary findings. I was supposed that scientists should keep their heads best, but they do incandesce such a pure science case, the matter seems a puzzle, but not yet. (Note 5) Because science and technology can make mankind quickly prize some benefits and privileges from material wealth, the "magic" existed in its framework of industrial civilization has made most people in the world become fetichists of money and powers unconsciously. (Fiona Harvey. et al, 2009.)

Since science and technology-led the values of economy, politics, legality, ethics and culture which framed by human industrial civilization are not able to ravel out the problem of climate and environment effectively. The industrial civilization is a rocket lauched from a launcher, its one and only fate is blazing out into space until it vanish in air, however, it does not mean that human beings would fall in a decline to death with it together. In the history of earthman has never some everlasting civilization since hundreds of millions years, but human society always stand and prosper on the earth again and again by some another way of civilization.

References

Frederick Lewis Allen. (2000). Only Yesterday: An Informal History of the 1920's HarperCollins Publishers. 1st Perenn edition August; (1986) Since Yesterday: The 1930's in America, September 3, 1929 to September 3, 1939 Harper Collins Publishers. REISSUE July; (1993). The Big Change: America Transforms Itself 1900-1950, Transaction Publishers. REISSUE January 1st

Chen, Ping. (2009). Recessionary Times. Beijing Economy Press. June

Notes

Note 1. Relevant details can be obtained in the following articles:

Ding, Sheng-Zhen. (2009). South Korean left-wing academician, interview report with Robert Brenner, international well-known left-wing academician on the current financial crisis, South Korean newspaper *Seoul*. (February 4);

Chen, Ping. (2008). Beijing University professor, Overproduction Is The Underlying Cause of The Financial Crisise (December 3). [Online] Available: http://info.chinasuntv.com/news.aspx?i=2888&p=5

Wu, Jing-Lian. (2004). Researcher, State Council Development Research Center of China, On the tracing & being rooted out. *Finance & Economics*. (No. 25.); (2005) Reform is a fundamental meanse of curing corruption, *Financial Research* (No. 4.)

Jiang, Zan-Dong. (2004). On fetishism of power—and analysis the the underlying causes of transformation of the socialism in former Soviet Union & East Europe *Academic Frontier* Hong Kong(No. 7.)

Note 2. Relevant details be obtained in this writer's articles, (2009) What Brings Diversified Global Economy into Integration, No. 1 of the series of Reflections on Economics Law and Ethic Culture Caused by World Financial Crisis, published in this magazine (No. 12.)

Note 3. Liu, Xi; Xie, Qing-Yu. (2009) "Garbage encircle the cities" being no land to living. South Daily China (Page A8 November 19)

Note 4. Relevant details can be obtained in the following articles:

Nancy Birdsal, Arvind Subramanian. (2009) Forget emissons, focus on research. *Financial Times*. [Online] Available: http://www.ftchinese.com/story/001029823/en (November 19).

Philip Stephens. (2009). How to make a successful failure out of Copemhagen. *Financial Times*. [Online] Available: http://www.ftchinese.com/story/001029748/en (November 17).

Note 5. Fiona Harvey. (2009). E-mail tirade boosts the sceptics' cause. *Financial Times*. [Online] Available: http://www.ftchinese.com/story/001029923/en (November 25)

Editorial. (2009). A VITRIOLIC CLIMATE *Financial Times*. [Online] Available: http://www.ftchinese.com/story/001029922/en (November 25).