
Ration Consumption or Ration Production?

by Don Fitz

Stan Cox got quite a few folks a bit hot and bothered when his book *Losing Our Cool* critiqued air conditioning during the middle of the 2010 heat wave. Now, in the middle of massive joblessness and economic downturn, his new book, *Any Way You Slice It: The Past, Present and Future of Rationing* (The New Press, May, 2013), is based on the assumption that humanity needs to massively reduce consumption if it is to have any chance of surviving.

Is the guy nuts? Does he hate the working class and poor? Or does he have very keen vision into a topic that few progressives and socialists have even thought about? Peeking beneath the surface, *Slice It* has the potential to spark serious discussion about the role of social wages in challenging climate

With about the same workforce, the plant is producing 50% more tires than before...

change as well as control over production during the transition to a post-capitalist society.

Away with confusion

The book challenges many conceptualizations, beginning with the faith that unlimited expansion of the economy is possible or even desirable. A direct challenge to green growth enthusiasts, *Slice It* minces no words regarding the multitude of environ-

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mental catastrophes that require an entire re-thinking of what the “good life” is all about.

Another misunderstanding is that rationing occurs rarely and only under special circumstances. In fact, virtually everyone participates in rationing every day. It is not an issue of “Will we ration?” The question is “How will rationing occur?” In a typical capitalist society, goods and services are rationed by the amount that people can pay for them—what economists call “implicit rationing.” Anyone can obtain what they can afford and cannot buy what they cannot pay for.

A third source of confusion is the idea that rationing is always by quantity: a certain amount of this and so much of that. Though this type of “unit rationing” occurs, there is a vast array of rationing systems. Much more frequent is “rationing by points,” when people choose between multiple items.

By far the biggest misconception regarding rationing is that it is always hated. Not only is it not universally disliked, there are many times when people want rationing.

- Feeling that it would help feed Europe, US citizens supported food rationing during WWII.
- Life expectancy increased in England with the rationing of medical care during WWI and WWII.
- During the 1970s gas shortage, Americans expressed preference for rationing over tax schemes.
- Despite food shortages, rationing eliminated childhood malnutrition during Cuba’s “Special Period” after the fall of the USSR.
- People accept rationing of emergency room care by need and reject care going to those who pay more.
- In lab experiments, participants prefer that scarce water go to “weak people first.”

Actually, claims that rationing is liked and disliked tend to both be true. The rich try to stir their allies into an anti-rationing frenzy even though they adore “implicit” rationing by price, which guarantees them what they want. Those who are less well off prefer rationing of

basic goods and services, especially when they are in short supply as in times of war.

Rationing what?

The central theses which Cox drives home are (a) the Earth sets limits to human activity; (b) this means that there are limits on human consumption; (c) “explicit” or openly defined rationing is the only fair method of distributing goods; and (d) the importance of fairness will increase as environmental crises worsen. The book draws on academic literature, a vast array of stories and extensive personal experience. The author shares with readers his knowledge of water rationing in India, bread rationing in Egypt and medical rationing in England.

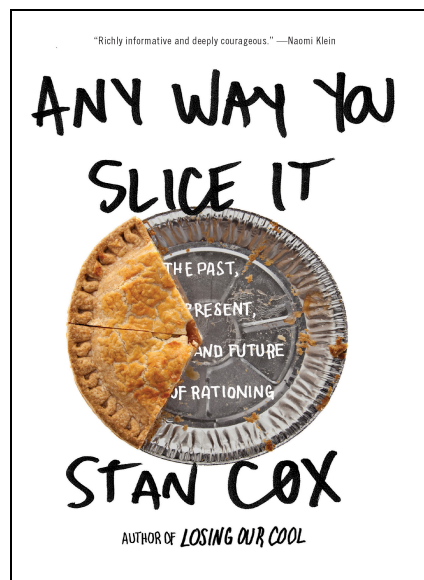
What is clearly the major interest of the author and probably readers is the urgent need to ration CO2. The idea behind carbon rationing plans is that everyone has a certain amount of CO2 to use. There would be a dual price for everything: first would be the regular price we are used to; and, second would be the estimated amount of CO2 required to produce it, or its “embodied” CO2. Each purchase would eat into the amount of embodied CO2 allotted to the person.

