

# David Suzuki and Jeff Rubin form an unlikely alliance

MONIQUE BEAUDIN Updated: November 4, 2012

They certainly seem like an odd couple.

Environmentalist (<http://www.daidsuzuki.org/david/>)\_David Suzuki, who has said conventional economics is “a form of brain damage,” is on a cross-country speaking tour with Jeff Rubin, the former chief economist of CIBC World Markets.



*(David Suzuki. Gazette photo: John Kenney)*

Rubin quit his 20-year job at the bank in 2009 to publish Why Your World is About To Get A Whole Lot Smaller: Oil and the End of Globalization ([http://www.amazon.ca/Your-World-About-Whole-Smaller/dp/030735752X/ref=pd\\_sim\\_b\\_2](http://www.amazon.ca/Your-World-About-Whole-Smaller/dp/030735752X/ref=pd_sim_b_2)), a book about how high oil prices were going to reverse the trend of globalization.



*(Jeff Rubin. Gazette photo: Allen McInnis)*

Rubin has published a second book, [The End of Growth: But Is That All Bad?](http://www.amazon.ca/The-End-Growth-Jeff-Rubin/dp/030736089X) (<http://www.amazon.ca/The-End-Growth-Jeff-Rubin/dp/030736089X>), which argues that rising oil prices will slow the economy to the point of no growth. As prices become too high for people to burn fossil fuels, carbon emissions will drop, slowing the pace of climate change, he said.

Suzuki said Rubin's theory about the environmental benefits of a slowed-down economy piqued his interest, and the two hooked up for the speaking tour.

The Gazette spoke with Rubin and Suzuki while they were in Montreal.

**Gazette:** Why are you doing this tour together?

**David Suzuki:** Economics and ecology come from the same word — “ecos” — meaning household or domain in Greek. So ecology is the study of home, and economics is its management. It’s a natural for these two disciplines to be companions. But we’ve now become so concerned with the economy we elevate it way above ecology. We don’t give a s–t whether there are limits to anything. This turndown in growth is going to force us to confront a fact that ecologists have been saying for years: We live in a finite world and nothing within that world can grow forever. The whole kind of steady-growth policy or attitude of businesspeople is simply physically impossible in a finite world.

**Jeff Rubin:** When you say the “end of growth” from the discipline that I come from, that’s pretty apocalyptic. Every metric of economic well-being — consumption per capita, GDP per capita, income per capita — is intrinsically tied to growth. If you stop growing we’re going to be worse off, according to economics, and what we now use as metrics of economic well-being.

But maybe there are some other metrics to consider. When you see the kind of dramatic changes to our environment — particularly the northern environment — maybe there are other metrics to consider. One of the consequences of not growing is that we’re going to have a different kind of footprint, a lot lighter footprint and carbon emissions would be a perfect example.

**Gazette:** In Quebec, gas prices have been going up to nearly \$1.50 a litre, but it doesn’t seem to have had a huge impact on people’s driving habits. How much higher do the prices have to go?

**Rubin:** If we look at Europe, we notice that people drive very different cars and they drive differently, they don’t drive as much. In Europe, gasoline has basically been — to put it in gallons, \$10 a gallon — for the last 10 years because of the carbon taxes. Believe me, you go to Europe, you’ll notice a big difference. And there’s no reason why that won’t happen here. In California, they’re already paying \$5 a gallon and freaking out. I think at some point, we’re going to see a big change, for two reasons: one is filling up at the pump, the second is when economies stop growing, people don’t have the same kind of income to spend as they used to.

**Gazette:** Do you think Canadians are aware of this?

**Suzuki:** It’s hard to say. We know that we can’t carry on the way that we are, but the problem is the alternative. For example, say I go to work and have a poverty-level income and I can’t afford a car. But I need to get to work on a

regular basis, and we don't have the infrastructure for public transit to really serve me. People need the facilities to allow them to live the way we're going to live. And we don't have that right now. Instead, we use a lot of that money to subsidize the fossil-fuel industry, which is making unprecedented profits and we're still subsidizing them.

**Rubin:** Why did we bail out General Motors so that they can go and build more car plants in China? Because that's what they're doing. Why didn't we use that money to invest in public transit so that when all of a sudden people can't afford to commute 50 km a day when gasoline costs \$2 a litre, that there's a bus or a rapid-transit vehicle to get on? We're making the wrong policy choices here.

