# CLIMATE JUSTICE AND THE NEW ECONOMY



# INTRODUCTION

This booklet is the third in a series designed by Quakers in Britain to explore one analysis of climate breakdown and how we might respond, known as climate justice. It's a term that is increasingly used in the UK, but not one that is well understood. It challenges our status quo and imagines a different world – a world in which we recognise and address the inequalities and power imbalances that have led us here; in which we repair the harm we have done to one another and to the planet, and build a more sustainable, loving system of organising ourselves.

We have tried to make these booklets as accessible in language and content as possible, while offering plenty of links to other resources for those who wish to explore topics further. We welcome ignorance: for us, what's important is a curiosity to learn. While we will try to explore the topic of climate justice as comprehensively as we can, we will never be able to cover it fully. We hope these booklets will serve as a launchpad for you to begin your own journey of exploration into what taking action for climate justice might mean to you.

There will be six booklets in total, and each will consist of three main sections: analysis, practical examples and queries. The analysis section is intended to provide some basic content for consideration, along with lots of further avenues to explore. The practical examples section shares information about grassroots groups and campaigns in the UK and globally that you can draw inspiration from or support. Finally, the queries section offers some

packing some of the concepts we might come across in climal phabetical order).

ctivism
See social action below.

Adaptation
(definition from Intergovernmental Panel on Climate Change Synth The process of adjustment to actual or expected climate and its effects.

The process of adjustment to actual or expected climate and its effects in some natural systems, human intervention may facilitate adjust in some natural systems, human intervention may facilitate adjust climate and its effects.

questions for reflection or discussion, individually or in groups, as a tool to process and integrate your thoughts about the booklet and its topic.

As a companion to the booklets, we have put together a glossary of key terms, which you can find www.quaker.org.uk/documents/climate-justice-glossary. Any terms followed in the booklet text by '[G]' appear in the glossary.

For Quakers working through these booklets, we recommend taking a look

at Woodbrooke Quaker Study Centre's **Responding to Ecological Crisis** resource. This has been designed to support Quakers to explore the spiritual underpinnings of the Quaker commitment to sustainability. It will tend to the 'personal' aspect of your journey through these booklets and complement the resources and promptings they contain.

As in the days of early Friends, we sense this is a time of prophecy and want to uphold the prophets in our midst and in the wider world. We must heed the Spirit's call to urgent action. Prophets are visionaries, calling out those in power, and reconcilers stand in the middle of conflict: in this both run great risk.

From the Epistle, Yearly Meeting Gathering 2021

As we embark on this journey, we are demanding courage of each other, looking to support each other, and, especially, seeking to hear and see prophetic voices and examples. We extend an invitation to all to embrace discomfort. Learning to see the wrong in our lives and in our society, and experiencing that inwardly, is the moment we become truly engaged in transforming our lives.

## **ANALYSIS**

[E]conomic affairs are now so central to our whole existence that no other aspect of personal relationships or individual lifestyles can now be looked at without first understanding what it means in terms of our national wealth, incomes, and their distribution.

David Eversley, 1976 Quaker faith & practice 23.53

## 1. Introduction: what's the economy got to do with it?

The climate and ecological crisis is a crisis of production and consumption — how much 'stuff' we produce, use and throw away, how much energy we use and where we get it from, and how much of the world's natural wealth we are extracting in order to do all this. Alongside the crisis of overall overconsumption, we are also in a crisis of distribution, with the richest 1% of the global population owning more than 45% of the world's wealth. Questions of how we produce, distribute and consume goods and services are the core subject matter of economics — so we can't understand the climate crisis without thinking about the economy, and vice versa.



Quakers in Britain's work on climate is founded on an understanding that "[t]he environmental crisis is enmeshed with global economic injustice" (Minute 36, Yearly Meeting 2011). These twin crises are not an inevitable result of human nature: both result from a particular economic system based on extraction and exploitation.

Mainstream economics has paid disastrously little attention to climate change or ecology. UK economics courses are still often taught from the perspective of neoclassical economics

[G], rather than approaching this as just one system among many possible systems. Neoclassical economists believe that:

- the production and price of goods is determined by choices made by individual consumers and companies
- these choices are always wholly rational and are based on a desire to maximise one's own satisfaction
- in the case of companies, 'satisfaction' means profit.