What happens when CO2-thrifty people use less than their allowance? Some propose that they be able to sell them to others. Cox warns that this would create a two-tier system. Those who are well off would be able to buy extra carbon credits, undermining the whole idea of universal fairness. Instead, Cox supports an idea derived from Michal Kalecki’s thinking: that people would sell unused carbon credits back to the government, which would maintain the fairness aspect of the system.

I think that problems would emerge with any cash buy-back of carbon credits. First, the buy-back means that people have more money to spend, which means that extra CO2 is produced by creating and/or using the extra commodity. Additionally, cash buy-backs would encourage the thinking that happiness comes from having more physical objects, which Cox debunks in other chapters.

The question is: What could be used as a reward that is not money or material objects? Praise? Recognition? It is unlikely that adults would be motivated by goody-goody stickers. There is one reward that just about everyone likes. (When I ran it by Cox, he agreed with the suggestion).

That reward would be working less. The government could give people the option of receiving cash or a shorter work week (by its buying working hours from the employer). That would give people more free time and encourage the idea that the good



life comes from living well rather than acquiring things.

The opposite problem is actually more frequent: people wanting more than their rations permit. The book emphasizes that voluntary restraint, though pointing in the right direction, is insufficient for the

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enormity of changes that need to be made. This is significant for eating meat, which is widely ignored as one of the most important sources of CO₂ (with estimates of meat accounting for between 18–51% of total greenhouse gas emissions). Cox suggests that voluntarily reducing consumption of meat might be “far-fetched.” But maybe not. For a very long time, Catholics did not eat red meat on Fridays.

If the Pope were to receive a divine inspiration that people should eat no red meat on Fridays, eat vegetarian on Wednesdays, and vegan on Mondays, this “rationing by faith” might do more than all the current schemes and practices to reduce CO₂ emissions combined. Catholic meatless days would certainly have powerful effects if followed by other Christians, Jews, Muslims, Hindus, Buddhists and atheists. Such “rationing by faith” may extend beyond religion and indicate that people committed to a belief (such as the need to win WWII or a War for Human Existence) might very well change their behavior by the hundreds of millions.

Rationing as social wages

Slice It covers food, water and medical care because rationing them is so widespread due to their necessity for life. Areas not covered include schools, roads and parks. These are rationed, usually by being made available to all citizens. In the early 21st century, each of these is under “privatization” attacks which would force citizens to pay for access. As is typically the case with rationing, the rich want services to be provided on a cash basis while progressives wish them to be citizen rights.

Another way of understanding the conflict is the contrast between individual and social wages. Each worker receives individual wages. Social wages are collective benefits received from the combined labor of all. They can include schools, parks, roads, water,

food, housing, libraries, postal services, pensions (such as social security), and medical care. Efforts to expand social wages appear the same as efforts for fair shares rationing. Whenever the powerful are forced to grant social wages, they insist on having a two-tier system: the smallest amount of rations possible for the general public; and, a higher quality product that goes to those who pay.

Does the concept of rationing CO₂ fit into the framework of social wages? On the surface, it appears that people receive goods for every other type of social wage; but with CO₂ rationing, their consumption would be restricted. In actuality, there is little to no difference. This becomes clear upon understanding that climate change has altered human history—all future societies must limit carbon emissions if they are to survive.

All goods are limited in quantity because human labor is required to produce them. (If this were not the case, they would be a “free gift of nature,” and there would be no need to either ration or purchase them.) CO₂ rations are unique only because

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they are the embodiment of the carbon, rather than labor power, required for production. But CO₂ and other social wages are identical in their need to be rationed to ensure that everyone receives enough for a good quality life.

Rationing production

Almost all of *Slice It* deals with rationing of consumption. The author provides a glimpse of what rationing by production might look like when discussing medical care. In the United Kingdom and Oregon’s Medicaid payments, limitations have been made on expensive procedures with a low level of benefit. This is discrimination against procedures rather than discrimination based upon age or ethnicity. By focusing on preventive and



community care, Cuba devotes less of its scarce resources to high cost equipment.

More needs to be written on the concept of rationing by producing less of what society determines is less useful. One of the clearest examples of the intense need for rationing by production is the limitation of arms production, which [some] nations have attempted for a long, long time. If each country were to have a cap on its arms spending that would be proportional to its population, the US and Israel would need to have a dramatic downscaling. The only change in individual life styles required by such rationing would be the need to shift jobs from damaging to helpful production.

