



Book Review

Common Wealth: Economics for a Crowded Planet

Jeffrey D. Sachs. 2008. *Common Wealth: Economics for a Crowded Planet*. New York: The Penguin Press. 400 p. ISBN: 978-1-59420-127-1, \$27.95

Jeffrey Sachs has established a commanding reputation for his pioneering approach to enlightened globalization that guides low-income and transitional countries to develop while relieving poverty. He has written on economic geography, political economy, transition to markets, climatic determinism, debt, disease, and the historical and institutional conditions that intensify the problems of achieving growth with equity. His previous best-seller *The End of Poverty: Economic Possibilities for Our Time* explained why the wealth of nations has diverged so much, how economic poverty leads to poor governance, and which integrated solutions (agricultural technology, microcredit, treated beds to protect children from malaria) could help LDCs to surmount their problems within the next twenty years.

In his latest book, *Common Wealth: Economics for a Crowded Planet*, Sachs attempts, with less originality, to accomplish the same tour de force for environmentally sustainable development. Interconnecting environmental sustainability, stabilization of population, and the end of extreme poverty and global cooperation, he warns that unless humankind finds a new paradigm of environmental awareness, trust, cooperation, and inclusiveness, the global economy will collapse. Since humankind has enough fossil fuel for the remainder of this century, the challenge becomes how to use it without wreaking permanent damage. Low-cost technical solutions must be shared through global cooperation.

Sachs sets the background for several to-do lists to mitigate six trends that he believes will shape the 21st century: economic convergence; population growth; Asianization; urbanization with rising incomes; environmental challenges; and the poverty trap preventing the poor from accessing the agricultural, educational, medical and infrastructural technologies around them. Since environmental impacts are the product of income/capita, technology and population, Sachs recommends microcredit, technology development and extension and surprisingly draconian population control measures to empower the poor. He warns that the era of human technological

advance (“Anthropocene”) has led to proliferation of invasive plants and animals, bird extinctions, the endangerment of marine fisheries and unsustainable trends in coal-fired electricity generation plants (particularly in China). The period 1995-2006 contained 11 of the 12 hottest years in history; intensifying wars in Africa occur in low rainfall years. Over the next century, China will also drain imports of soybeans, hardwoods, oil and exotic animals from the rest of the world. Meanwhile, the Pentagon spends more in 3 days than it would take to eradicate malaria. Indeed, Sachs is highly critical of former president George W. Bush, whom he excoriates for “reckless prevarication” on environmental and other issues and a “war on family planning” at the UN and in economically less development nations.

The solutions to the syndrome of economic, environmental and social non-sustainability are to defuse the Cold War on Islamic fundamentalism (as Kennedy tried to do) rather than inflame it as Bush did; reinvigorate global cooperation, provide much higher levels of foreign aid, punish those countries that misuse aid and pervert its purpose through corruption, stop generating technological advances that exacerbate global warming, balance the carbon budget at both the micro and macro levels, and capture and store excess CO₂. Sachs further recommends that drug companies divide the market for antiviral cocktail (setting the price at, say, 350 dollars per year in poor countries and 10,000 dollars per year in industrialized nations), which could not only increase their revenues but save 200 million Africans from certain HIV death.

One key strength of the book is the felicitous choice of chapter and section headings: The Anthropocene, the Power of One, New Economics for the 21st Century. Sachs also provides an excellent summary of the key roles of public, private and NGO sectors, and how much it would cost to fix each type of millennial challenge. Finally, Sachs' book is full of to-do lists: actions and policies to protect biodiversity, measures to reduce both fertility and child mortality, and steps to end the poverty trap. Two such lists are particularly good: a table of strategies for LDCs to climb the “development ladder”; and eight actions that each citizen can undertake: learn, travel, participate in sustainable development organization, push engagement of our community, blog, become politically active, engage the workplace, live by norms of the millennial promises.

Unfortunately the book has three main problems that make it less successful than *The End of Poverty*. First, neither the theme nor the solutions are particularly new; and the style is less engaging than that of previous writers on the topic. The theme of a common fate on a crowded

planet goes back to Malthus; but already in the 1960s Marshall MacLuhan's *Spaceship Earth* outlined the broad themes and issues inherent in Sachs' book. The closest work in both time and objective is Al Gore's *Earth in the Balance*, a masterpiece-turned-movie that combines authoritative statistics with a new paradigm of the link between the external ecology of the world and the internal ecology of the human spirit.

Secondly, this book by a noted economist has very little to do with economics at all. True, several glossy charts provide colourful portrayals of carbon capture and storage, dryness and conflict, and Millennium Villages involving high yielding technology, good harvests, malaria control, better water, school attendance. But the analyses and charts benefit little from the huge advances in positive and normative estimations of economic growth, structural change, macroeconomic stability of open economies, appropriate technology, or human capital. Sachs overemphasizes the internal combustion automobile and argues extensively for hybrids; surprisingly, the book shows no awareness that the least polluting automobiles over the last 109 years have been electric. At the very least, an integrated economic systems diagram with cost and benefit estimates would have helped to "economize" the text.

Finally, many of the conclusions and recommendations are either obvious or stated with preachy populism. For example, Sachs recommends climate cooperation to meet global targets among countries, and points out that such cooperation should be financed by the developed countries! He tells the reader that environment, demography, poverty, and global politics are not just problems but existing challenges. The repeated statement that "we must not be complacent" about population, pollution, habitat, global warming tells us little that we do not already know.

Despite these shortcomings, Sachs hopes for an "older and wiser" world where we are all agents of change. I recommend the book to thinking people from all disciplines, no more to economists than to anyone else.

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