

Counting the Costs

**A project of the UK network of the Centre
for Holistic Studies (India) and the New Era
Coalition**

Introductory Report

**Jeremy Seabrook
Mark Tully
Molly Scott Cato**

September 2005

Contributors:

Jeremy Seabrook has been a social worker and is now a writer, journalist and campaigner. His weekly Guardian column appeared for many years and books such as *The Race for Riches*, *The Unemployed*, *What Went Wrong?* and *The Myth of the Market* were followed by many years research in the South – recorded in *Freedom Unfinished*, *Travels in the Skin Trade* and *Children of Other Worlds*, *Cities of the South*, *A World Grown Old* and *Consuming Cultures: globalisation and local lives*. In the eighties he met Winin Pereira and they founded the *Centre for Holistic Studies* in Mumbai, India, writing *Asking the Earth* and *Global Parasites* together and working on campaigns - including opposition to the Enron project and bringing effective video evidence of the malfunctioning of an ODA social forestry project in Karnataka to the UK government.

Mark Tully (New Delhi) is a broadcaster and writer. He was the BBC's India correspondent for 22 years and visited the *Centre for Holistic Studies* in Mumbai some years ago. Hoping to move from observation to activism, he believes that change has to come in the north first and has been raising questions about conventional economics, presenting alternatives in an informal and unplanned way whenever he has been invited to speak. He is concerned about the social and environmental costs of our commercial, industrial and trading systems, currently ignored by conventional economists and hopes to see organised, constructive work on this subject.

Molly Scott Cato lectures in Social Economy at the Business School of the University of Wales, Cardiff – working as part of the Welsh Institute for Research into Co-operatives. She has a PhD in economics from the University of Wales. She studied politics, philosophy and economics at Oxford, before moving on to undertake an MSc with the Open University in Social Research Methods. Molly has wide-ranging research interests in the fields of economics, politics, epidemiology, and the philosophy of science. Her thesis focused on work motivations in the Rhondda-Cynon-Taff area of South Wales, where she conducted a survey of local workers. This was the basis of a book - *The Pit and the Pendulum* (2004) - published by the University of Wales Press.

Counting the Costs: The Project

The *Centre for the Study of Holistic Studies (India)*, was founded by Mumbai's Winin Pereira, a physicist who designed India's first nuclear reactor module but left the field for rural development when he realised that nuclear energy was to be used for military purposes. CHS' UK network, which is to work with the gathering *New Era Coalition (NE)*, has undertaken a project called *Counting the Costs*. NE is primarily concerned with solutions, and CHSUK is establishing the baseline of need for positive change by evaluating the negative impacts of our economic system.

The first report introduces a series addressing a range of issues of concern. The project was initiated by Mark Tully's concern about the untold social, environmental and economic costs of policies guided by conventional economics. Wherever he has been invited to speak he has asked questions about these costs and presented alternatives. The measurement base for the report is to be the UK, with some data for India being included in future reports to ensure a wider perspective.

In this introductory report, Jeremy Seabrook paints the backdrop referring to the 'dawning sense that the price paid for this version of wealth, to some degree, nullifies many of the advantages which it has undoubtedly brought to a significant minority of people on earth'. Though, as he points out, many of the costs are hard to quantify, the economist Molly Scott Cato has recorded some of the negative economic, environmental and social impacts of our industrial and trading systems by presenting some of the financial costs of these, using reputable research sources. She cites various escape routes being taken, selecting emigration and travel, illegal drugs, legal drugs such as alcohol and nicotine, prescription drugs, and aggression, depression and suicide.

Mark Tully's preface gives a historical perspective, highlighting the "grand master narrative of market capitalism": that what is described as progress is the only way to provide the wealth needed to address poverty, ill-health and to counter environmental damage, that the story ends here and all we now have to do is to fine tune our interpretation of the narrative. He cites the belief of John Gray, Professor of European Thought, that the progress today's narrative promises does not take into account the human element in any economic and political system and that, 'the core belief in progress is a superstition, further from the truth about the human animal than any of the world's religions.'

This narrative has established a firm hold over politics today and Tully agrees with Seabrook that this is due to its apparent success – and that no one can deny its achievements. But it has an equally undeniable 'downside'. That was why it has been seen as essential to measure the damage in the same way as its success is measured. As Scott Cato says: 'Counting is what capitalism is good at, what it thrives on.' Counting – giving paramount consideration to the interests of the balance sheet - is what accountants and management consultants do when advising businesses and indeed government.

We hope that the evidence presented in this and future reports will increase awareness of all aspects of the downside which involves the heavy financial costs highlighted in the report via statistics which can be readily understood by the lay person. The calculations show that the costs of the economic growth we have achieved are heavy and that we cannot afford to ignore them. A broader discussion of our economics and politics is urgently needed instead of "the barren shouting match between the left and right" (Tully), or superficial action which merely puts an ethical/green gloss on market capitalism.

Contents

Counting the Costs: The Project	1
Introduction, Mark Tully	3
Growing the Economy; Stunting Humanity, Jeremy Seabrook	5
Escaping from Progress, Molly Scott Cato	16
References	31
Conclusion	33

Introduction

Mark Tully

It is often said that the twentieth century saw the end of grand master narratives with the collapse of Fascism, Communism, and Socialism. Although vestiges of them remain in different parts of the world, they are certainly in no position to challenge the grand narrative which has not collapsed and now reigns unchallenged over the world—market capitalism. Few would argue for Fascism or Communism but many like me believe that socialism still has lessons for us.

This grand master narrative of market capitalism is based on the belief that what current economics describes as progress is the only way to provide the wealth we need for eliminating global poverty, improving health and longevity, and developing technologies to counter environmental damage. But by calculating this progress through measuring GDPs and their growth rates we only learn whether we as a nation are getting richer. Simon Kuznets, who was one of the pioneers of national accounting, and originated the uniform system of national accounting in America, warned as far back as 1934, ‘the welfare of a nation can scarcely be inferred from a measurement of national income.’ Nearly thirty years later he wanted his system of accounting changed because, ‘distinctions must be kept in mind between quantity and quality of growth . . . Goals for more growth should specify more growth of what and for what.’

The second dogma of this grand narrative is that the story ends here, this is the final answer. All we now have to do is to fine tune our interpretation of the narrative. In our report Jeremy Seabrook has said the hope of those who advocate the narrative ‘lies in the projection into an indefinite future of the present social and economic system’. But Francis Fukuyama found that history had not ended and my experience leads me to believe that the same goes for economics. When I was young I was among many who thought it was immoral not to be a socialist. We believed socialism was the final answer and no one can dispute that after World War Two socialism was the grand narrative. But I came to realise that I had ignored the human factor when I saw socialism being undermined by the incompetence, inefficiency, greed, and hunger for power of those who ruled and ran the State and those who worked for it too. John Gray, the Professor of European Thought, believes the progress today’s narrative promises also does not take into account the human element in any economic and political system. He has written, ‘the core belief in progress is a superstition, further from the truth about the human animal than any of the world’s religions.’

Why has this belief that the market capitalism of today is the only way forward established such a hold over politics today? Jeremy Seabrook gives one answer - its apparent success. No one can deny its achievements. But it has a downside too which we believe is also undeniable. That was why we felt it was essential to measure the downside in the same terms as the success is measured. As Molly Scott Cato says in her contribution to this report ‘Counting is what capitalism is good at, what it thrives on.’ Counting is what the accountants and management consultants do, and they now decide how businesses and indeed government should be run. So we decided to challenge some of their assumptions by doing some counting ourselves. Molly Scott Cato also warns that there are many limitations to counting. If we ignore them we will be committing what we believe is the mistake of market capitalism, failing to recognise those limits. Nevertheless we do believe there are lessons to learn from the counting we are doing.

I believe the second reason politicians are not forced to recognise the cost of our present economic system is that voters have been seduced by what is sometimes called the false alternative - if something is wrong then the opposite must be right. The false alternative says there can only be one answer to a problem, and that is its opposite. Voters have experienced socialism's failures and therefore they accept that what is presented as the opposite, market capitalism, must be the answer. They forget that the post-war socialist government implemented the most ambitious programme of social reconstruction Britain has ever known and we are still enjoying the benefits of that programme today. Our problem is that we tend to see things in black and white. Swami Ved Bharti, an Indian philosopher, once said to me in a radio interview, 'The one difference I find between East and West is between the words "also" and "only". In the West you believe there is only one truth, and in the East we say, "this also is a truth".' If we were to acknowledge that there is truth in socialism and truth in market capitalism then I believe we would realise the limitations of capitalism just as we have realised the limitations of socialism.

So we hope this report and the others which are to follow will increase awareness of the downside of market capitalism and challenge the assumption that it is the one truth. The reports will not fall into the journalistic trap of making exaggerated claims for their originality. We are not saying here is a dramatic new alternative. But unlike most other costings ours have been calculated on a comprehensive basis, including economic, environmental, and political considerations. They are also based on statistics which are intelligible to the lay person, not just to the academic economist. The calculations show that the costs of the economic growth we have achieved are heavy and we cannot afford to ignore them. So we do hope that these reports will start a much broader discussion on our economics and politics. That would not mean a return to the barren shouting match between the left and right, nor would it be a middle way that is just market capitalism with a prettier face.

Growing the Economy; Stunting Humanity

Jeremy Seabrook

Criticisms of the global economy are easily stifled by the very abundance which that economy has produced. Only look at the unparalleled wealth created by industrial society, the lifting of hundreds of millions out of poverty, the lengthening life expectancy, the daily technological ‘miracles’ that outshine all those ever claimed by supernatural powers. The common sense of ‘progress’ clearly indicates that only by creating more, much more, of what we already have, can poverty and insufficiency be removed from the world. Hope now lies in the projection into an indefinite future of the present social and economic system.

And yet, more and more people feel there is an element missing in this one-dimensional extrapolation and the equation of wealth with well-being. It is not only the effort to impose unlimited economic growth upon a finite world (grave though that is), but equally, a dawning sense that the price paid for this version of wealth, to some degree, nullifies many of the advantages which it has undoubtedly brought to a significant minority of people on earth.

But how are these costs incurred? How can they be counted? They seem so insubstantial, set against the hard material gain of the cash in hand, the tangible goods and visible signs of affluence. In any case, many of the negative consequences of existing patterns of development are absorbed by individuals, and the ravages are locked within, in the broken heart, the ransacked imagination and the polluted spirit. How can these be weighed against the obvious gains of wealth-creation, and what do they count compared to hunger, disease and want?

During the early industrial era, it was so much clearer. The harsh effects of the manufacturing system on the health and well-being of people were plain for all to see. In the early 19th century, life expectancy in Manchester was less than 20 years; mainly because of high levels of child mortality. Exploitative working conditions, debilitating and squalid living-spaces, crowded around mills, mines and factories, the absence of basic amenities – clean water, health care, education, the removal of waste – abridged lives and made miserable the existence of those who did survive.

