

# SA YOUT

Canada and the world

Summer 2018

*Ideas, Facts, and Opinions for Today*

## What is the state of the world's water?

**I**t's easy to take water for granted, especially in Canada. After all, we're surrounded by fresh water lakes and rivers. Still, careless use of our water can deprive us of more of this life-essential resource than we might suppose.



Wolfram Mauser (*Water Resources*, 2008) tells us, "Groundwater levels are dropping rapidly worldwide. This not only increases pumping costs but also leads to the abandonment of many irrigated areas due to water shortages."

Groundwater has traditionally been a reliable source of good water. You drill down and you get a well. That straightforward process is not so easy these days, especially in countries like India.

Given our current realities and the realities in prospect, water should now have a higher priority for our politicians than oil. But it does not. In Canada we specifically prioritize oil over water. Northern Alberta is experiencing heavy loss of good water as the massive water needs of the tar sands grind on.

Ten years ago, Andrew Nikiforuk reported that each barrel of tar sands oil requires three barrels of fresh water for its extraction (*Tar Sands*, 2008). The area affected in Alberta is enormous, rivalling the size of England, and the Trudeau government is committed to making it much larger.

Ninety percent of the water used to

produce tar sands oil ends up as toxic waste in ever-growing tailings ponds. Those ponds form centres of poison that will last for many years, possibly centuries. We're bequeathing them to future generations.

Alan Beattie (*False Economy*, 2009) tells us that those countries that now own good stocks of water "... have a disturbing tendency to mismanage it in spectacularly silly ways." Could he be including Canada as one of those silly countries?

Lack of sufficient good water for large segments of a population leads to more health issues arising from increased exposure to bacteria and viruses, lack of proper hygiene and such issues as dehydration. This dangerous reality virtually guarantees increases in death rates.

An increasing issue these days concerns micro beads of plastic. These are now showing up in disquieting quantities in our water supplies all around the world, including in bottled water from well-known firms.

How much plastic did you drink today? Water that's been declared safe to drink may still contain large quantities of plastic beads. The health effects of all this plastic in our water are not yet known. But they're not likely to be good.

When the next big epidemic hits, poor availability of potable water would make things worse. And we need to remember that in today's world dreadful diseases can spread from the deprived areas of the world to the more privileged areas, sometimes with incredible speed.

Taking our water for granted is a luxury we can no longer afford. We mustn't waste it thoughtlessly. Water sustains life itself. It needs and deserves our respect and our care.



Robyn Peterson

**Look at our backyard now!**

## The 'wealth tax' option

One of the suggestions that arises from time to time to deal with the financial needs of government and society in general is to levy a wealth tax, a tax on one's wealth not just one's income.

Naturally, whenever it is mentioned, such a tax is vociferously opposed by the wealthy. Still, in a day and age of tax breaks of an almost limitless variety, a wealth tax makes some sense.

Thomas Piketty has noted (*Capitalism in the Twenty-First Century*, 2014): "From the standpoint of the general interest, it is normally preferable to tax the wealthy rather than borrow from them."

Of course the wealthy are often eager to lend money to the government in various ways. After all, they might well be able to increase their fortunes with the power of compounding interest. Being taxed for their money instead of being invited to lend their money would cause reactions of horror.

Estimates for the revenue that would arise from a wealth tax in Canada come in at about \$3-billion a year. Such a tax would likely kick in at wealth levels of \$5-million or more per year.

Added government revenue could be helpful for the country as a whole. It would enable us to meet a few more genuine needs for ordinary Canadians.

## Agnotology continues

Agnotology continues to hold befuddling sway in our world. Its practitioners spread doubt, raise questions about established facts, and generally promote acceptance of false narratives.

Robert Proctor, a science historian at Stanford University, developed the term 'agnotology' in 1995 after long and detailed studies of how the tobacco industry had successfully fended off medical findings about the damaging health effects of smoking.

The agnotology strategy followed by the tobacco industry successfully blocked regulatory efforts against smoking for decades, thereby allowing for continued large profits for the tobacco giants.

