The Oil Drum: Campfire

Discussions about Energy and Our Future

Tuna, Toilet paper, and Timing

Posted by Nate Hagens on July 12, 2009 - 10:44am in The Oil Drum: Campfire

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Concern about global resource depletion, at least in certain circles, is generating individual hoarding behavior - I don't know how prevalent this is, the potential advantages it will ultimately confer, or any of the subtleties of the must have list. This brief Campfire essay is a (somewhat disjointed) exploration of the short term translation of financial capital into basic goods, from the perspective of long term timing and social trajectories. (I expect it will generate some good discussion, especially following Luis' piece on Sustainability)

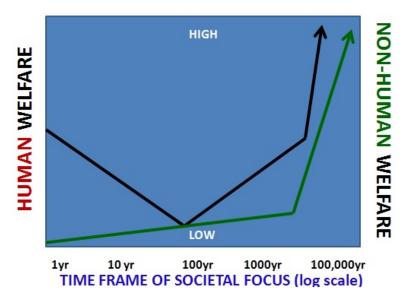


When Johnny Carson made a joke about toilet paper supplies disappearing from shelves on the Tonight Show in the late 1970s, it caused instant hoarding of TP which ended up lasting 3 weeks. (Toilet paper ranks #28 on Matt Savinar's list of 100 Items to Disappear First-Business-Plan. In a just-in-time inventory society, where food, water and energy arrive each day 'at the margin' in a complex delivery matrix dependent on liquid fuels, it is only a matter of time (20 days to 20 years?) before shortages of some sort or other occur. There is also reason to suspect that once this happens, there will be considerable positive feedback behavior, both at the moment, and in a lasting shift in peoples expectations about future 24/7 availability of goods buffets.

I was a bit taken aback this week when I went to my hairstylist, (who has until this occasion demonstrated rare skill with sasquatch locks) when she confided her recent exchange of all her bank cash for gold and tools. Surprised, I proceeded to provide her an academic explanation of her behaviour as trading abstract fiat capital into real capital in an environment of energy depletion and expansion of fiat debt, etc. She nodded knowingly and shared that she has believed society was headed for collapse since the 1970s, and only recently have real world facts caught up with her views. She went on to say that the next 20-30 years are going to be much better than the previous 20-30, and wanted to hang on something of lasting value during the transition. She then asked what 'depletion' and 'fiat' meant.

The drive home had me thinking thoughts on various levels. On the surface, I was curious as to how many people *unaware of peak oil and fundamentals of debt/credit crisis* have been intuitively preparing for some sort of social dislocation. An ivory tower moment for me, of sorts, I suppose. But as I thought about it deeper I wondered, in a world of myriad possibilities, intentions and trajectories, what actual long term advantage would people with gold, or foodstocks, or ammo, really experience - 3%? 50%?. In the grand scheme what kind of edge will Savinar-with-slingshot types have over those who haven't prepared one whit, but who are smart, resourceful and crafty? Or is it just perception of an edge? When we make decisions for tomorrow, is it to improve our odds for some perceived future bottleneck? Or is buying/hoarding stuff like buying

State Farm life insurance - it allows us the *expectation* of a better, smoother, (risk adjusted) future? Or, just like higher returns in the stock market, as a (perceived) indicator of relative fitness vis-a-vis others. (e.g. Bob has 400 lbs more rice and 7 more guns than Bill - we *gotta* be friends with Bob!) Still, on an even deeper level, even though goods accumulation is in preparation for the 'future', it is still a focus on the very near term future, not the time frame needed for long term symbiosis of our species with the rest of the planetary ecology. So hoarding/peak oil prep. may be just another avenue for individual out-performance in a global commons, via competing for real goods instead of financial.



When we think about the future, whose future are we really thinking about? Our own? Our yet-as-unborn grandchildren? Or yet to be speciated future evolutionary organisms, products of hundreds of thousands of years of vibrant/healthy world ecosystems into the future? The above graph is totally hypothetical, but attempts to illustrate that as the focal point of our cultural/global decisions extends outward in time, it will have differing impacts both on future human welfare (black line) and future non-human welfare - biodiversity, healthy ecosystems, etc. (green line). As our focus moves forward in time, the black line suggests that future human welfare will decline until we begin to focus beyond the next 20 or so years. It is unlikely that many organisms, even possessing language and culture, could think/plan much beyond their own lifespans, but until such a point is reached, focusing on the present, especially when using finite extractable resources, borrows from the future, and quite possibly the immediate future. It seems to me that 'hoarding' as individuals is the opposite strategy as 'hoarding' as a species, which would entail consuming anything beyond renewable flows and the barest trickle of non-renewable resources. (The graph could be drawn many different ways depending on ones assumptions about population, resources and impacts)

Biology tells us that organisms arrived at today's present form and number by 'maximizing 'fitness', or pursuing those behaviours that were most successful in propelling their specific genotypes forward in time. But this is true only looking backwards in time, to all the events/bottlenecks in our ancestry that shaped our physical and mental characteristics before we were born. Once we emerge, bright eyed and naked, we then become adaptation executors, running cultural software cues through fixed hardware. (yes the hardware can 'change', i.e. plasticity, but this trait itself is a fixed property in the wetware). We are descended from the best of the best at surviving, procuring goods, and mating. Most of the planning and decision-making occuring today, even among the depletion cognoscenti, is likely favoring a very short time horizon in the grand scheme. It strikes me that hoarding goods, or scaling renewable infrastructure—wind, solar, nuclear etc. without paying attention to and shifting our demand drivers, is implicitly favoring a certain time period in our future—perhaps 2015-2025. In order to favor 2025 and beyond we need to start making consumption paradigm shifts etc. Still, as events decelerate with energy, the economy and the environment, this will on average increase stress, cognitive load, etc. thus continually shrinking our time horizon of focus.

I have no firm conclusions on these musings, other than by definition those alive and making decisions in 2050 and beyond, will be those (or the descendants of those) who by luck or preparation made it through to that time. I also don't believe that one necessarily needs to be alive or have copies of ones genes extant in that future, to impact it. Finally, I have come to realize that every 'plan' that we individually or as a culture pursue, by definition favors one time

frame in the future over another. I'm not sure what this means, other than the further we look in the future, the less certainty there is - so perhaps all trajectories have to just take it one step at a time...

Campfire questions:

- 1)Regarding 'hoarding', have you been buying things that you fear someday might be unavailable due to breakdown in supply chain, etc? If so, what is your objective by owning such things? Insurance? To make it through a bottleneck? What % advantage might these things offer you vs average human conspecifics?
- 2)Regarding the future, how will decisions optimized for the next 5-20 years adversely affect the next 50-100 years? Is it even possible to care more about 100 years from now than 10 years from now, as an individual? as a society?
- 3)Could we prepare for depletion equally well by giving things up? Instead of amassing 'extra' supply, instead reduce our demand for things at a similar pace? I think this is possible at the margin, but can we really reduce our demand for food, water, energy, and extra 'insurance'?
- 4)===> anything else related to preparation/paradigm change/timing you think is important..

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