

Review Essay

Lessons from Environmental and Economic Crises

Trevor Jackson. *Impunity and Capitalism: The Afterlives of European Financial Crises, 1690-1830*. Cambridge: Cambridge University Press, 2022. 320 pp. ISBN: 978-1-316-51628-7, \$99.99 (cloth).

Fredrik Albritton Jonsson and Carl Wennerlind. *Scarcity: A History from the Origins of Capitalism to the Climate Crisis*. Cambridge: Harvard University Press, 2023. 304 pp. ISBN: 978-0-674-98708-1, \$35 (cloth).

Mark Stoll. *Profit: An Environmental History*. Cambridge: Polity Press, 2023. 280 pp. ISBN: 978-1-509-53323-7, \$35 (cloth).

Historians have long explored the links between the environmental and the economic. Yet as the global climate crisis deepens with every passing month, it becomes ever more obvious just how related the environmental and the economic are. Driven by the by-products of economic growth, rising sea levels, floods, droughts, and extreme heat devastate ecosystems and claim increasing numbers of lives. They also continue to wreck enormous economic damage, itself the cause of untold immiseration. The climate crisis, most obviously, is an environmental crisis. But it is also an economic crisis and a crisis of political and social action.

Two recent books directly inspired by today's difficult reality have taken the intertwined histories of the economic and environmental head on by renarrating a sweep of economic history through an environmental lens. These books seek to explain present conditions and also to offer inspiration and insight about how to change humanity's economic relationship with nature for the better. A third book suggests a path forward in navigating these legacies in the present. Collectively, these three books demonstrate that dealing with the present environmental crisis will require fundamental shifts in economic thinking and organization.

Scarcity

In *Scarcity: A History from the Origins of Capitalism to the Climate Crisis*, Fredrik Albritton Jonsson and Carl Wennerlind retell the history of modern Western economic thinking as an unfolding conversation about the limits of the natural world, proposing the concept of scarcity as a new lens through which to narrate the history of economic ideas. *Scarcity* traces evolving

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perceptions of the possibilities and limits of the material world for human prosperity over five centuries. In the book, the ways that Western thinkers—some canonical to the history of economics, others not—have understood scarcity functions as a shorthand for the ways that they have understood humanity’s relationship with nature itself.

Jonsson and Wennerlind are lumpers. Though they highlight a host of different varieties of scarcity thinking—from neo-Aristotelian to Romantic, socialist to planetary—they conclude that Western intellectuals have understood material limits in two basic ways. Some, dubbed Cornucopians, have taken a rosy view that scarcity can be mastered or solved. Others, termed Finitarians, have stressed the importance of recognizing natural limits that cannot be readily overcome. The Cornucopian–Finitarian binary plays out over the course of the book. And although it is necessarily reductive, it proves both elegant and useful.

Scarcity is an ambitious, synthetic work. Each chapter details a different historical understanding of how humans related to limits in the natural world. It starts with medieval neo-Aristotelians, outlining an arcadian vision of living in balance with nature, before turning to the utopian early moderns of the 17th century. The promise of alchemy and Baconian science, not to mention the discovery of vast continents, contributed to a pervasive understanding of boundless potential, both of human ingenuity and also of the “improvement” of nature. During the high years of the Enlightenment, such Cornucopian optimism hardened into a more sober commitment to the scientific mastery of nature. Enlightenment thinkers including Hume and Smith saw scarcity everywhere. But heartened by a dual faith in the providential supply of nature and the hard work of humankind, Enlightenment intellectuals generally considered scarcity as a hurdle to overcome rather than a hard barrier.

In the early 19th century, Cornucopianism was replaced by two forms of Finitarian thinking: “Romantic scarcity” stressed the positive good that could come from living within natural limits, while Malthusian scarcity focused on the dangers of ignoring them. In the second half of the 19th century, however, as the industrial revolution unfolded, a focus on natural constraints again gave way to optimism. Though divided on how to organize human society, socialists and bourgeois “neoclassical” thinkers (the latter a very capacious category in *Scarcity*, encompassing thinkers from Léon Walras to Robert Solow) shared faith in humanity’s ingenuity and its ability to control nature. Only in the mid 20th century did a renewed attention to the planetary limits of resources see a gradual reemergence of widespread Finitarian thinking.