The labouring poor were a new phenomenon: the industrial worker was a kind of human being who had never before appeared in human history. Industrialism created conditions and an environment which frightened even those who benefited from a system which had conjured forth ragged and half-starved populations of the mining and manufacturing districts. The history of the 19th century was a story, both of recognising the enormity of the revolutionary changes wrought by industrialism, and of the baleful consequences of a prodigious wealth-creation, which was distributed inequitably, and from which the basic creators of wealth – the workers – were largely excluded.

The new population was unpredictable and volatile; their masters feared the disaffected might rise up; and indeed, the early 19th century was characterised by sporadic outbreaks of violence – from Luddism and machine-wrecking, through agrarian riots and rick-burning, the Peterloo massacre, the Plug Riots, the Rebecca riots. The response of the ruling classes was political and social reform; although these were both belated and inadequate. As labour historian Eric Hobsbawm says, it took the first half of the 19th century for the new working population to understand ‘the rules of the game’, and the second half to begin to apply them, as it became clear that industrial and political organisation was the only weapon of the dispossessed.

Not even the privileged could escape the environmental consequences of the benign neglect, *laissez-faire*, which was the prevailing ideology of the early industrial period: outbreaks of cholera and typhoid did not spare even the highest in the land, as the death of the Prince Consort in 1861 testified.

Increasing government intervention, to limit the abuse of child labour, to shorten the working day, to implement sanitary reform, went hand in hand with a growing consciousness among the workers themselves of their potential power and their indispensability to the system which had called them into existence. The Chartist movement in the 1840s campaigned for universal suffrage, on the basis that if the majority had the franchise, then no conceivable government would ever again be in a position to withhold from them the basic necessities of life. The vote was extended through subsequent reform acts, which increased democratic access, while the growth of trades unions and the labour movement empowered collective entities to negotiate on terms of greater power with employers.

In the 20th century, the growth of socialism, the Russian revolution, the rise and defeat of Nazism and Fascism in World War Two made it appear that the future belonged, in one way or another, to what were still called ‘the masses’; those who had no bargaining power but their labour, but which, collectively created a formidable opposition to capital and its minority of owners and manipulators.

The unravelling of this 150 years of what appeared to many people to be ‘progress’, is the history of the last half century or so.

The ‘answer’ to all the remedies for hunger, insufficiency, exploitation and want – improvements in health and education, progress, development and wealth-creation – have been sought WITHIN the very system which created these evils in the first place. A metaphor would be plague: people believed it was caused by impure airs and miasma; and sought to remedy it, in the early days by incantations and spells, then by attacking people thought to be spreading it deliberately, and then by burning incense and purifying the air. It was only much later that it was discovered they were looking in the wrong place. We have been even more superstitious: we have sought to reform a social and economic system by spreading the contagion to a whole world, and calling it globalisation.

This has had serious repercussions for the visions of the better society imagined by reformers and revolutionaries throughout the industrial era. For their dreams depended upon a transformation in relationships between labour and capital, a more equitable order, social justice and greater equality. That approximations of these things have been produced from within the system which produced the ills to which these were to have been the remedies, has involved radical falsifications of the visions of a better world. The other world that exists (which is also this one) has also been achieved, after a fashion, but without any radical alteration of patterns of power and wealth in the world. The enormous capacity to produce of the industrial system has spread benefits to those from whom, it seemed, they would be forever withheld for as long as capitalism prevailed. The people of the advanced industrial societies are immeasurably better off now, in monetary terms, than they have ever been. Rising disposable income has more or less characterised the rich world for most of the past century. Of course, there were interruptions, and not negligible ones: two major wars, depression, the decay of industries and the rise of others made some people poorer, deskilled others, discarded great numbers of workers. This has been presented and perceived by most people as sufficient compensation for past wrongs to reconcile them to a system from which it seemed they were to have been permanently excluded. The result is that capitalism came to be identified as freedom itself. The vast proliferation of consumer markets and the choices these offered to people were accepted as sufficient compensation for all past wrongs. With the decay of Communism – stuck as an archaic response to wrongs which capitalism itself had

proved incapable of remedying – not only was capitalism rehabilitated, but the ideology of early industrialism was also revived, the belief in *laissez-faire*, that governments should leave the wealth-creators alone to make and spread their money through society, according to their capacities.

With the decline of the old industries, the export of dirty, dangerous and exploitative work to other sites of misery and degradation in the world, a new division of labour assigned apparently more benign occupations to a majority of people in the rich world. Exploitative work was transformed into ‘employment’ or ‘jobs’, which guaranteed rewards that would permit most people to express themselves through free consumer markets. These also transformed the environment in which people lived: indeed, this altered décor of capitalism became a major determinant upon the psyche and sensibility of the people. The dirty and dangerous work which characterised the first industrial era gave way to occupations in the ‘tertiary sector’, in services: service, yes, but a gilded and well-rewarded servitude.

Consumption, not survival, became the primary purpose of the people; the more so, since the welfare state assured that none would starve or suffer the severe want which scarred the 19th century. This benign transformation appeared as revolutionary as the upheavals which had created the industrial worker out of a wasting and impoverished peasantry in the second half of the 18th and early 19th centuries. It appeared to create once more a different order of human being; who was destined, not to want and woe, but to perpetual pleasure and material progress.

That there has been an untold price to pay for this second epic transformation is at last beginning to appear in the lives of people who imagined that their deliverance from poverty and insufficiency was both unconditional and enduring. It was not by chance that the mid 20th century was marked by the rise of advertising and publicity industries, by entertainment conglomerates and the universal celebration of rewards, prizes, offers and free gifts, the hymning of commodities and songs of liberation. All this served only to conceal the terms on which all the improvements were conceded; to mask the increasing inequality which accompanied them; and most significant of all, to hide the true cost of the benefits which a reformed and contrite capitalism appeared to shower upon its fortunate people.

The euphoria of a bogus emancipation has perhaps by now abated a little; although the rhetoric – of perpetual growth and expansion of the economy as the sole condition for all human enhancement – has not. The altered environment, which has placed the great galleries and malls of shopping at the heart of every community in the western world, has done its work. It has set up an almost universal dependency upon the most addictive substance known to humanity – money. Market dependency is the pathological consequence of this apparently benevolent change; and indeed, all the other addictions which trouble rich societies are aspects of this more general sickness. Addiction to alcohol, drugs, sex, escape, perpetual mobility, gambling, hypochondria, shopping, junk food, junk culture has transformed society into an unquiet, violent and restless compulsive disorder. Perpetual dissatisfaction is the basis on which economic growth and expansion is now predicated; a profound psychic disturbance of people who cannot rest or accept, not merely the social circumstances of their lives, but even the existential necessities of being human: but must change the way they look, prevent the effects of time upon their bodies, turn back the clock, change their identity, transcend the low self-esteem of a self which oppresses and weighs down the turbulent spirit. The preoccupation with images, appearances, surfaces, makeovers, individual transformations, suggests something more than a natural human desire for improvement; rather, a mystical chase after transcendence, paradoxically through a materialism which renders this impossible.

Human relationships, too, are marked by these same institutionalised dissatisfactions. The fragility of the attachments of choice – partners, wives, husbands – is, perhaps a consequence

of the influence of a kind of emotional economics which has invaded even the inner sanctum of the human psyche – what’s in it for me, I gave you everything and what do I get in return, will it pay dividends, where is the reward, what do I get out of it, where’s the profit in continuing this relationship, what have I got to show for it, I’ve finished up with nothing. The balance-sheet has, it seems invaded the inner sanctuaries of our heart and affections.

Of course, the defenders of the system have ready answers for the chronic discontents of our age. It is, they claim, precisely because all basic needs have been answered, that fresh needs have been uncovered, new wants, unsuspected desires that had remained concealed when most people lived in a state of lasting want. The new urgencies are secondary, but of no less importance to the people who are agitated and stirred by them. There is, no doubt, some truth in this: but it does not adequately explain the levels of violence, cupidity and selfishness which scar societies proud to call themselves rich.

Perhaps we should have been more suspicious of changes to a system which brought hunger, insufficiency and degradation only the day before yesterday, and now promises fulfilment and plenitude in another. Its destructive power was certainly more evident at an earlier stage of development – the smoke and filth, the polluted waterways, the machinery that never stopped, the using up of human energies, the wasting of youth and the physical injuries of unguarded machinery, unsafe mines, unprotected environments in factory and forge, the cheerless homes and adulterated food, the sicknesses of those dying of a different sort of consumption than that which prevails today.

It is no accident that the material environment of the industrial world has been thoroughly landscaped: the satanic mills demolished, the sites of oppression and misery demolished. This is paralleled by an erasure of the memory of these things, a kind of excision of the past, a censoring of history, so that everything that went before seems to lead up to the enlightenment and splendour of a perspectiveless present. All traces of scenes of darkness and exploitation have been buried, so that a compulsory and industrialised happiness prevails, the fixed smile, the universal laughter, the whoops of joy of a humanity overcome with delight in the presence of its own creation, the wonders of its own capacity to produce. Of course, if the images of desolation have been removed from the rich world, it is only the more effectively to recreate them in other parts of the globe. And if modern communications bring these before us constantly, these only reinforce a sense of progress – this is what we went through and look at us now. It is a necessary stage of development, and then the peoples of the rest of the world will emerge into the sunlit heights of privilege which we now occupy. It actually silences the question of whether the whole world can be remade in our image, even if this were desirable. It stops at source the objection that with two thirds of the world’s resources already used up, (see Millennium Economic Assessment, April 2005) fewer than one-third of its people have levels of living equal to those of a majority in Europe and North America. What kind of extravagance would be required in the West, should the extension of this lifestyle be contemplated, and what would be the effect on the resource-base of earth, should the present system continue?

But that is to look at ‘externalities’. It is more important to make the case against continuing as usual from WITHIN the system, its burden of suffering, its unacceptable costs even upon those who are projected as its major beneficiaries, rather than its effect upon the global majority excluded from it. The pall of expensive unhappiness that hangs over the communities of privilege in the 21st century is less visible than the lowering clouds of smoke and soot which stained the cities of early industrialism. We can begin to count some of these costs in terms laid down by the system itself – the cost of drugs, both licit and illicit, the psychic and emotional disorders, crime and violence, the gnawing subjective sense of inadequacy and low self-esteem, despair, depression, the systematic abuse of children, not only by paedophiles,

but the debauch of childhood systematically undertaken by the marketing and advertising conglomerates, the disparagement of wisdom and experience and the desolation of old age.