**Gazette:** How long will it be before it gets to the point where Canadians have to make a change?

**Rubin:** I think this is happening now. I think there's a major economic deceleration going on all over the world, including Canada. I think we're finding that the traditional ways that we've stoked our economy — zero interest rates, huge budget deficits — they're not working. You hear that even from our own governor of the Bank of Canada, who keeps interest rates at zero and then lectures you not to borrow. What are you supposed to do? That's the whole point of having zero interest rates! What that shows is just the disconnect. He doesn't want to raise interest rates because he knows the economy is too weak. He knows we're already carrying too much debt so that low interest rates aren't really the answer. But politicians can't just go: "You know what? We can't grow any more, folks" because that's not a message that people want to hear. But that's a message the economy is going to tell people.

**Suzuki:** The other thing that I think should be realized is that the tarsands represent this resource that is a one-time use. We've done nothing to leave the future generations that will not have the advantage of those tarsands because they'll be gone. We've done nothing, there is a heritage fund in Alberta, but it's a pittance.

Oil, especially tarsands, is the consequence of hundreds of millions of years of accumulation of molecules coming from living organisms. It is a very, very complex mix. Almost the entire chemicals industry is built on using oil as the primary material to synthesize or extract stuff. The idea that you're just going to burn it, I am absolutely sure future generations are going to say: "What the hell? You took this complex mix of molecules with enormous potential for us and

burned it? So you could run around on a Sunday afternoon?" Future generations are just going to scratch their heads.

**Gazette:** Jeff, you talked about Denmark and Japan in your book, how they both had to embrace energy efficiency because they didn't have easy access to hydrocarbons. What will make people become more energy efficient?

**Rubin:** Cheap power. That's the really powerful story about Denmark. You start charging 30 cents per kilowatt hour for power, and guess what? People will use less power. (In 2011, the average price of residential electricity in Montreal was 6.82 cents/kWh, while the Canadian average was 12.15 cents/kWh.) You could reduce emissions in Montana or Alberta, big coal-producing states, if you charged 30 cents per kilowatt hour, but that's not what people want. People want cheap power so they can burn more, and that's the whole problem.

Last year, former federal Liberal leader and environment minister Stéphane Dion said that he hadn't seen a single individual initiative that had led to an important climate-change action. He said it really was up to governments to do something. Some people will do something, but it doesn't have a huge impact. Do you think individuals can have an impact?

**Suzuki:** It is very discouraging, but it's realistic. We've got a thing called the Nature Challenge, which is the 10 most effective things individuals can do to reduce their footprint. It will reduce their footprint but, in a universal sense, it's trivial. Even if 35 million Canadians do all 10 things, what that does is buy us maybe a little more time. And right now time is what we need to get the big decisions made. We need government leadership on this.

**Rubin:** I think individuals will make a difference because I think prices will change their economic behaviour. When I talk about the economic challenges, at the micro level, at the household level, it means maybe you won't have a car. Maybe you'll drive your car less, maybe you'll put your sweater on, maybe you'll go outside instead of turning the air conditioner on. These are all things that prices are going to condition us to change our behaviour, and I think, for the better.

**Gazette:** Do you think there's going to be a shift and the economy will grow?

**Rubin:** Environmentalists are going to go: "Look, I'm not going to just bet our planet's future on your economic forecast" and that's a perfectly legitimate thing to say. But I'm saying hey, this ain't a forecast anymore. Look around. Whether you're looking at China, whether you're looking at the U.S., whether you're

looking at the so-called PIIGS (Portugal, Ireland, Italy, Greece and Spain) growth isn't coming back like it was despite the fact that we're using, by any historical benchmark, unsustainable policies like zero interest rates and huge budget deficits. What happens when we slip back into the next recession with no obvious recourse because we've already used up any fiscal room and interest rates are already at zero? What's going to get us to recover again? I think the more people that see that happening, the more I think people are going to recognize that this is a game-changer.

**Gazette:** Do you think people are just in denial right now?

**Rubin:** Yes, and they're in denial about climate change, too. Fortunately, we're taking the decisions out of our hands. It's pretty clear, if given the choice, we'll cook ourselves to extinction. But I'm just saying hey, it's not up to us anymore. It's the finite, in an economic sense, nature of coal and oil that is going to save us.

This interview has been condensed and edited.

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