With rising concerns about climate change, today’s intellectual ecology is ever more Finitarian. Yet Cornucopian ideas still prevail. They are present in common assumptions about the primacy of growth, and they continue to dominate economics, where the legacies of neoclassicism live on. In Jonsson and Wennerlind’s telling, a key feature of neoclassical economics has been its prioritization of the psychological over the material. And among its most basic assumptions about human psychology is that human desire is unlimited. Conceptualized in this way, scarcity is a fundamental part of human existence; there will always be a gap between what is desired and what is materially available, no matter how affluent a society becomes. Certainly, scarcity remains at the center of how economics defines itself. Most introductory textbooks still describe economics as the science of managing scarcity. By offering an intellectual history of scarcity itself, Jonsson and Wennerlind aim to destabilize economic bedrock.

Writing against the backdrop of the climate crisis, Jonsson and Wennerlind are significantly more sympathetic to Finitarians than Cornucopians. Romantics Dorothy and William

Wordsworth receive especially generous treatment for their respect of nature in the Lake District, as does their contemporary John Clare, whose poems considered the world through the eyes of local birds. Yet *Scarcity* does not treat any category of scarcity thinking with a single broad brush. The two basic categories that Jonsson and Wennerlind develop cut across obvious political divides; socialists were every bit as Cornucopian as the bourgeois enlightenment rationalists. Even among their *bêtes noires*—the so-called neoclassicals—Jonsson and Wennerlind evince respect for Alfred Marshall and J.M. Keynes, insofar as both sought to temper popular impulses for unthought consumption.

Profit

If *Scarcity* is a renarration of the history of Western economic thinking through the lens of environmental history, *Profit: An Environmental History*, a book about the same length, has an even more expansive goal: the environmental renarration of the history of Western capitalism itself. Like *Scarcity*, *Profit* is presentist in its framing, motivated by concerns about the current global environmental crisis. But where Jonsson and Wennerlind's chief villain is a broadly defined version of neoclassical economics, Mark Stoll's is consumerism. The second half of the book is devoted to "consumer capitalism" as it emerged in the 20th century and to the ravages that it has wrought on the planet. The first half narrates the long leadup to consumerism, starting 2.6 million years ago. In that leadup, the profit motive played an animating role. Whereas *Scarcity* situates the notion of "unlimited desire" as something codified by neoclassical thinking in the late 19th century, Stoll treats it as a driving through-line in Western economic history. Still, like Jonsson and Wennerlind, Stoll identities the late 19th century (with its intensifying consumerism) as an inflection point. Since then, consumerism has been the prime driver of the myriad degradations of the natural world. It has been "a vast Ponzi scheme" requiring "constant growth to survive" (168).

Profit reads like a textbook, a survey of pivotal, familiar moments in Western and imperial economic history, with the important addition of sections labeled "... and the environment." The implication is that throughout the history of the West, environmental consequences (almost invariably negative ones) have accompanied economic growth and change. Whereas Jonsson and Wennerlind use individual thinkers as their principal units of analysis, Stoll's narrative focuses on businesspeople and companies. For instance, Chapter 4, which covers the growth of heavy industry in the mid and late 19th century, starts with Andrew Carnegie, before ticking through the environmental impacts of the technologies and industries with which he was involved. Stoll starts with the less obvious—the mining of zinc for telegraph batteries that killed countless livestock and fish and the cultivation of gutta-percha and rubber for telegraph insulation that decimated native forests around the world—before tackling the huge environmental toll of streamlined steel production.

Later, using Alfred P. Sloan's General Motors as the exemplary case of early consumer capitalism, Stoll describes the rise of buying on credit, of installment plans, of planned obsolescence, and conscious marketing strategies to spur consumers to buy more and more things. Stoll convincingly puts plastic (and therefore oil) at the center of this 20th century consumer revolution. Plastics liberated consumption from natural constraints imposed by

scarce animal or plant resources (154). Freed from the natural world's moderating influence, consumer capitalism metastasized, in the process creating mountains of waste and destroying ecosystems.

There is a moralizing aspect to *Profit* in its condemnation of consumer capitalism and the corporate entities that have been its agents. At moments, Stoll pushes his case a little far, as when he attributes the drying up of the Aral Sea (which began under Soviet control in the 1960s) to consumerism. Drawing on themes from his previous work on the religious underpinnings of American environmentalism, Stoll contends that reform Protestantism played an outsize role both in the propagation of capitalism and also in the advent of environmentalist movements in the second half of the 20th century.¹ Rachel Carson, for instance, “belonged to the last generation of a century of Reformed Protestant dominance in American culture” (226). Stoll's claims about religion are abbreviated here and, perhaps, because of their concision, sometimes verge on the triumphalist, especially considering *Profit's* glancing attention to parts of the world outside Western Europe and North America. But they suggest the importance Stoll attaches to cultural, if not religious, commitments in tempering the environmental ill effects of consumer capitalism. Ideas, not just material circumstances, matter.

