

Steps Toward Dialogue on an Ecologically Integrated Economy: Focusing Context and Framing Policies

*Quaker Institute for the Future
Eco-Justice Working Group, Philadelphia Yearly Meeting, Religious Society of Friends*

Introduction

This report is drawn from the work of a Quaker study and discernment group that met June 23, 24, and 26, 2014 at Friends Center in Philadelphia. This project was co-sponsored by Quaker Institute for the Future and the Eco-Justice Working Group of Philadelphia Yearly Meeting of the Religious Society of Friends (Quakers).

The context of this study and discernment project is centered in two dilemmas:

- Exponential growth of material and energy throughput and consumption is incompatible with the limits, boundaries, and thresholds of Earth's ecosystem: It is an unsustainable mode of adaptation that is destructively accelerating toward collapse.
- The current context of our political economy cannot even acknowledge there is a problem with this kind of adaptation – with this kind of human-earth relationship.

In order to remain operational and to avoid functional collapse, the relationships and incentives on which modern political economies depend must 1) steadily increase material and energy throughput, 2) steadily increase consumption of goods and services, 3) steadily increase the volume of aggregate financial debt: All of which, as a system of economic adaptation, is steadily degrading the functional capacity of Earth's ecosystems and diminishing their bio-productive integrity.

From an ecological and historical perspective, this high-throughput, high-consumption, high-energy, debt-based economy is a short-term, *binge event*. Because this adaptation has been powered by fossil fuels and now, most critically, by hydrocarbon fuels, its trajectory is plotted by the energy analysis of bio-physical economists as more than half over. (See *Energy and the Wealth of Nations* by Charles A. S. Hall and Kent Klitgaard). There is urgent need to advance the dialogue on "plan B" for human adaptation to the ecological realities of Earth.

At the present time, however, it is impossible to have conversations with US legislators about policies that would begin to shift the economy from simply increasing the gross domestic product to increasing the security, equity, and ecological coherence of communities, regions, and the nation as a whole.

With this context in mind, this project was tasked with addressing the following program of action:

- Framing key questions around the incompatibility of unlimited economic expansion with the limits, boundaries, and thresholds of Earth's ecosystem.
- Identifying policy options that would begin to move political and societal adaptation toward economic activities that operate within the limits, boundaries, and thresholds of Earth's ecosystem - *an ecologically integrated economy*.
- Framing both policy questions and policy options for an ecologically integrated economy that would be effective in opening dialogue with US Congressional office staff and legislators.

Key Questions:

- What measures of performance are needed, other than simply an increase or decrease in material and energy throughput and consumption, to guide economic policy in advancing equitable wellbeing and security within communities and across the whole society?
- What can be done to reduce inequities and advance income security even though the economy may stop growing or even decrease in aggregate size?
- What alternatives are there for preventing the collapse of the economy other than maintaining and increasing the consumption of material and energy throughput?
- What steps could be taken to reform the monetary system and financial systems in such a way that their routine operations advance economic equity and ecological integrity?
- What can be done to begin re-scaling the economy toward stability, equity, and resilience within the limits, boundaries, and thresholds of Earth's ecosystem?

Three criteria have been kept in mind in dealing with the results of this study and discernment project and in preparing this report:

- the strategic importance for developing an ecologically integrated economy,
- the potential for effective dialogue with Congressional staff, legislators and the wider, nationally oriented policy community, and
- the potential for stimulating further study and discernment within the Religious Society of Friends, other faith communities, and among eco-justice colleagues in general.

Policy Options

I. Items that could be part of a legislative agenda within the current context if sufficient political will can be mobilized:

Campaign finance: protect democracy by ending the power of big money to buy elections.

- limit contribution
- public financing of elections

Tax system.

- fair taxation
- creation of incentives and disincentives

Contraction and convergence on carbon energy use.

- fix remaining allowable carbon energy use – carbon budget cap
- fair allocation re development disparity of carbon energy access
- disinvestment in fossil fuel extraction and use
- advance low-carbon economy

Renewable energy.

- emergency planning for rapid transition to renewable energy
- end support for high carbon energy and other eco-deficit creating activities

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- provide support for the transition to renewable energy and eco-credit creating activities

Financial system reform.