But there remain at least three major problems in assessing the costs of our privilege. One is that many – though far from all – of the costs are invisible, and work their damage in the world of the psyche, heart and spirit of humanity. This makes them inaccessible to the rhetoric which evolved in response to the material devastation of early industrial life. And there has not yet been an equivalent systematic language to evoke the damage wrought by the contemporary mutation of capitalism, which now masquerades under the neutrally benign pseudonym of ‘the economy.’ It is as though the sulphurous landscapes of early industrialism had been reconstructed, internally, in the imagination and spirit of people, where they work their corrosive poison as effectively as the damaged environment of the pit village, the one-industry town, lives caught between the moneylender and the moonlight flit, the pawnbroker and the pub; the slag-heaps and slums, the choked canals and polluted waterways, the back-to-back houses and the shared privy.

The second obstacle is the ideology of individualism, which is presented as though it were a champion of the proud unique human being against the compulsory collectivism that goes with all the –isms that have disfigured the recent past. It is significant that in an affluent society, people are only too willing to take responsibility for their economic good fortune. See, they proudly declare, what I have achieved, by my hard work, my commitment and prudence! When times are good, people will claim that they are alone responsible for their perfectly furnished detached house, their new car, the money that provides the family with two vacations a year and school trips and adventure holidays for the children, private health care and education at exclusive fee-paying schools. It is only when people discover that, no matter how hard they work, they are unable to provide for themselves and their families the basic necessities of life, that they know it is not their fault; they can lodge the blame with social and economic system which denies them the opportunities for a reasonable survival. In the first case, people readily see government as an imposition, taxing them beyond reason for uncertain benefits, inimical to hard work and enterprise; only in the second that they realise they can achieve nothing unless they do so together, in solidarity and collective action. In the rich societies, the downside, both of individualism and of the version of affluence which capitalism has created, the advantages readily seem to outweigh the problems; but this, of course, depends upon permanent growth and expansion, the capacity of the system to go on producing a rising income for ever; and the only certainty in this life is that nothing goes on for ever.

The third problem in reaching a more satisfactory account of gains and losses in the economic and social system is that many of the losses and forfeits imposed by industrial society cannot be measured in monetary terms at all. They do not occur in areas that are open to the bottom line, the accounting system, the crude calculus of profit and loss. So it is that the absence of cohesion, the fragmenting of communities, the fracturing of belonging, the growth of fear and mistrust in the growing psychic distances between human beings cannot be reduced to the crude terms employed by those who believe that every area of human life can be expressed in purely economic terms. Of course, attempts are regularly made to calculate the cost of raising a child, the price of the freely given compassion, the acts of daily mercy and friendship between people, the kindness and consideration towards the vulnerable and the excluded – but these escape the sterile assessment of those who would re-frame all that makes us human in the chill and reductive figures of accountancy. There is no price on joy or gentleness, there is no costing of love and tenderness, there can be no measure for the cost of breaking human bonds and associations, the demolition of belonging, the voluntary orphanings of children, widowings of the living and bereavements of the one-sided walkouts on unhappy marriages. Since many of the afflictions of our gilded misery, our value-added unhappiness, our well-to-do loneliness do not occur in the realm of money or marketed transactions, they are simply

allowed to lapse, to fall into the black holes of uncounted costs and elided dispossessions of our daily experience.

It is not by yielding to the supremacy of economics that a significant opposition will be formed to the wasteful and destructive values that pass, not merely as inevitable, but are actually painted in the perpetually rosy colours of progress by conservatives of all political persuasions. ‘Costing’ all the disorders of contemporary capitalism, and entering them into the balance sheet merely demonstrates further opportunities for expansion, for economic exploitation, for the adding of value – if the environment is polluted, let us invest in new machinery to clean it up; if people have forgotten how to cook simple nourishing foods, let us invest in teaching them what they once freely knew; if parents lack parenting skills, let them go to parenting classes.

However, in spite of the fact that much of the ruin of human values takes place in an apparently insubstantial realm of the spirit and the affections, these nonetheless re-enter our material experience at every turn. The commerciogenic malnutrition that appears in the figures for growing obesity is no fantasy: it obtrudes itself with ever greater insistence, as the numbers of young people with heart disease and diabetes increase. When the richest societies the world has ever known prove themselves incapable of providing their fortunate peoples with what used to be called with stark simplicity their daily bread, those cultures have clearly departed radically from any dedication to human need.

When it becomes the principal purpose of young people to escape into worlds created by hallucinatory drugs, binge-drinking or dancing themselves into insensibility, certain questions inevitably pose themselves: what profound absences exist in their lives of privilege that they cannot rest in the secure enjoyment of their good fortune, but must seek to transcend it at every turn? The desperate desire to be elsewhere, someone else, out of one’s head, to get ratted, pissed, legless, wasted – what a revealing lexicon of discontent among the most privileged on earth. The police and ambulance sirens wail through the urban night, with their cargo of injured humanity: whoever foresaw when a national health service was set up to deal with the backlog of people neglected and damaged by generations of industrial life, that by 2005, 70 per cent of hospital admissions on Friday and Saturday nights would come from alcohol-provoked violence?

The truth is, the capitalist consumer market is no more capable of creating a full human being than its labour market did in the early industrial period. The fact that the latter has been accompanied by a wealth beyond the dreams of those who struggled to transcend a system which reduced human beings to ‘hands’ in an industrial system does not necessarily lead to the emancipation claimed for it. Indeed, it leads only to new, more elaborate forms of bondage. In the 19th century, it seemed that it was only the hands of human beings that had been annexed to the machine. With the passing of time, and the extension of the welfare state, informal welfare systems of family, kinship and neighbourhood, the human heart was annexed by the caring professions. In our time, the growth of knowledge-based industries has annexed the human brain. It remains to be seen which next aspect of humanity will be the object of enclosure, commodification and profit.

The list of forfeits and penalties demanded in exchange for the insecure and restless plenty in the rich countries is a long one. Why are the richest societies the world has ever seen scarred by so much violence? If well-being were the object of the striving for more, there would surely be greater social peace; there would not be the fear on the streets, a ‘security industry’ which installs CC-TV in the place of human vigilance, there would be less investment in locks bolts, alarms and weapons which people provide themselves with to feel ‘safe in their own homes’. If our version of wealth generates so much more crime, this is the reflection on the individual level of the macroeconomic enunciation that there is no such thing as sufficiency,

that the word enough has been banished from the lexicon of perpetual growth. If participation in the universal 'need' for more cannot be achieved by fair means, then anything goes in a world where rich has become the equivalent of good and poor the correlate of evil. And what of bullying in schools, the rigid hierarchies of brute strength and power; the formation of gangs where other kinds of belonging have lapsed, the tyranny of peer-groups? And for younger children, what happens to child's play when children themselves become the playthings of a global market? What of the declining populations of the rich countries, the loss of confidence in the future that leads to rising elective childlessness, the spectre of ageing people without resource and without care warehoused in antechambers of eternity sometimes called old people's homes. What of the lonely hearts, with their desperate self-presentation on the Net or in the personal columns, the projections of human perfection who are nevertheless without partners, mates or friends, the broken relationships and ruined loves that litter doctors' surgeries and counsellors' waiting-rooms – human counterparts of the rubbish and debris that swirl through the city centre streets after the used-up pleasures of the previous night.

It erupts suddenly into our daily experience, convulsing the uneasy surface calm and predictability. An obscure dread haunts us that we will arrive home and find the door kicked in and our precious possessions, the engagement ring and the necklace, the gold watch and the banknotes looted from their places in the upstairs drawer, the new furniture ransacked, the video gone, the children's computer games destroyed. The old open their barred doors in fear, and a wraith-like face looks at the official of the utility company, wondering if he is an impostor and will bludgeon her to death for the sake of her pension. Women fear the streets at night, lest the overwrought desires of strangers, kindled for profit by anonymous others, should drag them into the unlighted wasteland beside the canal. The children can no longer walk to school, but must be delivered everywhere by car, because who knows what may be waiting for them round the next corner; the perverts and weirdos with whom the world is now inexplicably peopled. The TV is never without its images of police and grim-faced neighbours searching every inch of the long grass for a teenager who disappeared after a night's clubbing. The lessons are swiftly learned. The world is full of enemies, those we have slighted, people bent on vengeance; you wait for the stone to shatter the glass, the rags soaked in petrol in the letterbox – the revenge of the wasted relationship, the abandoned lover, some cheated partner or business associate, the retaliation of trashed and used-up relationships.

Who is going to compute the cost of this fallout of human misery, this price, apparently well worth paying, for the fragile advantages of an unjust privilege? We have only just begun to count the cost. For instance, of the 30,000 – or is it 50,000 – chemicals which exist in the global environment, who has calculated their baleful effect upon the human person? The growth in cancers of the reproductive system – ovaries, cervix, womb, testicles, prostate – suggest that the generation of wealth may be taking a heavy toll on the regeneration of humanity; the creation of money may be interfering radically with the procreation of people. Infertility too goes hand in hand with the profusion of commodities produced from within the great womb of an inexhaustible industrial productivism: who has ever researched where the linkages may lie and the connections occur?

There are even more profound objections to the obsession with an infinitely growing economy. For one thing, many of the assumptions of economics are as obscurantist as medieval superstitions. That human desire is infinite, that there are no limits to what industry can produce, that perpetual growth and expansion are not only possible, but necessary – these have nothing to do with the material realm with which they claim to concern themselves. Infinity, permanence and limitlessness have to do with the realm of religion; and in this way, the so-called materialism of the global project is no such thing. It trespasses violently upon the faiths of all other religions, which have taught the wisdom of restraint, frugality and the curbing of appetite, the modest use of resources, a sparing use of the fruits of the earth. Built into the belief-system which supports the troubled unquiet modern spirit is a violent assault,

not only upon the past, but equally, upon all other creeds, religions and beliefs in the world. That the response of others to this will be hostile and often violent should come as no surprise to those who now extend their malignant preachings to an entire planet. And this is before we even begin to acknowledge the cost of war, conflict, invasions of countries and territories for the sake of oil, the appropriation of water resources, the claim by wealth and power upon the minerals, gold, diamonds of territories which do not belong to them.

As long as the existing system seeks to isolate the symptoms of its disorder and treat them as small local problems, it will be impossible to form a coherent and systematic resistance. Least of all by entering into the game of trying to count the costs of the pathologies of our diminished version of what 'wealth' means, will we be able to devise alternatives. For the price paid does not take place in areas that lend themselves to such calculations: the heart, spirit and imagination of peoples cannot be priced or measured. However helpful to resist the tribute, the human sacrifice demanded by a money-driven society by interpreting on its own terms the damage it inflicts; but this alone is insufficient. The empowering story lies elsewhere.

