

Living Off the Cheap: Currencies that Count

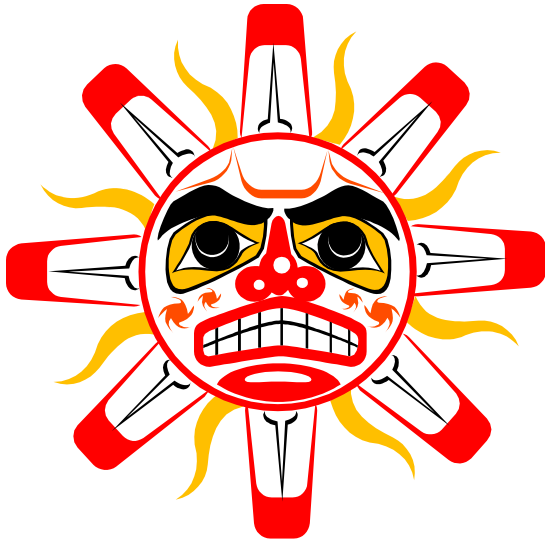
The days of living on the cheap are over. The pain of the new price for living is starting, only just, to show up. There are now enough of us on the planet that we have made the old reliable things - food, gas, travel, shipping - costly. The price tag will fluctuate, but trend up it will.



The price tag has always gone up for some, but for most, we did not want to think outside the normal currency. While our mainstream standards of living were going up for the last few hundred years dramatically, the price tag was going down. That seemed like a great arrangement. Our food bill went from 30% of our income to 10%, our transportation bill went down, even as we bought more cars. And so on with housing and clothes and other necessities.

But while that was happening for us, some others were taking it on the chin and in the pocketbook. We took the lands of millions of indigenous people for whom the price tag was the loss of an entire way of life. We needed the resources they lived by (or above if it was coal or oil), and we needed them cheap. We took out hundreds of species and habitats all over the globe, big prices indeed, but a set of currencies only a few crazy naturalists paid attention to. I don't see lemurs on my way to the mall, do you?





We keep transferring carbon from underground to the air and now the price is an atmosphere that allows the sun to heat us up more than living systems are used to. So these non-traditional currencies - externalities, the economists like to call them - have shown a different kind of mixed and anti-progress that was convenient to ignore while the other costs were going down.

But the cheap days are gone even for the main currency. The pain is upon us. The bubbles burst at the checkout stand. At bill-paying time.

Who knows what the price tag will be to switch from carbon to non-carbon? Last year, of the \$100 billion of non-government money that went into green investing, much went to carbon-reducing technologies. So now the price is showing up in the real currency. When the smart ones and capitalized ones in business and technology get it right, wealth will be made in the new technologies sprouting up on the planet. This time, if we do it better and sustainably, the wealth will not be at the expense of the formerly hidden currencies. It will include them.

Markets will still work well and we may indeed be able to get the prices for our livelihoods back down. It will take good government policies, technologies and markets, lifestyle changes, citizen activism and more. But the old cheap living will be replaced by a new cheap living, or, it is pretty clear, there will be no living at all.