Thanks to the dominance of neoclassical economic ideas in UK politics, academia and media, these assumptions continue to inform the way most of us think about economics — even those of us who believe we never think about it at all. This emphasis on individualism has led to a false narrative about (among other things) climate change: that responsibility for action and the route to change lie with us as individual consumers, with no reference to the systems and institutions that create the environment in which we act.

**Did you know?** The game Monopoly was closely based on a game invented by Illinois Quaker Lizzie Magie, 'The Landlord's Game', who intended it to highlight the ills of wealth accumulation and make the case for a land value tax!

To meet the challenges of climate breakdown, we must imagine and build a new economic order. Our current form of capitalism takes an incredibly short-term view – often as short as the next quarter. It does not generally factor resource overuse, pollution or other externalities [G] into its models. Perhaps more fundamentally, it is geared towards profit rather than any other purpose. This results in efforts to turn natural wealth and human labour into money at the fastest rate possible.

There are many angles from which to explore the intersection of the economy and the climate crisis, and we can only scratch the surface here.



You may be interested in a previous series of booklets produced by QPSW on the 'new economy' – these can be found in digital form here.

Further exploration:



New Economics Foundation A beginner's guide to neoliberalism



Doughnut Economics animations

## 2. Neocolonialism, or why inequality is no accident

Freedom from colonialism is not merely a legal independence, the right to run up a national flag and to compose and sing a national anthem. It is necessary also to break down the economic colonial systems under which the colonial areas have been forced to live for centuries as hinterlands, sources of raw material, backyards to the industries of the advanced countries. Independence is independence, but when you continue to live in territories which still bear the shape of the old colonial territories it is extremely difficult to free yourself from the colonial mentality.

CLR James, 'Lecture on Federation', 1958

As we explored in booklets I and 2, colonialism and the exploitation of resources in the Global South by countries like the UK vastly enriched colonial powers and has driven climate breakdown. To build a more just world together, we must recognise that this history is the foundation of our present economic system. On



the face of it, we might think colonialism is all in the past – but the imbalance of power and patterns of exploitation it established continue today, in the form of trade deals, debt and financing, and tax dodging.

We are so used to seeing that some countries are poor and others are rich that we might easily slip into believing this is just an accident of geography – just 'the way things are'. But once we start digging into the root causes of global poverty, we see a story emerging. Since 1980, about \$16 trillion has flowed from poor countries to rich – that figure is net, once aid payments are taken into account.

How is this possible? To take one example among many: when it won independence in 1964, **Zambia's** was

an economy based on exporting copper, with underdeveloped manufacturing and agriculture sectors, leaving it highly dependent on imports. In the 1970s the price of copper fell, while the price of oil and other imports rose, leading Zambia to borrow from the International Monetary Fund (IMF). By 1984 it could not meet the interest payments on its loans and was forced to borrow further. As conditions of an IMF loan, governments are required to cut public spending and privatise national assets. The need to prioritise interest payments means less spending on public infrastructure and services. At the beginning of the 21st century, Zambia was spending more on servicing its debt than on health and education combined.

Zambia finally qualified for debt relief in 2005, but again with IMF and World Bank conditions attached. In recent years, its borrowing has risen, partly in order to fund climate action. As a result, the country is almost self-sufficient in solar-generated electricity — but it is deep in debt crisis again.

When debt prevents countries from investing in infrastructure, they are left more vulnerable to climate impacts, with extreme weather causing greater damage. A lack of funds limits rebuilding efforts and infrastructure is further weakened. At the

same time, it has been argued that indebted countries are more likely to turn to deforestation in order to generate income.

Further exploration:



199 Adom Getachew When Jamaica Led the Postcolonial Fight Against Exploitation and Christine Berry The imperial past of today's asset economy



OurVoices Decolonising the global economy



Debt Justice - Colonialism and Debt

## 3. Growth and degrowth

Our dominant economic model depends on continual economic growth. While narrow economic indicators such as GDP [G] are currently taken as the main measure of success in almost all countries, this is actually a very poor measure of prosperity. GDP tells us nothing about wealth distribution, well-being, or human or ecological health. It is purely a measure of economic activity, and is boosted by many types of activity with negative outcomes for society – like making and selling weapons.