Prehistories of Environmental Crisis

Both *Scarcity* and *Profit* are provoked by the currently unfolding environmental catastrophe. And both probe in a wide-ranging and synthetic way the questions of “how did we get here?” and (more tacitly) “what do we do now?” In answer to the first question, Stoll points to the profit motive and consumer capitalism. Jonsson and Wennerlind also indicate economic motives, but focus more on humanity's longstanding hubris about its ability to conquer or triumph over nature through economics and science. In both books, these are primarily Western stories. Insofar as they offer prehistories of the current climate crisis, both implicitly suggest that the West bears primary responsibility for climate change.

Jonsson and Wennerlind write that “because this book examines ideas that shaped capitalism and modernity, we focus our attention on the writers in the Western canon” (18). Yet there have been many types of modernity around the world and many different manifestations of capitalism. European and North American ideas and systems have been fundamentally entangled with those originating elsewhere. Certainly, it is unlikely that there will be a single “solution” to the complex of phenomena that comprise the climate crisis. Jonsson and Wennerlind acknowledge that the “Western canon” should not be “the only foundation of ideas from which to draw when thinking about the future” (18) but assert that others are “better equipped to write the non-Western dimensions of this story.” From the perspective of finding durable solutions to the climate crisis, those non-Western dimensions will be absolutely essential. Even if the climate crisis is understood as largely a product of the West, its solution will require action around the world.

1. See Stoll's other books, *Protestantism, Capitalism, and Nature in America* (Albuquerque: University of New Mexico Press, 1997) and *Inherit the Holy Mountain: Religion and the Rise of American Environmentalism* (Oxford: Oxford University Press, 2015).

That fact need not undermine *Scarcity's* premise that the history of resistance to Cornucopian thinking may be of use today. *Scarcity* shows how the forces that have pushed the world toward the brink of mass extinction have always been in dialogue with, and tempered by, resistant intellectual and cultural movements: Malthusianism, Romanticism, Conservationism. Throughout the last five centuries, there have always been critical voices, crying out against despoiling the wilderness. There were Finitarian doubters of technological utopianism, naturalists who sought to preserve rather than exploit. Their caution and skepticism help constitute the historical repertoire of resistance that Jonsson and Wennerlind present as potentially useful for current thinking.

Yet it is sometimes unclear how successful the dissenters were. In Jonsson and Wennerlind's telling, Finitarianism and Cornucopianism developed "as a form of family feud inherited from one generation to another, always locked in battle, but producing new grievances and new areas of conflict over time" (6). However, it never seems as though the two sides were equally matched. Cornucopians typically presented a much more attractive political message than their naysaying analogs. How powerful was Ruskin, really, in the face of industrial capitalism, with its modern conveniences and opportunities for wealth? Wordsworth's words were inspiring but only enough to slow industrial capitalism, not stop it. As capitalism developed over the last 500 years, convincing people that "less is more" or to cut back or economize has become an ever harder task.

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This point raises the second question, of "what now?" *Scarcity* ends with an exhortation to repair the damage that humanity has done. "Repair" will entail a new understanding of scarcity (perhaps inspired by historical precedents) that acknowledges and guards against human hubris with respect to nature. An ethic of repair is necessarily Finitarian in its outlook, proximally an outgrowth of the late 20th century "planetary scarcity" that Jonsson and Wennerlind explore in their final chapter. In looking forward, they conclude that "our best bet may be to exorcise Cornucopianism from culture and ideology" (246).

But though Cornucopianism must go, Jonsson and Wennerlind refuse to abandon the optimism that that has been its handmaiden. In measured terms, they call for "*slowing down* the Great Acceleration," not abandoning it outright. The coming Great Deceleration, they write, "is not a moment for technophobia or apocalyptic pessimism" (246). It is a moment for awareness both of constraints and possibility, a moment in which culture and technology must be oriented toward repairing the damage that we and our forebears have wrought upon planetary systems: emissions reduction, carbon sequestration, global redistribution, and rewilding. As an example, they turn to a long overlooked microorganism: phytoplankton. Because phytoplankton constitute a huge carbon sink, some engineers have proposed leveraging them into a technology to slow global warming. Jonsson and Wennerlind, by contrast, contend that reducing existing threats to phytoplankton (i.e., repairing marine ecosystems) would be a much better intervention, one that likely will still involve technological innovation.