The nature of liberation remains as it always has been; disengagement, emancipation, a renewal of the meaning of human freedom. Inventing, creating and imagining other ways of being together, which depend upon the reduction of the use of resources and the enhancement of human resourcefulness – this is the other, necessary aspect of alternatives, which should, perhaps, accompany any attempt to count up the material costs of a privilege become pathological.

*

Jeremy Seabrook refers to a 'dawning sense that the price paid for this version of wealth, to some degree, nullifies many of the advantages which it has undoubtedly brought to a significant minority of people on earth' and asks 'But how are these costs incurred? How can they be counted? They seem so insubstantial, set against the hard material gain of the cash in hand, the tangible goods and visible signs of affluence. In any case, many of the negative consequences of existing patterns of development are absorbed by individuals, and the ravages are locked within, in the broken heart, the ransacked imagination and the polluted spirit'. The Counting the Costs project is an attempt to begin to answer this question.

In the final part of the report the economist, Molly Scott Cato, has recorded some of the negative economic, environmental and social impacts of our industrial and trading systems and presents some of the financial costs of these using reputable research sources. These are cited to illustrate her argument that various escape routes are being taken, selecting emigration and travel illegal drugs, legal drugs such as alcohol and nicotine, prescription drugs, and aggression, depression and suicide.

Escaping from Progress

Molly Scott Cato

‘high Heaven rejects the lore of nicely-calculated less or more’

William Wordsworth

Jeremy makes a compelling case for the need to retain an awareness of the deepest costs to ourselves as humans of living within global capitalism, and that those costs can neither be measured nor counted. But the series of reports called *Counting the Costs* that we will be issuing over the next few years is nevertheless an opportunity to point out to apologists the contradictions within their system whose central mantra could well be ‘Never mind the quality; feel the width’. The purpose of this project is to confront global capitalism on its own terms, to challenge it to explain why, if it is so efficient, it has failed to notice that so much of the energy expended is dedicated to repairing damage it is itself creating.

Counting is what capitalism is good at, what it thrives on. There is nothing an adherent of the management school likes better than a gently rising trend line, a manageable, predictable increase, expressible in a mathematical formula and subject to measurement and extrapolation. How frustrating for him that life refuses to conform, preferring the spiral, the erratic, the unpredictable.

Measurement involves the forcing of life’s rich diversity into man’s obsession with control. For this reason we must always recognise its limitations and combine it with deeper and wiser judgements. As Mary Midgley notes, ‘there are many other ways of connecting different patterns intelligibly besides trying to force them into a uniform mould’ (2001: 119). This system of simplification is what Midgley and others refer to as ‘reductionism’:

The reductive pattern has been so successfully used to connect the various physical sciences that it always seems seductive. But in many areas it has now reached the limits of its usefulness and in others it has always been inappropriate. It is the pattern that tells us, when we encounter several different ways of thinking, to arrange them in a hierarchy, a linear sequence, running from the superficial to the fundamental, which occupies the whole logical space available for explanation. The more fundamental thought-patterns are then called hard while the upper layers are soft. (2001: 120).

The chauvinism of the physical sciences has thus affected our analysis of all areas of life, which is why economics has always pandered to the hard scientific community, including buying itself into the Nobel Prize circuit. Yet when we come to the most important aspects of our own lives—such as the pain of grief or the joy in our children—it is clear that this hierarchy, should it exist at all, is standing on its head.

It is one of the direst indictments of developed economies that people are so dissatisfied that they need to find a multitude of means of escape.

Surveys by the Centre for Future Studies show that one third of British people are actively considering a move abroad and that over a million families will have left by 2020. Many of these voluntary exiles are approaching retirement, but young people are also disillusioned with

their lives in Britain. The escape of choice for these depressed and dissatisfied people with money and skills is a place in the sun.

A poll of 11,000 16- to 29-year-olds conducted for *The Face* found that 46% thought the UK a worse place to live than five years ago.ⁱ For those without means at their disposal temporary escape is invariably drug-induced, while a more permanent way out appears to be the irreversible one of suicide.

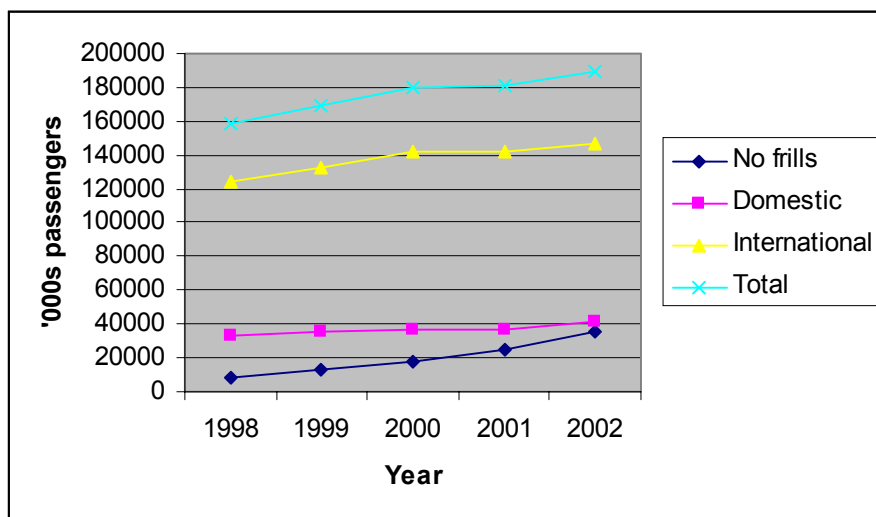
According to data from the Mind website, suicide accounts for 20 per cent of all deaths amongst younger people aged 15-24 and is the second most common cause of death amongst young people, after accidental death. Rates are rising particularly amongst young men, where the suicide rate has doubled since 1985.ⁱⁱ

This is the most extreme example of a rejection of the value of life in the society we have created for ourselves. Other forms of escape and the costs they extract from our economy, our society and our planet will be itemized.

Tourism

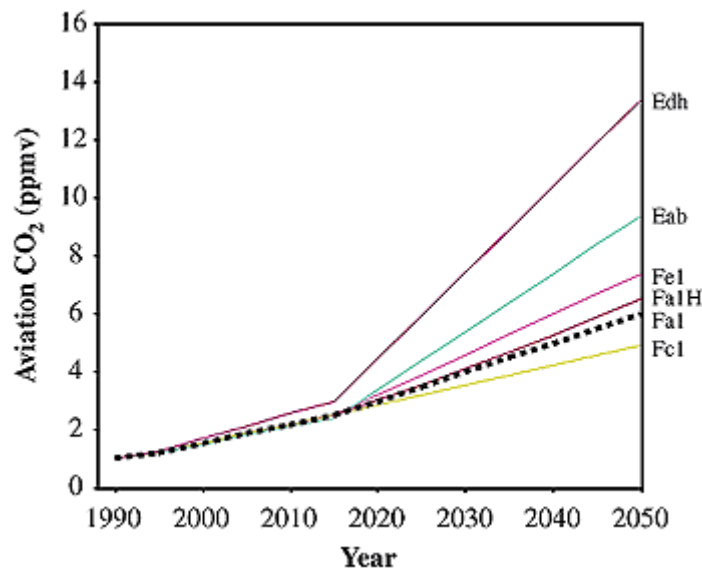
The classic form of escapism from the pressure of the economic system is ‘getting away from it all’ by taking a holiday. Whereas once people planned for a single annual holiday of a couple of weeks, the market is now moving towards ‘mini-breaks’, fuelled by the unregulated expansion of the aviation industry. No-frills and domestic aviation are the fastest growing sectors, stimulated by the ability to sell people weekend holidays involving short flights. The increases are illustrated in Figure 1.

Figure 1. Increases in UK air travel, 1998-2002



CO₂ emissions from aircraft in 1990 accounted for about 2.4% of total emissions; they are projected to grow to between 3% and 7% (Eab) of all fossil fuel carbon emissions by 2050 (see Figure 2). The predicted growth in air traffic demand (5%/yr compounded) would lead to an aviation fraction of more than 10% by 2050. By comparison, the entire transportation sector is currently about 25% of the total (IPCC, 1999).

Figure 2. Projected increases in aviation-related CO₂ emissions, 1990-2050 under different scenarios



Source: Aviation and the Global Atmosphere, IPCC and Centre for Air Transport and the Environment, Manchester Metropolitan University.

New study reveals the formula for the perfect weekend break

The ultimate formula for the perfect mini break has been created by bmi, the UK's second largest full service scheduled airline, and is revealed today in an exciting new travel report entitled *Generation Fly*. The nation-wide survey, which delved into Britain's holiday habits, found that Brits spend a phenomenal £34 billion a year on escaping for the weekend. With an average amount of £760 a year being spent on weekend breaks, Brits need to make sure they get their time away just right.

So what is the formula for the perfect mini break? A three day break is most popular as nearly a quarter of Brits (21%) take Friday off work and over a third (34%) arrive back late Sunday evening. This means an average of 55 hours is spent away. Allowing for 16 hours to catch up on sleep, Brits are left with 39 hours to really make it a weekend to remember.

Psychologist, Dr. Aric Sigman commented on the research, "The results indicate that the British have now developed proper escape plans to counterbalance the fact that they work the longest hours in Europe. The low cost and accessibility of short haul travel now enables people to act out the growing need to be physically and geographically removed from their everyday surroundings in order to truly get away psychologically and emotionally."

Source: British Midland website: www.flybmi.com, 28 July 2003.

More ambitious travellers are now using the availability of cheap international flights to widen their horizons and increase the frequency of their global travel. As they leave the predictable foreign destination like the Costa del Sol, where the environmental damage is already done, they move into new areas whose very appeal is that they are, as yet, unspoiled. This puts pressure on the local environment, on resources, and on local cultures. The poor people who live in many of these countries cannot win in the competition for resources and their lives and livelihoods become untenable.

Table 1. Global tourism growing out of control: number of UK tourists travelling overseas, 1970-2000

Year	Million people
1970	8.5m
1980	17.5m
1990	31.1m
2000	56.8m

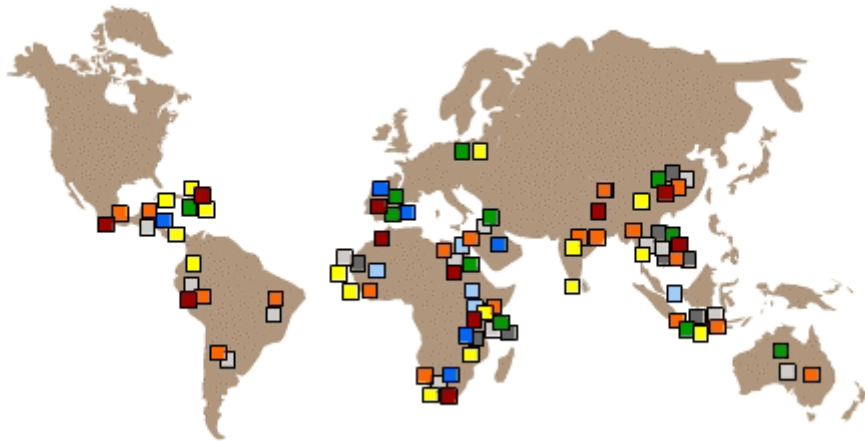
Source: www.responsibletravel.org.

