

How to spend \$50 billion to make the world a better place Bjorn Lomborg

After "The Skeptical Environmentalist," a disappointment

It appears that Lomborg has reverted to his childhood idealism. Let me don his former mantle as a skeptic.

The Wikipedia brief definition of economics is the "science which studies human behavior as a relation between scarce means having alternative uses," or, "how people seek to satisfy needs and wants." Lomborg's authors' equations are all reduced to a cost-benefit analysis. A life saved, or a disease prevented, represents an economic benefit and costs avoided. In the simplest application, if the cost per case of treating a curable disease such as syphilis were \$1000, and the cost per capita of inoculating against it were \$100, and the incidence were 20%, the equation would be:

Cost per capita of inoculations: \$100

Cost of not inoculating: $\$1000 \times .2 = \200

Assuming the costs would be borne in the same timeframe, the return on investment for inoculation would be 2 for 1, or 200%

At the most profound level, the logic of human population is non-economic. Not only is doing so morally repugnant to many, there are vast practical difficulties assigning economic value to value human life. Humans are inexpensive to reproduce but costly to maintain. Human beings are unique. A unique set of future economic costs and returns, could be computed for each of us, based on native ability, education, social and work situations, health and remaining lifetime. Not only must the calculation be unique, but also be wildly approximate. Even before taking externalities into account, Lomborg is making a twofold error. He is presuming that human life can be assigned a monetary value, and that such value can be fairly accurately estimated.

Lomborg's economists make projections about unknowable costs and benefits. Especially when betting on future technology, such assumptions can be off by orders of magnitude. What will oil cost in ten years? Solar energy? Estimates vary extravagantly. Such variability renders his computed returns of investment, mostly in the range of 150-200%, essentially meaningless.

The unstated assumption is that the world knows how to define its needs and to communicate them to Lomborg's economists.

Their apparent assumption is that the highest good, for which economists should strive, is

- 1) saving a maximum of human lives. Possible alternatives might be:
- 2) minimizing human suffering
- 3) maximizing human fulfillment, as per the Maslow triangle
- 4) maximizing the economic life of the Earth's resources.
- 5) maximizing humanity's potential for achievement, per Charles Murray
- 6) ensuring humankind's long term survival

All of these formulations are consistent with the existentialist, Darwinian/ Dawkinsian view that mankind is no more than the product of eons of blind evolution. The number would expand dramatically with the admission of teleological arguments advanced by the religious. Even accepting the existential premise that humankind has no purpose, Lomborg must confront the fact that the decision to commit \$50 billion to the betterment of mankind involves value judgments. Gates and Buffet, if not Lomborg, are setting themselves up as gods. How will they shape their creation?

Lomborg's finding that the best uses of \$50B will be to control HIV/AIDS and malaria assumes alternative 1) above: maximizing human life. It doesn't ask the question of what becomes of those lives. How do those people live? What do they do? Even today the answer is bleak. Traditional small scale agriculture village life cannot support the population densities that even primitive medicine have created. The poor of the Southern hemisphere, especially Africa, are moving to the cities, which have no work for them. The physical, social, educational and judicial infrastructures that would support industry just don't exist. Grafting them from the European model didn't work, and there is no indigenous model of social organization above the tribal level. Even today there is an immense press of immigration towards Europe, one which rightfully scares many Europeans including Lomborg's fellow Danes.

The Danes and the Dutch built prosperous societies with far fewer resources than most developing countries enjoy. I would propose that Lomborg consider, as an alternative, using the \$50B in an attempt to build a successful civil societies in the Middle East and Africa. Intelligent man that he is, he should reply that it is impossible. Aid programs, the World Bank, the IDB and a host of volunteers and NGOs over the past century have demonstrated that it can't be done. Intelligent man that he is once again, he should reflect on why these effort haven't worked, and then on the unintended consequences of his program to reduce disease there.

Before enabling population growth, researchers should determine why some parts of the world cannot organize the agriculture and industry to support the present populations. UNESCO and others believe it is a want of education. Lynn and Vanhanen believe it is a want of the intellect required to absorb education. If education can be the foundation for civil society, the balance of the \$50B would be well spent there. If curing AIDS and malaria will only exacerbate Europe and the West's own problems, the money might be better spent on projects Lomborg considers less promising, such as reducing global warming.

Lomborg is talking about the deployment of money earned in the West, by western men, benefiting from our western values and heritage. It is liberalism that fosters the altruistic desire to better the state of the world. Would it not, however, be perverse if that altruism contributed to western society's own demise?