Today, different interests make use of agnotology. They know it's a strategy that works. So the Koch brothers have used it to great effect to raise doubts about climate change, all the better to protect their vast fossil fuel interests.

Some foundations will promote agnotology strategies. The social media can come in handy for this purpose too.

Articles in respected magazines can carry the strategy forward. Books can as well. A few scientists will accept large sums of money to lend their names and scientific credentials to the process.

Lobbyists of various kinds can use agnotology to influence politicians and to help shape legislation.

Political parties can use agnotology to attack rival parties with false claims or to plant false accusations.

A good dose of critical thinking can help to vaccinate against agnotology. The trouble is: *How widespread is critical thinking these days?*



Robyn Peterson

**So this is our new penthouse in the sky.**

## Closer still to Doomsday

In 2017 the Doomsday clock was shifted to two-and-a-half minutes to midnight. That was the closest it had been to mid-night since 1953 when it was set at two minutes to midnight. On that occasion it moved forward because the United States and the Soviet Union had exploded hydrogen bombs that were much more powerful than atomic bombs, such as the ones that destroyed Hiroshima and Nagasaki in 1945.

Early in 2018, the Doomsday clock was set at two minutes to midnight, the same time as set in 1953. Given increased international tensions, including the nuclear threats emanating from North Korea and the United States, the world has become just as dangerous as it was in the early 1950s.

The United States and Russia continue to upgrade their nuclear strike capabilities. President Trump promised much more money to the U.S. military, more even than they had asked for.

In mid-April the United States, along with Britain and France, attacked targets in Syria. This attack was a direct war challenge to Russia.

We may well be in a new Cold War.. And this time we also have the continuing and growing threat posed by climate change.

Perhaps President Trump's Singapore agreement with North Korea will make a positive difference. Russia's holding of the World Cup of football this spring and summer may help too. But a serious new trade war could put a serious damper on things.

Remembering what John Lennon said so long ago, might we still give peace a chance?

## Fair use of power

To deal effectively with income inequality, we must identify its exact nature today and then take decisive and complete action to deal with it properly. Half measures won't do.

Exercising a good level of counter-power will be necessary to bring about a fairer distribution of incomes and wealth. The question now is: *How and when will this kind of power be wielded?*



## So here are the numbers

*"Percentages offer a fertile field for confusion. And like the ever-impressive decimal they can lend an aura of precision to the inexact."*

Darrell Huff,  
*How to Lie with Statistics*, 1954.

## An election to ponder

On June 7 Ontario gave us an interesting election result. Doug Ford and his Progressive Conservative Party won a resounding victory with 40.6% of the votes cast. The 59.4% of the voters who wanted someone other than Ford to be their next premier were resoundingly defeated.

Given the 58% turnout level, we can say that 23.5% of eligible voters gave Ford the premiership. No doubt a good number of those who didn't vote would also have supported Ford and his party. Even so, a minority of the voters produced this overwhelming win.

Ford and his party won 76 of the 124 seats in the provincial legislature. The majority of voters will now be represented by parties given 48 of the seats. No doubt the new premier will declare he won a resounding victory and will claim to have a mandate from the people.

'Democracy' is interesting these days. It looks more and more like an oligarchy all the time.

## Sayout

**Sayout gives voice to those concerned about where we are in today's world and where we're headed. Here we can talk about issues affecting us right now—in Canada and around the world.**

**Agree or disagree, but think. What is really happening, and what do we need to do? Ask questions of those in power, demand action where it's needed, and don't be misled by saccharine promises or golden phrases meant to soothe but nothing more.**

**This newsletter is free in its e-version form.**

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### Is Japan doing it right?

*"Far from a disaster story, a Japan that has deflation, depopulation, and declining nominal GDP can nevertheless produce robust real per capita GDP growth for its citizens. Combined with the accumulated wealth of the Japanese people, this condition can result in a well-to-do society even in the face of nominal growth that would cause most central bankers to flood the economy with money."*

James Rickards,  
*The Death of Money, 2014.*

### Who's it for?

Does an economy exist for the people?  
Or do people exist for the economy?