- Tourism is the world's biggest industry: it accounts for 10.4 per cent of global GDP and provides 8.1 per cent of jobs worldwide, an estimated 200 million people.
- The development of golf courses and hotel swimming pools is responsible for depleting and contaminating water sources for surrounding communities; this is especially true in Southeast Asia and the Middle East. An average 18 hole golf course soaks up at least 525,000 gallons of water a day—enough to supply the irrigation needs of 100 Malaysian farmers.
- For all-inclusive holidays, 89% of the cost stays in the UK with the operator, the air carrier, insurance cover, commissions and the travel agency; of the remaining 11 percent, the hotel gets just 3%. You can imagine how much is left for the staff in the hotels.
- The Dominican Republic is the most popular tourist destination in the Caribbean with 50,000 tourist rooms and it had the highest economic growth in the Americas from 1996-2000, but 90% of its 8 million residents live below the poverty line.
- The average tourist uses as much water in 24 hours as a third world villager would use to produce rice for 100 days.

Source: tourismconcern.org.uk; responsibletravel.com.

Figure 3. Damage caused by international tourism

The map shows the different types of damage caused by international tourism. The different types are designated by different colours; the key to the colours is as follows: **exploitative working conditions**; **environmental damage**, **foreign office travel advisories which can devastate a whole country's economy**; cultural conflicts, **child sex tourism**, **displacement of people from their land**, **water abuse**, and the exploitation of women.



The growth in the frequency and distance of global travel also greatly increases the risks to human health. Diseases rely on both vectors of transmission and size of the available population. The aircraft themselves provide the former, while those who travel in them constitute the latter. Although the focus of media attention has been on deep-vein thrombosis, the World Health Organisation is aware that it is infectious disease that is most likely to result from the expansion of aviation.

TB is the most widespread, serious infectious disease in the world. The WHO estimates that around one-third of the world's population is currently infected. Although once a death-sentence, TB was brought under control by the use of antibiotics, but resistant strains have emerged. Globally, TB has interacted with HIV to increase its spread, especially in Africa. Because of an increased level of global travel more people are coming into contact with the bacterium, leading to an increase of 10% in TB rates in the UK over the past ten years.

The SARS outbreak was the first example of a disease whose global infection was rapid and could be precisely linked to air travel. While this outbreak was contained, it will be followed by others where the virus may be more easily passed from one person to another. The final death toll from the 2002/3 outbreak of SARS was 774 (according to the Royal Society). Current concern focuses on the most virulent killer of all: influenza. A new strain emerging in Asia could be as deadly as that of 1919, but its spread would be facilitated by the volume of air travel.

Table 2. Tuberculosis: Respiratory and Non-respiratory Notifications, England and Wales, 1993-2003

Year	N
1993	5921
1994	5591
1995	5608
1996	5654
1997	5859
1998	6087
1999	6144
2000	6572
2001	6714
2002	6753
2003	6518

Source: Health Protection Agency.

Gambling

Just as many dream of escaping their unhappy work situation for a two-week break in the sun, others dream of more permanent escape via a big win on the lottery or through other forms of gambling. This is a perfect example of the lives we are driven to lead where, instead of forming a reasonable strategy to pursue happiness, we are encouraged to dream impossible dreams at great emotional and financial cost to ourselves.

In 2001 regulation of gambling passed from the Home Office to the Department of Culture, Media and Sport. In other words gambling is no longer considered a problematic area for society, which might lead to issues concerned with social control or crime, but is now just another part of the leisure industry. This was a necessary move before the passing of legislation that will allow an expansion in this area of commercial activity, which is now considered an ‘industry’, although it has no socially valuable product.

The National Gambling Prevalence Survey, published in 2000 showed that 0.8% of the population were classified as problem gamblers (Gamcare, 2000). It is estimated that £42 billion was spent annually on gambling and that this has probably risen since then.ⁱⁱⁱ Professor Mark Griffiths, of Nottingham Trent University, has made estimates that there are presently between 275,000 and 325,000 ‘problem gamblers’ in the UK and that this number may double or quadruple as a result of the new gambling bill.^{iv}

While the calculations below indicate that this will, if accurate, generate considerable costs to society, the Royal College of Psychiatrists suggest that it is based on a misunderstanding of the threat from gambling. It appears to neatly distinguish between problem gamblers and others, whereas such a distinction is, effectively, meaningless.^v This advice has not been heeded by government.

Gambling imposes various costs on society, some of which can be measured in financial terms. Gamblers are directly transferring their money out of their household and away from legitimate consumption. In poorer households this means deprivation for other

family members. This pressure can result in tensions within families and lead to increasing rates of divorce. Those involved in gambling are also more likely to drink heavily and to engage in crime to fund their habit.

Table 3 provides estimates of these costs for the US, which were presented to MPs during consultation on proposed changes to UK gambling legislation. Table 4 attempts to translate these costs into the UK setting, using similar levels of cost for the negative impacts of gambling but relating these to the number of gamblers in the UK, increased as it is argued it will be following a relaxation of the restrictions on gambling. The suggested figure for the potential cost of gambling under the new legislation is £10bn. per year. The figures in Table 4 are clearly somewhat speculative, although it should be noted that in a country with a more developed welfare system than that in the US, the estimates for the various costs are likely to be higher.

Table 3. Estimated average social cost per US problem gambler by item per year (all figures given in US dollars)

Category	Cost per year (\$)
Employment costs	6,017
Missed work	1,740
Productivity losses (quit jobs)	2,813
Fired from work (productivity lost)	1,423
Unemployment compensation	41
Bad debts and civil court	10,291
Bankruptcy debt loss	9,556
Civil court costs (bankruptcy/debt/divorce)	735
Criminal justice system	2,341
Theft	1,819
Arrests	99
Trials	89
Incarceration	84
Probation	250
Treatment and social services	436
Treatment costs	286
Welfare	93
Food stamps	57
Total social cost	19,085

Source: Bate, 2003.

Table 4. Estimated cost of gambling in the UK following expansion

Number of problem gamblers	300,000
Predicted increase	3 fold or 300%
Predicted N of gamblers	900,000
Cost of problem gambler in USA	\$19,085
Relative cost in UK	£11,451
Total cost of gambling	10,305,900,000

Smoking

Smoking is a major concern to government because of the massive health costs it generates. However, little or no thought is given to the causes of smoking. The physiological effects of smoking are a prop to many, especially in situations of stress at work. For others, smoking represents a moment of solitude and peace, a moment for them, that they can take out of a life that is mostly spent under pressure.

The need to escape is intense enough for people to continue smoking even in the face of the known disastrous health consequences. Government figures estimate that smoking adds £1.5bn. per year in direct costs to the NHS, a figure which includes hospital admissions, GP consultations and prescriptions. As the figures in the box show, smoking is an expensive and dangerous addiction. Rates of smoking are falling as a result of strong public-health messages, but around one-third of the younger age-groups continue to smoke, as shown in Table 5.

Costs of Smoking

- Tobacco use kills around 114,000 people in the UK every year, more than 300 every day and around 20% of all deaths.
- About half of all regular cigarette smokers will eventually be killed by their habit. Smoking causes at least 80% of all deaths from lung cancer, around 80% of all deaths from bronchitis and emphysema and around 17% of all deaths from heart disease.
- Cigarette smoking increases the risk of having a heart attack by two or three times, compared with the risk to non-smokers.
- About 90% of cases of peripheral vascular disease which lead to amputation of one or both legs are caused by smoking—about 2000 amputations a year in the UK.
- People who smoke and drink alcohol regularly are at greater risk of mouth and throat cancers. One study found that among consumers of both products the risk of these cancers was increased more than 35-fold among those who smoked forty or more cigarettes a day and took more than four alcoholic drinks a day.
- More than 17,000 children under the age of five are admitted to hospital every year because of the effects of passive smoking.

Source: www.ash.org.uk.

Table 5. Prevalence of cigarette smoking by age (%)

Year	16-19	20-24	25-34	35-49	50-59	60+
1978	34	44	45	45	45	30
1988	28	37	36	36	33	23
1998	31	40	35	30	27	16
2000	29	35	35	29	27	16
2002	25	38	34	28	26	15

Health Costs of Smoking

- In 1997-98 364, 200 people were admitted to NHS hospitals to be treated for diseases related to smoking. They occupy an average of 9,500 hospital beds every day.
- Helping people to stop smoking is a very cost effective health care intervention, compared with many other treatments. For example the cost to the NHS of prescribing statins – drugs to lower cholesterol levels – is estimated to be between £5,400 and £13,300 per life-year gained whereas the cost of smoking cessation advice is estimated to range from £212 to £873 per life-year gained
- There are about 12 million adult cigarette smokers in Great Britain and another 1.3 million who smoke pipes and/or cigars.
- Smoking prevalence is highest in the 20-24 age group for both men and women (37% and 38% respectively) but thereafter in older age groups there are progressively fewer smokers.
- Since 1996, young women in the 16-19 year old age group have been significantly more likely to smoke than men of the same age.

Source: Living in Britain – Results from the 2002 General Household Survey, Office for National Statistics, 2004.

Alcohol

Alcohol is another drug that gives temporary relief from the pressure or unhappiness of life. Unlike smoking, consumption of alcohol is on the increase, particularly among young people and women. In addition, the pattern of alcohol consumption is changing, with more intensive, heavier drinking, often known as binge-drinking. This is problematic from a health point of view and also socially, because of its consequences for social life in many of our cities. Alcohol creates significant problems in terms of crime, especially violent crime, as shown in Tables 6 and 7.

The Cabinet Office (2003) has estimated the total cost of alcohol-related harm at £20bn. per year. Some of the sources of these costs are included in the box below; they include alcohol-related health disorders and disease, crime and anti-social behaviour, loss of productivity in the workplace, and problems for those who misuse alcohol and their families, including domestic violence. The estimated annual cost to the health service alone is £1.7bn. The report links up to 1,000 suicides per year directly to alcohol but does not attempt to quantify other social impacts.

Table 6. Antisocial behaviour during or after drinking among all 12-17-year-olds (%)

Behaviour	12-15	16-17	12-17
Any form of anti-social behaviour	8	29	15
Got into a heated argument	5	22	10
Got into a fight	3	14	6
Broken, damaged or destroyed something	3	9	5
Taken something not belonging to you	1	3	1

Source: Harrington, 2000.