- end fractional reserve banking
- provide pathways and incentives for investment in local and regional businesses
- provide pathways and incentives for the creation and development of local currencies

Establishment of national-level “genuine progress indicators” along with reporting and analysis mechanisms.

II. Items that could be part of an “on the shelf” legislative agenda ready for the opportune moment of introduction:

Corporate charter reform.

- rights and responsibilities re public interest
- periodic renewal subject to review with respect to fulfillment of charter obligations

Establish the Commons as a specifically articulated cultural and economic resource category.

- Public trust management of the Commons: For example; the atmosphere, access to land and water, monetary systems, education systems, healthcare systems, food systems, basic income systems, political and public policy decision making systems, etc.

Monetary system reform.

- return the power to create and regulate currency to government
- convert the national monetary system to a non-profit public service administered by a public trust institution

Basic income and meaningful livelihoods: Policies and programs that provide for;

- basic income allocation
- stakeholder grants
- debt free education
- living wage
- public interest employment
- civic and cultural sector public interest vocation

Development of property law within a rights and responsibilities regime that rewards stewardship and protects and advances the trusteeship of the common good.

Regulation of advertising that promotes a mindset of endless consumption and manipulates thinking, decision-making and behavior in ways that are critically detrimental to the continuation of ecological integrity and resilience.

III. Larger guiding concepts and action areas relating to an ecologically integrated economy:

Values development: Policy options that exert a pull toward common good values.

- cooperation on limiting climate pollution and climate change
- cooperation on equitable sharing of resources

Conserver society.

- precautionary principle

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- symbiotic, mutually enhancing relationships between human communities and local, regional and global ecosystems.
- ecologically secure material and energy sources for the maintenance of food, shelter, clothing, and social systems

Steady-state economy.

- from consumption based growth to conservation based security
- ecological reserve governance
- ecologically integrated economy operating within the limits, boundaries and thresholds of Earth's ecosystem

Global environmental governance

- spaceship model requiring high-level management and multi-level buy-in and coordination
- community garden model requiring multi-stakeholder, common good responsibility, coordinated within a dynamic, unfolding panorama of functional geographic relationships up to, and including, the global

Mobilizing effective political pressure for;

- supporting local and regional economic activity that maintains and advances ecological integrity
- supporting national policy around conversion to an ecologically integrated economy (EIE)
- supporting international cooperation for moving toward a worldwide EIE.

Wider context and conclusions

The first set of items are obviously best suited for immediate and introductory dialogue with Congressional office staff and with legislators. The task is difficult, since all policy discussion in Washington presumes (traditional) economic growth. However, establishing dialogue on these items may, in due course, provide opportunity to open a window on items in the second set. Legislation might be framed to remove barriers that now impede new ecologically oriented economic activity, to forestall new barriers, and/or to remove distorting privileges.

Items in the second set can be further developed with respect to providing guidance on clear, actionable legislation ready to be enacted when crisis conditions and dramatic moments of change in national consensus occur. Such moments offer the opportunity to put in place key, transformative policies that previously had been “unthinkable.” For example, it seems highly likely that such a moment could occur in an economic collapse in which the financial establishment utterly fails and becomes virtually powerless. The task of having well developed and convincingly presented policy alternatives ready for presentation by credible voices is, thus, of great importance. (The development and growth of new institutions operating in parallel with old institutions can also play a role in transformation.)

The third set offers great scope for further study and discernment. It is here we can link up the growing movement, now loosely defined as The New Economy Coalition, to help strengthen community, municipal, and regional initiatives for building social, economic, and ecological integrity into relationships and institutions that advance the common good. The New Economy Coalition is big and growing, with

broad-based and diverse participation, a profound critique of the present economic and political system,

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and engagement with a wide range of issues that are fundamentally connected to the development of an ecologically integrated economy. For more information go to <http://neweconomy.net/>

We trust the results of this project will help define steps toward an ecologically integrated economy, facilitate dialogue with Congressional staff and legislators, and prompt further engagement in the task before us.

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For information on co-sponsoring organizations go to:

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