These days it makes sense to think about these questions with some care.

What's your answer?



Robyn Peterson

Summertime, and the driving is easy.

### Solar power perspective

When we speak of solar power these days, we're usually thinking of solar panels — and these are getting better all the time.

Sometimes it's worth remembering that people have used the sun's power for various purposes for thousands of years.

The oculus, the heat ray, and the heliograph give us a few examples of sun technologies developed and used over time.

### Who can we bank on?

In 1938 the Bank of Canada, which had been formed a few years earlier, became a public bank. Until 1974 the government could borrow money from the Bank at little or no interest. In effect, any interest or other payments made for loans came back to the people of Canada.

In 1974 *The Basel Committee of the Bank for International Settlements* based in Basel, Switzerland, recommended that governments should shift their borrowing activities to the private banking sector. This was deemed to be more "responsible". It was also in keeping with the monetarist movement in economics, which was then popular in government circles. Indeed, monetarist measures had been imposed on Chile by a vicious CIA-sponsored coup the previous year.

The Trudeau government of the time accepted the BIS recommendation and the government of Canada made the switch to borrowing from the private banks. From that time interest payments and other loan-related payments went to the private banking

system, not the people of Canada.

Paul Hellyer, a former federal cabinet minister observed of the 1974 BIS recommendation and the government's follow through: *"In effect, it has engineered a gigantic transfer of power from sovereign governments to autocratic banks"* (*Funny Money, 1994*).

One might ask: *Why is it a good idea for us now to have our affairs dominated nationally and globally by autocratic private sector banks?*

Since 1974 the federal government's debt burden has grown enormously. The change of government borrowing practices is a major reason why. And this is a more important reason than supposedly excessive social spending.

Presumably the Canadian government could change its banking policy virtually at any time. But the private banking sector would not approve. Finance Minister, Bill Morneau, with his close ties to the Bay Street financial wizards, would not likely approve. And so Canadians can expect to continue paying out large sums of money unnecessarily to our big private banks.

### The "benefits" of worker exploitation

In April of 2013 an eight-storey building on the outskirts of Dhaka, Bangladesh suddenly collapsed. Recovery operations revealed that over 1100 people had died, most of them women. Items of clothing for Western clothing retailers such as "Benetton", "Joe Fresh" and "Walmart" showed up prominently in the rubble.

This tragedy brought home the reality of working conditions in the developing world and the close connection those working conditions have with the production and pricing of the "bargains" people wear in developed countries.

Legal violations in the operation of the clothing factories in the Bangladeshi building abounded. Significant modifications had been made to the building without legal permission. The day before the collapse, cracks appeared in the walls of the building. These led to pleas not to continue operations until the cracks were dealt with. Managers ignored the pleas.

The Western corporations linked to factories in the building quickly declared themselves innocent of wrongdoing. After all, they had not employed the workers directly, but had dealt with contractors and sub-contractors. Legally, they were in the clear—but morally?

Public outrage around the world forced these corporations to make commitments to work on improving the work standards and safety for workers in all developing countries.

Sadly, we cannot say that tragedies such as the building collapse in Bangladesh will not happen again. In fact, similar tragedies have already occurred. In many cases, though, the outside world doesn't hear about similar tragedies. Bribery and cover-ups do occur.

Appallingly, we can even note that some workplaces in North America today still flout fire regulations. Fire exits may be blocked and evacuation plans may not exist.

Clearly, illegal issues surround us.

We have a serious question here: *What do we do about workplace violations?* Who notices? Who cares? What can we do to help people care?

## Did climate change go away?

For all the talk for decades now about greenhouse gases and global warming, we seem not to have a sense of urgency about where we are headed in the next few years. Indeed, politicians are encouraging us in this dangerous complacency. President Trump even declares climate change to be a hoax.