There is a growing recognition that climate action is necessary to a thriving economy. However, for governments and businesses, this has generally led to aspirations for 'green growth', to be achieved through mass electrification and building projects, rather than any challenge to the

concept of growth itself.

It's true that there is an enormous amount of work to be done in green energy, home insulation, farming and so on as we transition beyond fossil fuels. But after many years of efforts to promote 'green growth', there has been little progress towards absolute decoupling [G] of GDP growth from carbon emissions and resource consumption. Some studies have concluded that absolute decoupling is essentially impossible.



Unless it is carefully designed to avoid doing so, there is a high risk that the UK's green transition will perpetuate the ecological crisis and global inequality by overconsuming raw materials from the global South. And no amount of renewable energy will save us unless it is accompanied by the decline of fossil fuels.

Advocates of degrowth, ecological economics or a wellbeing economy argue that we need to embrace the concept of 'enough' and design our economy to enable us to live well within ecological limits.

Further exploration:



Fairytales of Growth (2020) Documentary - YouTube



"Degrowth is Punk!" Combining GND and Degrowth with Riccardo Mastini (buzzsprout.com)



Four Principles of Degrowth – Pluto Press (plutobooks.com)

## 4. The enclosure of wealth and power

The concentration of wealth and power within our current society was made possible through exploitation of people and the living world. Privatisation of public wealth has always been central to this economic model, from the enclosure [G] of land beginning around the 16th century to the conditions of IMF loans today.

The capitalist understanding of property rights has historically been used to justify stealing from peoples who managed land under a different system – from the English peasants who lost access to food and timber because they could not produce documentation to prove their ancient common rights, to the indigenous peoples of the Americas whose land was deemed by Europeans to be terra nullius, belonging to no one.

For most of the 20th century, in many parts of the world, the gap between rich and poor got smaller. However, that trend has reversed in recent years. A 2021 report found that one-third of all additional wealth generated since 1995 had been captured by the richest 1% of people globally. In the UK, cuts to social security and underinvestment in public services have contributed to a fall in life **expectancy** in parts of the country.

In the UK today, increasing financialisation [G] has divorced money and profit from production of actual goods and services, or what is often called the 'real economy'. This enables everything – including basic necessities such as food – to be seen as a commodity which can be used for financial speculation. It has also led

to extremely high levels of household debt: 8.5 million people in the UK were considered over-indebted in 2021 – and escalating energy prices since then will only make the problem worse.

Economic inequality is also bad news for a stable climate. Oxfam and the Stockholm Environment Institute reported in 2020 that between 1990 and 2015, the richest 1% of people were responsible for 15% of global carbon emissions.



At the time of writing in 2022, the UK is heading for extremely high levels of inflation. With wage increases not keeping pace, this is causing a sharp rise in the cost of living. At the same time, corporate profits continue to rise.

With immense wealth comes political power. The last 40 years have seen a cycle of tax cuts and **deregulation** [G] enabling greater corporate profit, which in turn increases the lobbying power of those corporations, leading to further deregulation and subsidies. One example of the disproportionate power of transnational corporations is the growth of corporate courts. These enable corporations to sue countries for introducing any legislation that reduces their profits – such as strengthening environmental standards or raising the minimum wage. Fossil fuel companies are increasingly suing states which introduce bans on oil drilling or legislate to phase out coal.

We cannot slow the climate crisis without tackling extreme wealth and corporate power.

Further exploration:



Global Justice Now – Climate Injustice: Corporate Courts and Climate and Transnational Institute - Financialisation: A Primer



Grace Blakeley – How to Save the World from Financialisation

## 5. Thinking differently about ownership

Different models of power and ownership are possible. Public ownership of water, energy and public transport are consistently popular with the UK public in polling. But we can also think beyond traditional models of nationalisation and imagine a greater role for communities.

The concept of the commons, or 'commoning', offers a way of thinking about how we manage natural wealth for the benefit of all. It derives from the medieval term used for land to which tenants had certain rights, but it has come to refer to any natural or cultural wealth which is accessible to all members of a society – including the absolute essentials of life such as air. In the related sense in which we are using it here, it refers to the practice of a community governing a resource it uses. This need not be land or buildings: for example, the food sovereignty movement and farmers in the global South are engaged in a long struggle against corporations' attempts to patent the rights to specific plants.

