



JOHN FREE

THE DECLINE AND FALL OF THE SUBURBAN EMPIRE

JAMES HOWARD KUNSTLER ON RESHAPING THE AMERICAN LANDSCAPE

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I WAS INTRODUCED to James Howard Kunstler's work in the summer of 2008 when my husband started reading his book *The Long Emergency: Surviving the Converging Catastrophes of the Twenty-first Century* (Atlantic Monthly Press). The country was freshly reeling from the collapse of Fannie Mae and Freddie Mac and the mounting foreclosure crisis — all of which Kunstler had predicted in *The Long Emergency*, published in 2005. It was bizarre to hear my husband read aloud sections of the book that sounded like daily news broadcasts. While presidential candidate John McCain was reassuring voters that “the fundamentals of our economy are strong,” Kunstler had correctly predicted their collapse. How had he connected the dots far more accurately than our political and economic leaders had? What did he know that they didn't — or, at least, weren't telling us?

I'd been reluctant to read *The Long Emergency* — whose title refers to the long-term crisis Kunstler predicts will be brought on primarily by declining oil supplies — because I'd feared it would be debilitating, but I didn't find it so. Kunstler is a superb and colorful writer, but, more importantly, *The Long Emergency* is helpful — fortifying, even — in the way a weather report is helpful. Kunstler isn't an advocate of his forecast; he's just telling us to wear a raincoat. And maybe buy a boat.

Kunstler is the author of ten novels, including his most recent, *World Made by Hand* (Atlantic Monthly Press), but he is probably best known for his scathing indictment of suburban-sprawl development and other land-use mistakes in his books *The Geography of Nowhere*, *Home from Nowhere*, and *The City in Mind* (all Simon & Schuster). Born in New York City in 1948, Kunstler lived briefly in the suburbs of Long Island in the fifties before his family returned to the city. He graduated from the State University of New York at Brockport, worked as a reporter and feature writer for a number of newspapers, and became a staff writer for *Rolling Stone* magazine. In 1975 he quit to write books full time. Although he has been active in the New Urbanism movement, he admits he has no formal

training in architecture or city planning.

Kunstler also writes a weekly blog, provocatively titled *Clusterfuck Nation* (www.kunstler.com), in which he comments on current events and continues to offer dire warnings about the future. While our leaders in government and finance debate which strategy will bring us to “full recovery,” Kunstler maintains that our efforts to return to our former way of life are nothing but an expensive and futile attempt to “sustain the unsustainable.”

Kunstler has lectured at Harvard, Yale, Columbia, Dartmouth, Cornell, MIT, and many other universities, and has appeared before such professional organizations as the American Institute of Architects, the American Planning Association, and the National Trust for Historic Preservation. He lives and maintains a large garden in Saratoga Springs, New York, an area he believes will fare better than most during the Long Emergency. He spoke with me twice in April of this year.

Goodman: On the very first page of *The Long Emergency* you speculate that the U.S. as a nation might not survive the converging crises we face. What brought you to this conclusion?

Kunstler: I came to write *The Long Emergency* after having written several books about the fiasco of suburban America as a development model. It was becoming increasingly obvious to me that we had made some tragic collective decisions about how we live, and that soon a permanent shortage in oil and natural gas would make those living arrangements untenable.

In the midnineties a number of retired senior geologists from the oil-and-gas industry began writing publicly about their concerns, which happened to confirm my suspicions. I'm thinking primarily of Colin J. Campbell, retired geologist for Texaco, British Petroleum, Amoco, and Fina; and Kenneth Deffeyes, professor emeritus of geology at Princeton University, whose book came out at about the same time as mine. These men said that we were heading into a permanent problem with

oil, which became known as “peak oil.” The idea was that we’d reach a peak in oil production early in the twenty-first century, after which production would decline permanently, producing unforeseen consequences.