In recent years weather events, such as more extreme heatwaves and highly-destructive storms have become more frequent. Often, these events inflict heavy damage and loss of life in developing countries such as the Philippines or Indonesia. Frequently they reach into developed countries too.

On the face of it, richer countries, because they have stronger infrastructure and better-equipped emergency services, don't appear to face the same catastrophic consequences from climate change as poorer countries. So the complacency of people in the richer countries can continue as they hear of large-scale disasters linked to climate change occurring in foreign and unfamiliar parts of the world.

Large numbers of people in the developing world are being forced to flee from dried out and barren land or large flooded areas. They become migrants and face increasing resistance from the developed nations as they seek a better chance at life. People struggle and often engage in violence as they try to relieve their misery. Too often the violence leads on to war and mass killings.

Global warming by mid-century is now likely to breach 1.5° C. The consequences are just beginning.

As the world heats up, different diseases have more opportunity to spread. Diseases of the hot countries are shifting into northern climes and posing new challenges to healthcare systems in more northerly countries. More epidemics are a clear threat.

The world's food supply is also being threatened. Excess heat af-

fects crop yields. Too much heat, and many crops suffer heat stress and cannot grow properly. We must note too that the supplies of fish from our seas and oceans are declining. Warmer and more acidic waters are not as beneficial to many fish species that were once plentiful.

Different parts of the world experience continued warming in different ways — sometimes even with some cooling. The overall trend, though, is towards more heat. It now seems that the warming of the global climate is unstoppable.

Tipping points are those points of measurement that, when exceeded, mean that a major shift in our climate becomes inevitable. The following are tipping points scientists tell us we need to be on the lookout for. Chillingly, we may already have reached one or more of them:

- ◆ Dangerous build-up of stratospheric ozone.
- ◆ Over-use of the world's land area for agriculture.
- ◆ Lack of sufficient potable water.
- ◆ Acidification of the oceans to a life-destroying level.
- ◆ Species extinction occurring at too high a level.
- ◆ Too much phosphorus and nitrogen being used.
- ◆ Too high a level of carbon dioxide in the atmosphere (now registering at over 400 ppm).

Climate changes beyond the tipping points would be calamitous. They would threaten the well-being of our planet in unprecedented ways. They might even threaten the very existence of humankind.

The vast majority of scientific opinion now points to significant global changes resulting from climate change. We will experience these changes as time passes whether we "believe in them" or not. In too many places disaster beckons.

The question we must all answer now is: *What are we going to do about it?* Or do we really believe that doing 'nothing' is a viable option?

## Use our articles?

Sometimes people want to know if they can use articles from Sayout in other publications.

The quick answer is: please feel free to do so.

The only thing we ask is that you attach an **author byline**. If the articles are unsigned in Sayout, they're written by Robyn Peterson.

Thanks for your support.

## The value of money

*"All that is necessary for money to have value is for everyone to believe that it has value."*

Tim Harford

*The Underground Economist Strikes Back, 2014*

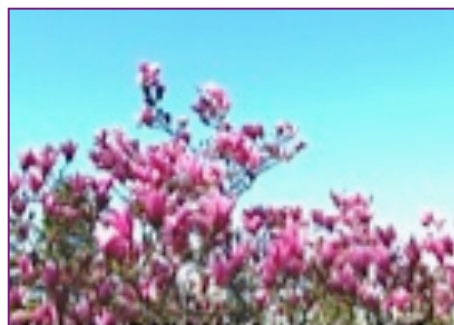
## A farm rapid response team

Late in 2016 Ontario's Hydro One announced the formation of a 'farm rapid response team'. The mission of this team is to respond quickly to reports or complaints of excessive ground current on farms.

A permissible level for such currents is 0.5 volts. People in different areas have reported higher levels, sometimes much higher, on their properties, including in their homes.

Leaking electricity can be damaging and sometimes deadly to people and livestock. People living near distribution or transmission lines need to be aware.

The new Hydro One team will be equipped to detect and measure stray currents and provide for remedial actions.



Robyn Peterson

Beauty and hope can work together.