Table 7. Proportion of violence incidents that were alcohol-related

Nature of incident	1996	1998	2000
Domestic	32	33	44
Acquaintance	45	44	36
Stranger	55	57	53
Mugging	17	15	17
All	41	41	40

Source: Budd, 2003.

Prescription Drugs

Depression is a serious and growing problem, and is included in this chapter as it is a response to an oppressive social and economic system. The solution to depression is usually a visit to the doctor followed by a course, sometimes lengthy, of antidepressants.

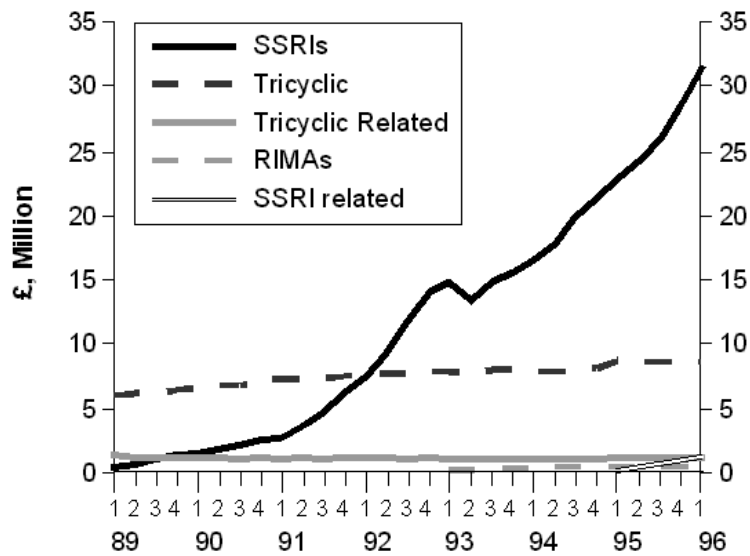
The pill of choice these days is what is known as an SSRI, a selective serotonin re-uptake inhibitor, which maximizes the use of the feel-good chemical serotonin within our brains. There are two reasons why within a profit-driven economic system SSRIs are favoured by the medical profession. The first is that they are heavily marketed to GPs by the drugs companies so that, although they are considerably more expensive than the previous treatments, they are much more widely prescribed. The second is that they do not prevent people from playing their role as economic units, rather they take the edge of the unbearable nature of life in the modern workplace.

According to the Depression Alliance website: ‘Depression is a common illness with approximately 2 million people a year in Britain being diagnosed. Indeed, in Britain it is estimated that one out of every twenty adults is suffering from depression at *any one time*, with more than one out of every five adults claiming to have suffered from depression at *some time in their lives*.’

Figures from the Prescription Pricing Authority (illustrated in Figure 4) indicate that ‘In the quarter to June 2001 there were 5.9 million items for antidepressant drugs at a cost of £82.3 million.’ They also give details of a large increase in drugs to treat psychosis: ‘antipsychotic drugs have shown the highest growth in spending’ (£30.0 million, 1.3 million items for the quarter to June 2001).

If we take just these two categories of psychiatric medication and multiply up for the four quarters of the year we arrive at a figure of some £450m. According to the BBC website depression costs the UK around £8bn. per year in medication, benefits and lost working days.

Figure 4. Spiralling costs of antidepressant prescriptions in the UK, 1989-96



Source: NHS Prescription Pricing Authority.

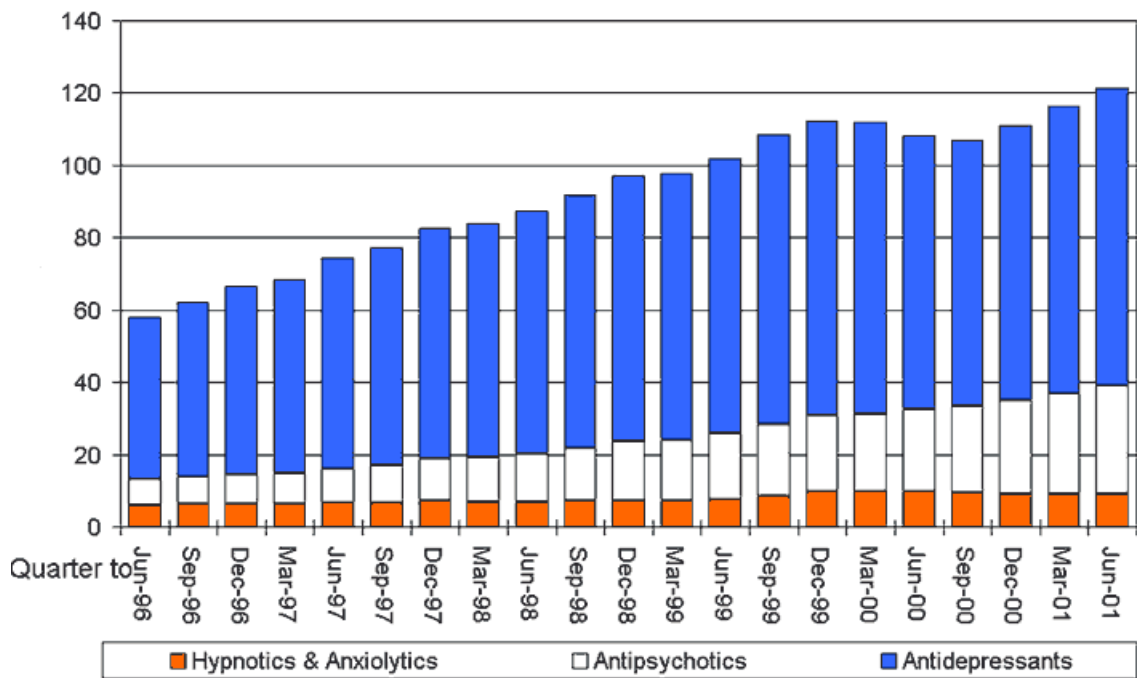
Rates of prescription of the SSRI-type antidepressants are increasing rapidly, although they are 5 to 6 times as expensive as the previous type of antidepressant, known as tricyclics. Table 8 shows the contrast in cost in terms of 28 days of treatment per patient. The most well-known of these drugs is Prozac, for which levels of prescribing have mushroomed during the past 20 years in the UK: in the decade up to 2001 prescriptions increased from nine million to 24 million a year. In 2002 doctors wrote out prescriptions for 26 million prescriptions for it and related SSRIs.^{vi} The average cost of a prescription of an SSRI per year is £282, suggesting a cost of around £7bn. for these antidepressants in 2002. A chart illustrating trends in spending on mental health drugs is reproduced as Figure 5.

Table 8. Average reimbursed cost of 28 days of treatment per patient at WHO Defined Daily Dose, £, March 1996

Tricyclic	3.93
Amitriptyline	1.56
Dothiepin	3.38
Lofepamine	7.73
Tricyclic Related	20.41
SSRIs	21.74
SSRI related	35.47
RIMAs	19.01
Average	11.31

Source: Centre for Health Economics, University of York

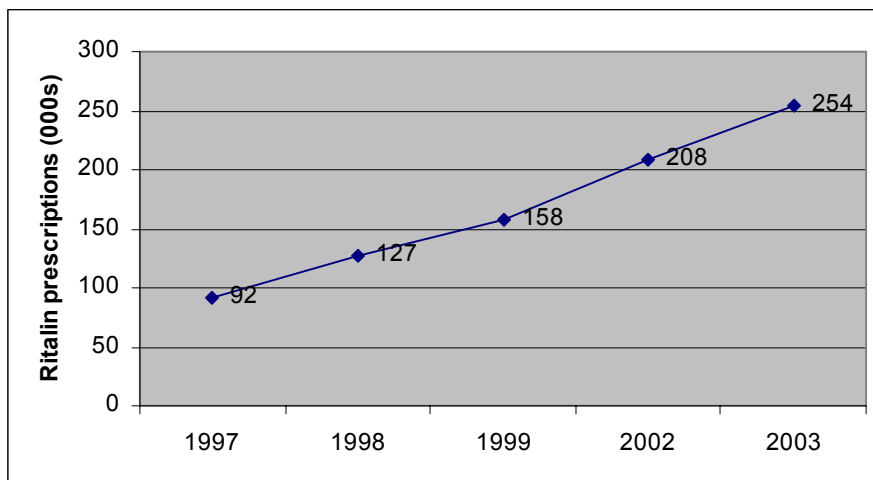
Figure 5. Trends in spending on mental health drugs in England (£m.)



This epidemic of mental distress extends to our most vulnerable citizens: our children. In response to the sudden emergence of the syndrome known as ADHD (Attention Deficit Hyperactivity Disorder) Department of Health figures reproduced in the graph chart the rise in Ritalin prescriptions from 92,000 in 1997 to 254,000 in 2003, a 326 per cent increase in just six years. In the USA 10 million children are on the drug (*The Ecologist*, Mar. 2003).

In 2003 140,000 children between the ages of 16 and 18 in full-time education had been prescribed an anti-depressant. Since 1996 the number of young people under 16 being given Prozac and the related SSRIs has risen from 76,000 to 110,000 (Townsend, 2004).^{vii}

Figure 6. Department of Health figures for Ritalin prescriptions, 1997-2003



Illegal drugs

From the perspective of our concern in this report the distinction between legal and illegal drugs is less relevant than the massive increase in drug-taking of all sorts. We interpret the consumption of mood-altering drugs as a response to an unhappy life situation. If our economic system were as effective as is often suggested, we might expect to find citizens who were content without the need for constant chemical adjustment to their mental state.

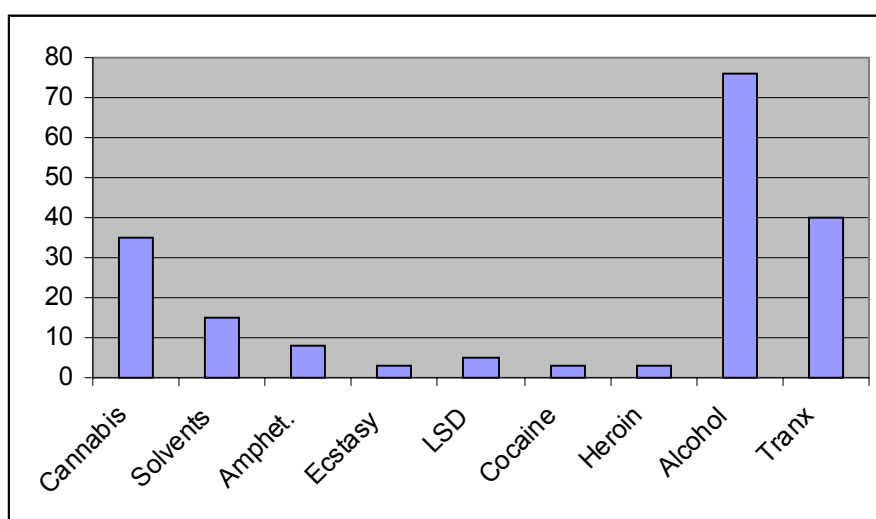
The previous sections have dealt with alcohol, nicotine and prescription drugs. This section deals with the illegal variety. Table 9 shows clearly that illegal drug-taking is showing a clear upward trend, although there is considerable switching between one type of drug and another. The table shows that around 10 per cent of the population have used one type of illegal drug during the past year. Figure 7 presents rates of lifetime drug abuse amongst young people.