I believe we have reached that peak within the last few years, and the collapse of the financial system is more a result of peak oil than of overzealous mortgage lending, which is only part of the picture. Without cheap oil, we can no longer depend on our regular 3 to 7 percent annual economic growth. And without the expectation of growth, the paper wealth of the market loses its perceived value, because we can no longer service our debt. It’s really the end of a revolving-debt economy as we have known it.

Our predicament isn’t just about the oil we use to run our cars and heat our homes; it’s about the complex systems we’ve developed based on the availability of cheap oil. It’s no exaggeration to say that every benefit of modern life — from airplanes and air conditioning to supermarkets and hip-replacement surgery — owes its existence in one way or another to cheap fossil fuel. In particular, the American way of life, which is virtually synonymous with suburbia, can run only on reliable supplies of cheap oil and gas. Even moderate deviations in price or supply will make the logistics of daily life difficult.

Agriculture is an example of a complex system we depend on — and obviously a crucial one. We pour enormous amounts of oil- and natural-gas-based products on the soil in order to get all those Cheez Doodles out of it. This system is going to come under stress because of the rising price and decreasing supply of oil. Last summer, as we got into the planting and growing seasons, the price of oil began to rise astronomically. It went from \$60 a barrel to \$147 a barrel in July, which hampered the farmers.

Of course the price of oil has crashed since then because of the falloff in demand brought about by the financial crisis. But I think the next act in the drama is going to be a renewed set of problems with oil prices and supply. These could begin at any time because of the instability in the global oil markets themselves, which are at the mercy of geopolitical trends and relationships among nations. They’ve entered a zone of extreme volatility.

We’ve also discovered new subplots in the oil story, such as the oil-export problem. Jeffrey J. Brown, an independent petroleum geologist in Dallas, has predicted that major oil-exporting nations will begin to hold on to their supplies for their own use. Mexico is the poster child for this situation. As Mexico produces less each month and uses more of its oil domestically, its exports are going down. It happens that Mexico is the third-largest source of imported oil for the United States. So we’re going to lose our third-largest source of imports relatively soon, and there’s not even any discussion of this in the media.

Oil nationalism is another subplot. Only about 7 percent of



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oil is currently produced by major oil companies like Chevron, Shell, BP, and ExxonMobil. The rest is produced by nationalized oil companies such as Pemex in Mexico, Aramco in Saudi Arabia, Petrobras in Brazil, Petroleos de Venezuela, and so on. For practical purposes the Russian oil companies are also under the direction of their government. A number of nationalized oil companies, rather than putting their oil on the auction block of the futures market, are entering into “favored-customer” contracts with certain nations, thus removing their product from the global bidding process. Since many nations don’t like the U.S. very much, we’re not likely to be their favored customer. The end result is that we’re liable to face a severe shortfall in oil imports, which we’re not prepared for. If the government is paying attention to this, it’s at a behind-the-

scenes level.

Another complex system we depend on is transportation. In the U.S. that system is based on cars and planes. Both are petroleum-intensive. If we have volatile prices in liquid fuels, we will have enormous problems with our transportation system, which we’re already seeing. This in turn affects our model of development, which is suburban sprawl. And now that system has begun to collapse.

Goodman: Are you saying that rising oil costs brought on the mortgage crisis?

Kunstler: The peak-oil problem means that we can no longer expect to run an economy based on never-ending growth, which means ultimately that we can’t service our debts at any level — personal, corporate, governmental. We’re comprehensively broke. The securitization of mortgages was one of the so-called products that allowed the financial industry to swell from around 8 percent of our economy thirty years ago to over 20 percent just before the crash of 2008.

The commercial-real-estate sector, which accessorizes the suburban-development pattern by providing strip malls and big-box stores near suburban neighborhoods, is now imploding, as well. Unfortunately in the last several decades we’ve gotten rid of our manufacturing economy and replaced it, not with a postindustrial economy or an information economy or any of these other bullshit economies we think we created, but with a suburban-sprawl-building economy. We built more suburban tract houses, more strip malls, more highways, and more chain stores. That system has now entered a state of terminal decline.

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