What about food? Instead of focusing on food eaten by individual consumers, rationing by production would severely limit the amount of resources going into packaging, processing, chemicalizing, storing, transporting and genetically engineering food.

Since this accounts for the vast majority of the food industry, rationing by food production would have a much greater effect on reducing carbon emissions than would targeting consumer choices. Those who would be annoyed the most would be corpora-

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tions whose production potential would be lost. Consumers would lose those things they care about the least. The challenge would again be to ensure work for those whose income had depended on the production of useless or harmful goods.

Food is intimately connected to water. Cox notes that 86% of water goes to agriculture, 9% to industry and only 5% to residential use. [p 125] Yet, the majority of discussion of water shortages is directed to homeowners watering their lawns. Rationing of water in the stage of production would sharply decrease the misplaced focus on consumers. It would also be the perfect companion to religious and non-religious inspiration to eat less meat. Since the most wasteful agricultural use of water is for meat and meat-related products, rationing of agricultural water would decrease the production of meat.

Transportation illustrates how rationing by production can lead to a very different path than rationing by consumption. The latter results in a variety of schemes that are proven failures. For example, limits on gas per car lets those with more money buy more cars and travel more. Ability to travel based on license plate numbers again lets people with more cars change their tags.

In contrast, rationing car use by production would be based on the assumptions that (1) 80% of trips could be made by bicycle and foot if neighborhoods had essential services available; (2) 80% of remaining trips could be made by bus or train if they were affordable; and (3) this would leave only 4% of trips to be made by rent-a-car or car sharing. Neighbor-

hoods would need to be walkable and mass transit abundant before rationing began. Only after these preliminary steps were taken, transportation production could be rationed by ...

1. reducing the number of cars produced;
2. increasing lanes available to buses and emergency and shared cars, reducing lanes available to private cars, and giving buses remote radio control over lights at intersections; and,
3. reducing parking lots.

Rationing of transportation by consumption would begin with ignoring people's need to get from here to there and then have complex, unworkable schemes to punish them for doing what they need to do. Rationing of transportation by production would begin with developing alternative ways to get from here to there and then allow people to drive as much as they wanted to, though there would be no cars to buy [individually], few if any lanes to drive on, and no place to park once you got there.

It may seem that rationing by production is merely the creation of scarcity, which would cause shortages, which would lead to rationing by consumption of the smaller number of goods remaining. In the case of items like meat production, this would be the case, and a change in social attitudes (such as occurred with meat consumption during WWII) would be necessary for rationing to maintain popularity.

But most rationing by production would differ fundamentally from rationing by consumption:

1. some rationing by production would be items that consumers do not purchase, such as nuclear weapons; and,
2. a large portion of rationing by production would be eliminating entire product lines, such as individually owned cars. The goal would be to build only cars for emergency use and car-sharing.

The most important topic of rationing, whether by consumption or production, is the issue of who determines what items are restricted. True fairness

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goes beyond having equal shares to everyone. It includes equal power in deciding what items are limited and what form that limitation takes. *Slice It* cites considerable research showing that a sense of fairness in distribution is essential for rationing to work. This implies that fairness in making decisions concerning production would strengthen support for rationing even more.

Challenges

In describing the role of rationing in capitalist society, *Slice It* offers glimpses of contradictions that a post-capitalist society will have to face if it is

to have equitable distribution of goods and services. Clearly, it is environmentally destructive to project a post-capitalist society that maintains a fetish on the individual accumulation of objects. Instead, it is time to visualize a society that decides democratically how to share (i.e., ration) what humans produce from Earth's resources.

There is no better way to concretize that vision within capitalism than to oppose the gluttony of the rich, resist all forms of "austerity" programs, and demand fair shares rationing that respects environmental limits.

The use of rationing to create a new society will not begin with a mechanistic formula, but with a change in consciousness. As *Slice It* reminds us,

previous rationing systems have been based on scarcity while future rationing must be based on restraint in the extraction of natural resources that are in abundance but will cause environmental collapse if removed from the ground. WWII showed that rationing will be accepted in times of intense crisis. The issue is: Will enough people believe that environmental damage has reached a state of intense crisis? *Slice It* does not provide the answers to this essential question, but lays out the framework for beginning the discussion.

Don Fitz produces *Green Time TV* in conjunction with KNLC-TV in St. Louis and is a member of the National Committee of the Greens/Green Party USA.