Table 9. Percentage of respondents aged 16 to 59 using various drugs in the last year, 1994-2000

Drug	1994	1996	1998	2000
Cocaine	0.5	0.6	1.1	1.7
Crack	0.0	0.1	0.1	0.3
Heroin	0.2	0.2	0.1	0.3
Amphetamine	2.4	2.9	2.6	1.9
Ecstasy	1.0	1.4	1.2	1.6
LSD	1.3	0.9	0.6	0.6
Cannabis	8.4	8.7	9.0	9.4
Any drug	9.9	10.3	10.5	10.7

Notes: Based on data from the British Crime Surveys.

Figure 7. Lifetime drug abuse amongst UK 15-16-year-olds, 1999



Note: The category for alcohol relates to a question about whether the young person has ever been drunk.

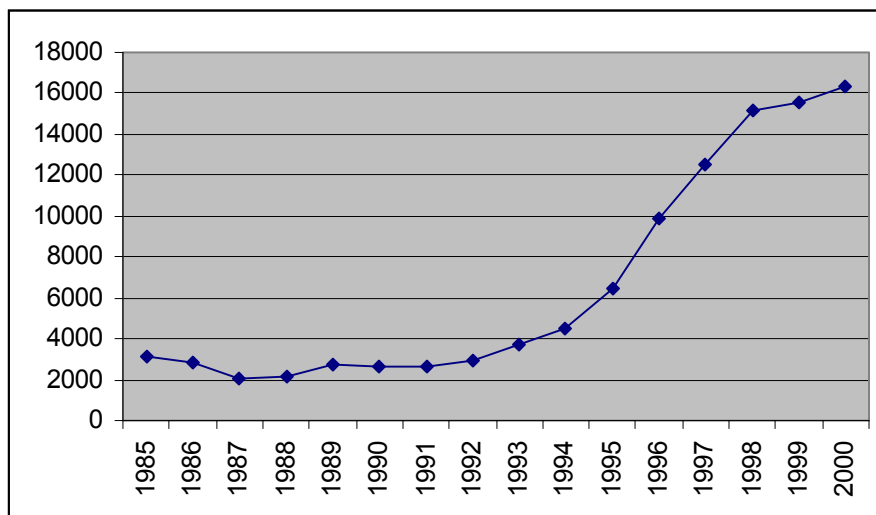
Source: EMCDDA, 2003.

The British Crime Survey for 2000 suggested that around one-third of the population had used an illegal drug at some point during their life, and that this figure increase to half in the 16-24-year-old age-group. For obvious reasons, these self-reported figures relating to illegal activity are likely to be underestimates.

Cannabis was the illegal drug used by most people. However, the UK also comes in at the top of the European league for a range of heavier drugs: number one for amphetamines, second only to Ireland for ecstasy and second only to Spain for cocaine.

The situation may well be more serious than these official figures suggest, since such illegal activity is notoriously difficult to measure accurately. Research from three British cities (Brighton, Liverpool and London) indicated that rates of regular drug injection of heroin and crack cocaine could be as high as 1 in 50; amongst 30-44-year-old men the rate is as high as 4 per cent.^{viii} Figure 8 illustrates an increase in the rate of seizures of heroin, one indicator of increased supply.

Figure 8. Number of heroin seizures in the UK, 1985-2000



Source: EMCDDA, 2003.

There is a clear relationship between illegal drug use and crime. The figures reproduced in Table 10 show that nearly a third of women in prison in England and Wales have been or are injecting drug users and that this number rises to 46 per cent in Scottish prisons. In the case of men, the figures are 24 and 32 per cent. Clearly the dependence on illegal drugs is a key underlying reason for the rapidly increasing prison population. The relationship between drugs and crime works in both directions. Many people find themselves in prison because of drug-related offences, or because of indirect drug-related offences, such as stealing to fund a habit.

Table 10. Prevalence of drug-users in UK prisons: lifetime drug injecting by gender and region (%)

England & Wales (1997-8)		Scotland (1991-6)	
Men	Women	Men	Women
24	29	32	46

Source: EMCDDA, 2003: Figure 18.

Once in prison, the environment frequently leads to further drug taking. We can view those who fill our gaols as victims of a system within which they cannot become successful citizens and so resort to a combination of illegal activity and drug-taking. The difficulty of finding a job on leaving gaol means that for most this is a one-way street.

Table 11. Reports for Drug-Related Law Infringements in the UK, 1986-2000

Year	1986	1991	1996	2000	Change 1986-2000 (%)
N	23905	47616	95199	104390	437

The illegal drug epidemic is a costly business. The main costs are social, in terms of damage to the user's health and his relationships with family and friends. No attempt has been made to measure the various health consequences of prolonged drug use, as is done for smoking, although some idea can be gleaned from the figures for diseases related to injecting drugs, given in the box. A drug habit is expensive and this leads addicts to engage in behaviour that causes harm to themselves and others, including prostitution and property-related crime. There are also the costs of policing illegal drugs (which, as Table 11 shows, have seen a more than fourfold increase since 1986), and of organizing treatment and education campaigns. Table 12 reproduces the costs to society of two drugs programmes in the UK, as provided by the European Monitoring Centre for Drugs and Drug Addiction of the European Union.

Table 12. Cost of public expenditure on drug prevention and treatment in the UK, 2000-1

Drug treatment	£234m.
Protecting young people	£63m.

Source: (EMCDDA, 2003: Table 6).

In 2000 it was estimated that the cost per year of treating a patient with Hepatitis, asymptomatic HIV, symptomatic HIV and AIDS was around £4,300, £13,381, £14,222 and £24,314 respectively. However, additional costs related to the cost of transmission, reduction in life expectancy and quality of life are likely to be far greater.

Source: Home Office, 2004.

34.6% of injecting drug users are infected with hepatitis C

Source: EMCDDA, 2003.

An article in the *Guardian* published during the 2004 general election campaign made the point that the costs of drug crime is exceeding the budget of the Home Office:

Labour and the Tories are fighting over the law and order baton in the race for government. But both parties are committed to a regime that arguably causes more crime than any other single policy. In the 2004 comprehensive spending review last month, Gordon Brown earmarked just under £15bn to run the Home Office in 2007-08, up more than £4bn on 2002-03 but a billion less than the £16bn that the government estimates to be the annual cost of drug-related crime. Could it be that some of this expenditure is actually creating this crime? Is there a policy elephant that has hidden itself where no one can see it?

Transform estimates that drug prohibition has cost between £100bn and £200bn over the past 20 years. The government estimates that it currently costs £20bn a year.

Source: Kushlick, D. (2004), 'The True Price of Prohibition', Guardian.

Prostitution

Prostitution is a symptom of a society in which sexual desire is distorted and divorced from human relationships. Perhaps we are too busy or too damaged to build up the sort of relationship within which a fulfilling sexual relationship is possible. Instead some of us resort to the simpler transaction of the market exchange of money for sex. It is perhaps unsurprising that morality is being stripped out of this market, so that there is less shame associated with prostitution, which is now often referred to the 'sex industry', as though sexual intercourse was a service for sale like any other. This denies the denigration and humiliation suffered by the prostitute, forced to sell her or his body for money. If you find this sort of sentiment moralistic and old-fashioned perhaps it would help to put the question into focus if you considered how you would feel if your sister or your wife were to make a career change into prostitution.

A similar loss of moral focus has occurred in the case of pornography, which is now much more prevalent than previously, perhaps because of the anonymity offered by the internet. Morality, if not moralizing, pervades the issues of hard-core (meaning sexual activity the majority would not engage in, or that physically harms one or both partners?) pornography and paedophile pornography. Women who sell their bodies indirectly for others' sexual gratification are no longer considered to be exploited, the effects of this activity on the relationships between men and women in general, and on women seeking to operate as the equals of men are not considered. Strangely there is concern about women brought across national borders to act as prostitutes, perhaps because their role as victims is more obvious.

The figures in the box indicate the vulnerability and loss of control that prostitution genuinely represents. Paying for sex is not the marginal activity we might suppose. Figures from the National Survey of Sexual Attitudes and Lifestyles indicate that nearly 9% of men aged 16-44 in London had paid for sex in the past five years, with a figure of 4.3% for Britain as a whole. The number of prostitutes is harder to measure, but an estimate of 80,000 is a round figure, of whom 20,000 are immigrants.^{ix} According to figures from National Statistics there were 3,135 charges of prostitution at magistrates courts in 2001, of which 2,847 resulted in guilty verdicts. The figures in Table 15 show the financial costs associated with this rising tide of prostitution. The human costs cannot be measured in monetary terms.^x

- 75% of women were under 18 when coerced into prostitution;
- as many as 95% use prostitution to support their own (and often a partner's) problematic drug use.
- Cost of prostitute's drug habit: £525 per week.
- 85% of those involved in prostitution have reported suffering physical abuse in the family, with 45% reporting familial sexual abuse
- 75% of children abused through prostitution had truanted from school
- 70% had spent time in care, and many reported running away from home.

Source: Home Office.

Table 13. *Costs of Prostitution*

Category	Cost (£)
Police spending on controlling prostitution	£176m.
Estimated cost for prosecutions for kerb-crawling, soliciting and keeping a brothel	£4.5-£281m.
Costs of controlling related anti-social behaviour	£42m.
Criminal justice cost of a violent crime against prostitutes	£50,000 each
Health cost of a violent crime	£8,000
Emotional cost of a violent crime	£97,000
Cost of a rape (criminal justice)	£13,000
Health costs of a rape	£1,200
Emotional cost of a sexual assault	£12,000

Source: Home Office: Paying the Price.