For his part, Stoll calls for a move away from consumer capitalism. Stoll contends that humanity "has always profited at nature's expense" (252) and that some form of capitalism (or proto-capitalism) is baked into the human experience. "To paraphrase the Bible," he writes, "capitalism we have always with us" (253). But though we cannot step outside

capitalism, we can at least push capitalism away from the consumerism that has taken us “captive” (256). To that end, Stoll concludes that adopting renewable energy is essential. Consistent with his emphasis on businesses as economic actors, Stoll also suggests that breaking up big corporations as a vital step in loosening consumerism’s hold over us. The profit motive makes such corporate entities all too powerful and self-interested champions of an economic system that is destroying the planet.

Profit and *Scarcity* offer illuminating long-term perspectives on the economic trends that have led up to the environmental crises of the 21st century. Both books end with calls for a fundamental shift in ideas about the economy and the climate. But how far are ideas to take us in the fight against climate change? And how can ideas be enacted, translated into tangible results?

Impunity

Trevor Jackson’s book, *Impunity and Capitalism: The Afterlives of European Financial Crises, 1690–1830*, hints at a potential answer. Though not about the environment, *Impunity* is a remarkable book about changing perceptions of crisis itself. Jackson narrates how over the 18th and 19th centuries, financial crises evolved from being popularly understood as matters of personal responsibility to impersonal disasters. As financial failures and panics became coded as acts of God, the people who participated in them acted with ever greater impunity.

Jackson surveys a series of financial crises that took place in 18th and 19th century England and France. The outlines of these crises—from the Mississippi and South Sea Bubbles to the Panic of 1825—will likely already be familiar to readers of this journal. Yet with archival aplomb, Jackson reweaves a traditional narrative of financial and economic history into a new kind of story: one about the creation of a depersonalized system of finance and economic behavior in which “the market” (or some proxy for the market) transcended the realm of human agency and human responsibility. As he puts it, “financial crises stopped being crimes and became natural disasters” (267).

Amid the wreckage and confusion that followed the Mississippi and South Sea Bubbles in the early 18th century, people were prosecuted for their roles in creating and propagating the crises. It was not the state but, rather, specific individuals who were to blame. Not even the most powerful people could act with impunity. The House of Commons put several of its own members on trial. John Law, the French official most associated with the Mississippi Bubble in particular, became a much-vilified “avatar of private speculators” (131) rather than a representative of state power. Private individual agents, not systems, were the problem. In contemporary understanding, the state was not to blame. On the contrary, state power ultimately brought rogue private agents of financial chaos to heel.

Jackson presents the Reign of Terror after the French Revolution as a culminating expression of this logic and a turning point in the history of financial impunity. Revolutionary authorities sought to bring international finance under strict control, to strip financiers of impunity. Jackson reframes the Terror not as a “giant act of violent impunity,” as it has often been presented, but rather as “an extreme attempt to eliminate impunity entirely” (176). For opponents of the Revolution, so scandalized by the Terror itself, any move against

international finance became associated with the excesses of revolutionary violence. Thus, in the wake of the French Revolution and the Terror, financial operators acquired new political cover and impunity in bourgeois societies. Their impunity only increased as state-backed central banks took responsibility for managing the aftereffects of crisis.

In a particularly archivally rich section, Jackson describes how, as the Bank of England was transforming into a recognizable central bank in the early 19th century, its leaders were still intensely preoccupied with enforcing strict moral codes. Jackson surveys how the Bank carried out 2,131 prosecutions of alleged counterfeiters (550 of whom were convicted for capital crimes) between 1797 and 1824, policing money manipulation as an ethical imperative. Only as the Bank of England (and other central banks) became imbricated into a more general system of governance and into increasingly interlaced private markets did their commitment to moral policing wane. Over time, the assignment of individual responsibility become so diffuse as not to matter. As markets grew increasingly complex and systematized, it became implausible to hold individuals responsible for crises. As financial crises became acts of God rather than acts of (bad) men, impunity proliferated.

By renarrating key and well-studied events in financial history through the lens of impunity, Jackson has crafted an elegant and original story: a story about the way that causation and blame has been distributed between systems and individual people. Jackson notes that “‘the market’ has often done similar work to providence.” It is a “higher power that directs and constrains the agency of even the most powerful individual participant” (271).

History and the Future

As Jackson puts it, “since impunity is a form of injustice that is produced by inequality, we should expect to find histories of impunity everywhere we find injustice and inequality, which is, to say, nearly everywhere” (272). In a sense, Stoll (if not Jonsson and Wennerlind) have written a history of environmental impunity. The assignment of blame and responsibility for systemic failures is of utmost importance today: not just in the realm of financial crisis but also (especially) as it relates to our warming planet. And here, the trajectory that Jackson sketches is not promising. As the financial sector became more powerful, more complicated, more enmeshed in the daily lived reality of an economic community, financial crises came to be understood as natural disasters. They could be managed, but they “could not be solved” (267).

