
Common Wealth - What's Next 2008

The 21st century will overturn many of our basic assumptions about economic life. The 20th century saw the end of European dominance of global politics and economics. The 21st century will see the end of American dominance too, as new powers, including China, India and Brazil, continue to grow and make their voices heard on the world stage. Yet the century's changes will be even deeper than a rebalancing of economics and geopolitics. The challenges of sustainable development—protecting the environment, stabilizing the world's population, narrowing the gaps of rich and poor and ending extreme poverty—will render passé the very idea of competing nation-states that scramble for markets, power and resources.

The defining challenge of the 21st century will be to face the reality that humanity shares a common fate on a crowded planet. We have reached the beginning of the century with 6.6 billion people living in an interconnected global economy producing an astounding \$60 trillion of output each year. Human beings fill every ecological niche on the planet, from the icy tundra to the tropical rain forests to the deserts. In some locations, societies have outstripped the carrying capacity of the land, resulting in chronic hunger, environmental degradation and a large-scale exodus of desperate populations. We are, in short, in one another's faces as never before, crowded into an interconnected society of global trade, migration, ideas and, yes, risk of pandemic diseases, terrorism, refugee movements and conflict.

We also face a momentous choice. Continue on our current course, and the world is likely to experience growing conflicts between haves and have-nots, intensifying environmental catastrophes and downturns in living standards caused by interlocking

crises of energy, water, food and violent conflict. Yet for a small annual investment of world income, undertaken cooperatively across the world, our generation can harness new technologies for clean energy, reliable food supplies, disease control and the end of extreme poverty.

That's why the idea that has the greatest potential to change the world is simply this: by overcoming cynicism, ending our misguided view of the world as an enduring struggle of «us» vs. «them» and instead seeking global solutions, we actually have the power to save the world for all, today and in the future. Whether we end up fighting one another or whether we work together to confront common threats—our fate, our common wealth, is in our hands.

To make the right choice, we must understand four earth-changing trends unprecedented in human history:

First, the spread of modern economic growth means that the world on average is rapidly getting richer in terms of incomes per person. Moreover, the gap in average income per person between the rich world, centered in the North Atlantic (that is, Europe and the U.S.), and much of the developing world, especially Asia, is narrowing fast. With well over half the world's population, fast-growing Asia will also become the center of gravity of the world economy.

Second, the world's population will continue to rise, thereby amplifying the overall growth of the global economy. Not only are we each producing more output on average, but there will be many more of us by midcentury. The scale of the world's economic production by midcentury is therefore likely to be several times that of today.

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Third, our bulging population and voracious use of the earth's resources are leading to unprecedented multiple environmental crises. Never before has the magnitude of human economic activity been large enough to change fundamental natural processes at the global scale, including the climate itself. Humanity has also filled the world's ecological niches; there is no place to run.

Fourth, while many of the poor are making progress, many of the very poorest are stuck at the bottom. Nearly 10 million children die each year because their families, communities and nations are too poor to sustain them. The instability of impoverished and water-stressed countries has ignited a swath of violence across the Horn of Africa, the Middle East and Central Asia. What we call violent fundamentalism should be seen for what it really is: poverty, hunger, water scarcity and despair.

These great challenges have not entirely escaped worldwide notice. In the past 20 years, world leaders on occasion have groped for ways to cope with them. In fact, they've achieved some important successes, and with considerable public support, which can provide a foothold for a sustainable future. We have adopted a global treaty for climate change; we have pledged to protect biodiversity; we are committed globally to fighting the encroachment of deserts in today's conflict-ridden dry lands of Africa, the Middle East and Asia. And the world has adopted the Millennium Development Goals to cut extreme poverty, hunger and disease by 2015. The challenge is to turn those fragile and unfulfilled global commitments into real solutions.

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