As a form of governance, a commons is not a free-for-all with no rules or protections; it is a carefully regulated space managed collectively by and for its users.

Community land trusts (CLTs) are non-profit, democratically-run organisations that own and manage land for the benefit of the community. By buying or being given land, and then applying an 'asset lock' which protects it from being sold for private gain, they remove the profit motive and ensure housing built on the land remains affordable for ever. In the US, CLTs in areas where black communities are being priced out through gentrification have been suggested as a form of reparations for slavery.

In Scotland, where land ownership is concentrated in the hands of a tiny few, this issue has gained political momentum, resulting in a Scottish Land Commission

being set up by the government to explore how land ownership and use can be reformed for wider benefit, including repopulation of rural areas as well as ecological restoration. In Dumfries and Galloway, the town of Langholm recently raised money to buy 10,500 acres of land from the Duke of Buccleuch to create a nature reserve where peatland and ancient woodland will be restored.

Raising funds to buy land or property is one of the biggest barriers to community ownership. The think tank Common Wealth has proposed 'public common partnerships' (PCPs) as a new approach to urban development. Under this model, assets are jointly owned and governed by public bodies, an association made up of local residents, and any other relevant stakeholders, instead of being handed over to private investors. Any financial surplus made from running one PCP can be used to establish others, leading to an ongoing expansion of the 'urban commons'.

#### Further exploration:

- Community Land Scotland community land stories
- The Connected Sociologies Podcast Enclosures and The Making of the Modern World or Radicals in Conversation Trespass, the Commons and the Right to Roam
- Zanetta Jones How to design the commons (or, Elinor Ostrom explained) and Common Wealth A New Model



## 6. Bringing the new economy to life

The ultimate, hidden truth of the world is that it is something that we make, and could just as easily make differently.

David Graeber

The financial crisis in the first decade of this century prompted a degree of despair among activists and alternative economic thinkers that the movement was so unready to respond. If anything, the power of those with a vested interest in the status quo has only grown since then — but the difference is that we have many more ideas available to us.

Alongside the alternative forms of ownership we've just looked at, there are many other examples of theoretical and practical work which are helping to bring a new economy into being – an economy where people, communities and ecosystems can thrive.

One example which has struck a chord with many people is Kate Raworth's Doughnut Economics, which invites us to 'think like a 21st century economist' and work towards the sweet spot where human needs are met without exceeding planetary boundaries. Her concept of an economy that is 'regenerative by design' has been embraced by city authorities in Barcelona and Amsterdam as well as informing grassroots experiments like the work of Civic Square in Birmingham and its Neighbourhood Economics Lab.

Alternative economic ideas are also being picked up by politicians around the



world, as seen in initiatives like the Global Alliance for a Green New Deal, which is committed to "the redesign of national and international financial systems so that they serve the needs of people and planet".

And in North and East Syria (NES), in an area also known as Rojava, the Syrian civil war saw the rise of a revolutionary movement based on democratic self-governance, ecology and gender equality. In 2012, Syrian Kurds took control of the city of

hoto: Co-operation in Mesopotamia

Kobane and the Jazeera region, while the Syrian government was busy fighting insurgents in the major cities. Against a backdrop of attacks and hostility from ISIS and the Turkish and Syrian governments, cooperatives have been set up and radical democratic governance structures established.

The fragile new order in NES is not perfect, but it is a vivid example of how organised communities can remake the world. And it was made possible by the work of visionaries and organisers who were building the foundations long before the chaos of 2012 presented an opportunity. What we imagine today, we have a chance of building tomorrow.

#### Further exploration:

- Neighbor Democracy Neighbor Economics: Cooperatives in Rojava (Excerpted)
- ROAR Magazine Dual Power Then and Now: From the Iroquois to Cooperation Jackson
- Next Economy Now podcast



# PRACTICAL EXAMPLES

In this section, we highlight examples of grassroots groups and campaigns that you might draw inspiration from or support. We have divided them into 'local' and 'global', but this can be an arbitrary distinction as both are interlinked. We use the terms here to help describe actions that are primarily focused on life in the UK (local) and actions that are primarily focused on life outside the UK (global).