In their concept of “repair,” Jonsson and Wennerlind propose a new and more helpful mentality about the natural world. Repair could be the next step in the unfolding conversation between Finitarians and Cornucipians that helps solve the climate crisis. But it is an open question of whether real repair is possible. Certainly, it seems possible to limit and even reverse some of the most disastrous changes that humanity has wrecked on the planet. Doing so will, as Jonsson and Wennerlind note, involve both confronting natural limits and doubling down on the sort of scientific, world-conquering thinking that has been involved in centuries of technological progress. Of course, determining what needs “repair” and what does not will be fraught. After all, there is a long and racist history of mass sterilization justified by Malthusians. And it is not obvious that humanity should, or even could, engage in a fundamental

undoing of anthropocentric capitalism's greatest hits, much less dismantle capitalism itself. We may be like Walter Benjamin's angel of history, wishing to make whole what has been smashed but unable to undo the events of the past.

Even if an ethic of repair is the desired next step, we are left with the question of how to reach it. If a cultural or intellectual shift is required, what will actually shift thinking? People need to embrace a new idea. Some may do so by considering history. Others may be swayed by compassion for current suffering: images of the soulful eyes of a malnourished polar bear or stories of climate refugees. Still others may be moved by fear of things to come: the advent of catastrophic weather events and the loss of home. In any case, as Jonsson and Wennerlind note, now is not the time for pessimism. Sadness should not lead to quiescence.

What *Impunity* suggests is that we should be angry. We might be angry at ourselves, but we should certainly be angry at our leaders and at those who have ignored social costs when faced with private profit. Governments, firms, and individuals have acted with impunity with respect to the climate and the environment. Global warming is an environmental disaster, but it is also an unfolding economic crisis. And as time goes on, it will wreck the lives and livelihoods of countless individuals who were among the least responsible for it. Aside from the human lives that it claims every day, it has cost trillions in damage and will cost trillions more. And perhaps that fact, more than any other, should give cause for hope. As all three books show, people have a history of having bold thoughts and taking bold action when their material well-being is on the line.

How does a society claw back impunity? Put another way, how can we forge not just an age of repair but also one of responsibility? Should we, for instance, make public spectacles of people or corporate entities who bear some responsibility for collective failures? Stoll gestures toward such a move in a section at the end of the book that focuses on corporate actors. Doing so, he suggests, may not end consumerism but would be a good first step in breaking its destructive cycle. The trick is to do so without causing panic. The Reign of Terror did not work, but perhaps more measured consequences might. At the same time, Stoll's focus on consumer capitalism is a good reminder that responsibility is complicated. Consumer capitalism prioritizes the consumer; it is individualistic in the extreme. But does that mean that individuals are responsible for it or for its costs? Is the consumer who buys a new gas-powered SUV responsible for the ravages of the Anthropocene?

Jackson narrates how human crises became natural disasters. As Lorraine Daston and others have suggested, we are now entering an epoch in which the exact opposite is occurring; "natural disaster" as an intellectual category no longer makes sense. Storms are no longer acts of God but outgrowths of human action. The consequences of such actions have massive economic costs. And although individuals may bear some responsibility for those costs, bringing large, wealthy, and powerful corporations to account for the costs is likely a much more efficient way of slowing greenhouse gas emissions and thereby climate change. According to a 2019 analysis, just 20 companies are responsible for about a third of all global greenhouse gas emissions since 1965.² Already, the first crop of litigation targeting companies

2. Matthew Taylor and Jonathan Watts, "Revealed: the 20 firms behind a third of all carbon emissions," *The Guardian*, October 9, 2019.

for their contribution to climate change (and its attendant economic costs) is making its way through courts around the world on just this premise.

Blame and responsibility involve collective acts of punishment or censure that codify a moral code. These collective acts, as Jackson shows, are often propelled and given weight by money. Punishing or regulating those who turn a profit from environmentally deleterious consumption may be significantly more effective in moving the moral needle than blaming consumers themselves. Focusing on economic responsibility is one way of giving teeth to the Finitarian environmental conscience.

Profit, Scarcity, and Impunity are history books; their focus is not on proposing legislation or social activism but, rather, on presenting stories about the past. Yet each book draws motivation from the present and offers lessons for the future. They speak to the power of economic motivations and the immediacy of economic interests. But they also speak to the more diffuse power of mentalities, ideas, and cultural norms. That interplay is at the center of the connection between the environmental and the economic. Taken together, the books suggest a path for historians who seek to deploy their insights about the past to serve the present, connecting the sweep of ideas and the realities of economically motivated action.

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