Sexual Exploitation of Young People

As discussed earlier, crime statistics do not provide an accurate picture of the true extent of the problem. However, on the basis of police and Home Office statistics, Bluett et al. (2000) have estimated that, in any one year, there are around 2000 young people involved in prostitution in the UK. One third of them are thought to be aged under 16 and 200 to 300 of them to live in London. Other estimates have been higher: up to 5,000 young people involved at any one time in Britain (Barrett, 1998). In a study conducted by Barnardo's, a conservative estimate by 48 agencies potentially coming into contact with children and young people involved in prostitution was that they knew at least 55 boys and 267 girls under 16 years-old and 94 boys and 338 girls between the ages of 16 and 18 years, who were involved in prostitution.^{xi}

Aside from child prostitution, the other area of international concern is sex-related people-trafficking. The US Department of State estimates that between 800,000 and 900,000 people are trafficked across international borders every year. At a UN Special Session on Children in 2002, the UN estimated that 1.2 million children are trafficked every year. These children are exploited for prostitution, domestic servitude or other types of labour exploitation. In the UK there is great concern about Nigerian and Eastern European girls being brought to the country for prostitution. There is little data about the extent of the problem in the UK, but UNICEF reports 250 documented cases in the last five years. This is clearly an underestimate of the true figure (ECPAT, 2004).

- 13-19 million children are working in the tourism sector all over the world.
- More than 1m children are sexually abused by tourists every year.

Source: The United Nations, www.responsibletravel.org.

Associated with the more casual attitude towards sex, and by increasing rates of prostitution, we also see rising rates of sexual transmitted disease, as shown by the figures in Table 14. Chlamydia is the disease currently causing most concern, partly because of its rapid increase and partly because it is asymptomatic in many cases, so that women can become infertile without even knowing they had a disease.

Table 14. *New episodes of uncomplicated genital chlamydia by age and sex: England, Wales and Northern Ireland 1995-2003*

Age	Male		Female	
	2002-3	1995-2003	2002-3	1995-2003
<15	7	107	18	173
15	36	216	24	254
<16	28	182	23	233
16-19	15	412	11	254
20-24	16	250	8	187
25-34	5	112	3	117
35-44	5	200	0	188
45-64	3	198	8	175
>65	21	78	60	26
Unknown	-65	557	-97	-89
Total	10	196	8	188

Source: Health Protection Agency.

Pornography

It is difficult to find any reliable data on the extent of pornography in the UK, since it is legal and considered unproblematic. However, as in the case of prostitution we would argue that it is a symptom of a society in which normal sexual relationships have become distorted. There is no doubt, however, that pornography is big business. ‘The ten bestselling British porn magazines sell about two million copies a month, bringing in a yearly total of about £45 million . . . The newspapers *Sport*, *Sunday Sport* and their associated titles are worth close to £500 million.’^{xiii}

While pornography exploiting women is often considered unproblematic we are in the midst of a moral panic about child pornography, which is unsurprising given its apparent massive increase in recent years, partly as a result of ease of access via the internet. According to the NSPCC, ‘between 1988 and the end of 2001 there was a 1,500% increase in the offences of making and taking or possessing child pornography in England and Wales, from 33 in 1988 to 549 in 2001’. Measurement is difficult in this area and the 81 convictions in 2000 for ‘possessing obscene material for gain’ and the 218 for ‘taking or making indecent photographs or pseudo-photographs of children’ are unlikely to reflect the true extent of the problem.^{xiii}

In January 2003 police launched Operation Ore and arrested hundreds of people on charges of possessing child pornography and arrested 1,300 as a result of tracing online credit-card transactions. They had information sufficient to investigate another 250,000 people, but had to abandon these plans since a thorough investigation would have taken up too much police time.^{xiv}

Conclusion

Some sort of summary about the total costs of escaping this world we have created follows. Clearly the figures below are speculative, although they are drawn from government publications in most cases. We can be sure that there are some instances of double counting, since many of those in our society who are troubled feature in various of the different categories. However, we can be equally sure that these estimates are underestimates. The costs tallied relate only to those categories for which costings were available, and in these cases they only include those aspects of any given problem that can be measured in monetary terms.

Given all these caveats the comparisons between the costs of our escape from our economic system and the costs of other major public spending budgets presented in Table 15 are illuminating. Horrifyingly, the table shows that the costs of these escape strategies for our society as a whole is equivalent to around 14% of the whole of government spending. At £52bn. in total this cost is roughly the same as the whole of health spending, at £54bn., more than the total education budget of £45.8bn., and around half of the largest government budget, that of social security, at £105.6bn.

Table 15. Comparison of costs to society reported in this chapter and government spending in various areas, *c.* 2001.

Category	Cost	Category	Spend
Alcohol	£20bn.	Law and order	£20.5bn.
Illegal drugs	£20 bn.	Defence	£23.5bn.
Depression	£9bn.	Transport	£9.1bn.
Gambling	£3bn.	Housing	£3.5bn.
Smoking	£1.5bn.	Rail services	£1.3bn.
Total	£52bn.	All spending	£368.3bn.

Source: Individual costings are made or reported in the body of the report. Figures for government spending are taken from *Public Spending: Statistical Analysis, 2001-2* (London: TSO).

References

- Barrett, D. (1998), 'Young people and prostitution: perpetrators in our midst', *International Journal of Law, Computers and Technology*, 12/3: 475-86.
- Bate, S. (2003), *Recommended Safeguards to the Members of Parliament and of the House of Lords Joint Committee on the Draft Gambling Bill* (London: British Coalition Against Gambling Expansion).
- Bluett, M., Walker, A., Goodman, J. and Adeyemo, J. (2000), *Somewhere Safe: Accommodation Needs of Children and Young People at Risk on the Street* (London: Home Office).
- Budd, T. (2003) Alcohol-Related Assault: Findings from the British Crime Survey, Home Office Online Report 35/03.
- Cabinet Office Strategy Unit (2003). Alcohol misuse: interim analytical report. London: Cabinet Office.

- Department for Transport (2003), *Air Passenger Growth and Airport Capacity: A Technical Discussion Paper* (London: DfT).
- ECPAT (2004), 'Cause for concern? London social services and child trafficking (London: End Child Prostitution, Child Pornography and the Trafficking of Children for Sexual Purposes
- European Monitoring Centre for Drugs and Drug Addiction (2003), *The State of the Drugs Problem in the European Union and Norway* (Lisbon: EMCDDA).
- Gamcare (2000), *National Gambling Prevalence Survey* (London: Gamcare).
- Harrington, V. (2000) *Underage Drinking: Findings from the 1998-9 Youth Lifestyles Survey* (London: Home Office).
- Haswell, D. (1999), 'Problem Gambling: What Role for Social Work?', MSW Diss. (Edinburgh).
- Hester, M. and Westmarland, N. (2004), *Tackling Street Prostitution: Towards an Holistic Approach* (London: Home Office).
- Home Office (2004) *Paying the Price: A Consultation Paper on Prostitution* (London: Home Office).
- Intergovernmental Panel on Climate Change (1999), *Aviation and the Global Atmosphere* (Manchester: Centre for Air Transport and the Environment).
- Oflot (1997) 'The National Lottery Regulator (Oflot) Annual Report, 1996-97 (Summary)W, *GamCare News*, 1.

ⁱ 'Slamming the Door on Britain', *Sunday Times* special survey, 31 Oct. 2004.

ⁱⁱ NPSA (2001), National Patient Safety Agency, *Safety First: National Confidential Inquiry into Suicide and Homicide by People with Mental Illness* (London: NPSA).

ⁱⁱⁱ Select Committee on Culture, Media and Sport, Minutes of Evidence, Memorandum submitted by Gamcare, April 2002.

^{iv} Rincon, P., 'Problem Gambling set to Explode', bbc website, 9 Sept. 2004.

^v Submission from the Royal College of Psychiatrists to the Joint Committee on the Draft Gambling Bill December 2003

^{vi} Telegraph (2004), 'Are Drugs the Answer', *Telegraph online*, 27 April.

^{vii} Townsend, M. (2004a), 'Exam Fears Driving Teenagers to Prozac', *Observer*, 6 June.

^{viii} Hickman, M., Higgins, V., Hope, V., Bellis, M. A., Tilling, K., Walker, A. and Henry, J. (2004), 'Injecting Drug Use in Brighton, Liverpool and London: Best Estimates of Prevalence and Coverage of Public Health Indicators', *Journal of Epidemiology and Community Health*.

^{ix} Data from the EUROPAP website: www.europap.net.

^x National Statistics (2002) *Criminal Statistics, England & Wales for 2001: Supplementary Tables*. London.

^{xi} Thomas Coram Research Unit, *The Commercial Sexual Exploitation of Children and Young People: An Overview of Key Literature and Data* (University of London, 2004).

^{xii} Greer, G. (1999), *The Whole Woman* (London: Doubleday), pp. 182-3.

^{xiii} Home Office (2002) *Protecting the Public: Strengthening protection against sex offenders and reforming the law on sexual offences*. London, Home Office.

^{xiv} Thomas Coram Research Unit, *The Commercial Sexual Exploitation of Children and Young People: An Overview of Key Literature and Data* (University of London, 2004).

Conclusion

The *Centre for Holistic Studies UK Network (CHS UK)*, has undertaken the *Counting the Costs* project to establish the baseline of need for positive change by evaluating the negative impacts of our commercial, industrial, trading and political systems. This first report, launched in London in September 2005, increases awareness of the downside of market capitalism and challenges the assumption that it is the one truth.

The report includes statistics which are intelligible to the lay person, not just to the academic economist. The calculations show that the costs of the economic growth we have achieved are heavy and we cannot afford to ignore them.

Mark Tully introduces the idea that market capitalism is a belief system. It has such a hold over politics because of its apparent success; its obvious social and environmental downsides are not usually measured.

Jeremy Seabrook says that there is an element missing in the equation of wealth with well-being. He describes a dawning sense that the price paid for this version of wealth, to some degree, nullifies many of the advantages which it has undoubtedly brought to a significant minority of people on earth.

Though many of the costs are hard to quantify, the economist Molly Scott Cato has recorded some of the negative economic, environmental and social impacts of our industrial and trading systems by presenting some of the financial costs of these, using reputable research sources. She cites various escape routes being taken, selecting emigration and travel, illegal drugs, legal drugs such as alcohol and nicotine, prescription drugs, and aggression, depression and suicide, comparing published costs data of these escape routes with government spending in other areas. A stunning statistic, for example, is that the costs to society of alcohol-related problems are more than six times the amount that the government spends on housing.

Future reports planned include **COUNTING THE COSTS: OUR FOOD SYSTEM** and **COUNTING THE COSTS: OUR HEALTH SYSTEM**.

CHS UK will work with its recently-established sister organisation, the *New Era Coalition (NE)*, which is totally dedicated to positive work. NE links people from twenty-four groups working for stronger local, regional and national economies, a healthier environment and a more peaceful world.

Further copies of this report can be obtained from:

*Barbara Panvel, CHS UK
5 Pear Tree Grove, Shirley, Solihull, West Midlands, B90 1LL
0121 430 4706 ba@panvel.freeserve.co.uk*