#### Local

**Decolonising Economics** works to build a solidarity economy movement rooted in racial justice principles and invest in the leadership of marginalised communities of colour who are organising towards community ownership of assets.

**Economy** works to support communities – particularly those furthest from power – to shape the economy to achieve what matters to them through education, participatory approaches to economic decision making, news and place-based projects. It is an offshoot of **Rethinking Economics**.

Church Action for Tax Justice is hosted by the Ecumenical Council for Corporate Responsibility. They work to build a fairer, greener tax system where taxes are set to reflect the Common Good, and individuals and corporations pay their fair share.

**Defund Climate Chaos** is a joint mobilisation by a wide coalition of groups all around the world calling for an immediate end to fossil fuel financing. They target UK finance institutions, including bankers, insurers and fund managers.

**Positive Money** campaigns for a money and banking system that enables a fair, sustainable and democratic economy.

**Good Ancestor Movement** supports individuals and organisations with responsible wealth stewardship and radical redistribution. They create educational programmes and workshops to reimagine wealth and offer consultancy services to individuals, families, trusts and foundations, and professional advisors.

**Doughnut Economics Action Lab** is a network of communities and changemakers putting the ideas of Kate Raworth's Doughnut Economics into practice.

#### Global

Global Alliance for a Green New Deal is a collective of 27 lawmakers around the world who are working to advance a transformative Green New Deal.

**Global Justice Now** is a UK-based social justice organisation working in solidarity with communities in the global South. Its current work includes a campaign against corporate courts.

**New Economy Coalition** is a coalition of 200+ organizations building the solidarity economy in the U.S. and showing that another world is not only possible — it's already happening.

Tax Justice Network works to address the injustice of tax and financial systems that prioritise the wealthiest over everybody else by inspiring and equipping people and governments to reprogramme their tax and financial systems.

**Solidarity Economy Association** supports the solidarity economy by educating, empowering and inspiring communities and giving them the confidence to create, join or support initiatives rooted in social and economic justice.

# **QUERIES**

In this section, we have put together some suggested queries for reflection or discussion, individually or in groups. You might like to use one of the resources we have shared in this booklet as a prompt for reflection and discussion. You are also welcome to find your own resources to use as a prompt!

We are conscious that the Covid-19 pandemic has made our already busy, stressful lives even busier and more stressful. We believe that social action should be energising and sustaining, so throughout these booklets, we will try to weave moments of joyfulness (for example, artwork exploring social justice themes) into the queries section. If you are gathering in a group to consider the queries, we also recommend incorporating food, and building in time to check in with one another.

One of the ways that the powerful seek to maintain the status quo is by trying to strip systems and structures of their history, of their political context, even spiritual context, so that they seem to be normal. So that they seem to have always been, and any problems that we may face in the world are purely technical. We really need to challenge that and understand that when we're

talking about making repair, part of that is telling the truth, telling the whole story of how the world is the way it is. History didn't start after the Second World War, it didn't start after colonialism and the free-market ideology we're living with now isn't the way that people have always organised themselves.

Sarah Edwards, Ecumenical Council for Corporate Responsibility

- If you wanted to judge whether a country was thriving, what would you measure?
- The 20th-century free-market economist Milton Friedman said that "[t]he world runs on individuals pursuing their separate interests". If we didn't believe this, and thought instead that the world ran on some version of collectivity, community and serving the common good, how would we structure our economy? How might this affect our approach to the climate crisis?
- Is there anything you would choose to take into public or community ownership – perhaps land or a building in your local area? What difference might it make?

Social justice focused artwork to explore:

- Creative Wildfire projects
- New Economics Foundation Zine Is our economy making us sick?
- Chiara Francesca illustrations and artwork

This booklet was developed with support from Neil Gibbons and colleagues at Quakers in Britain, and informed by a number of Quakers who helped to shape the project. We are grateful for the time and feedback they generously shared.



# WHERE NEXT?

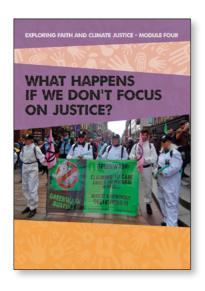
Exploring Faith and Climate Justice runs from July 2022 to July 2023. Over the year we will explore the following areas:

I. What is climate justice?

July - August 2022

- 2. Loss and damage: exploring historical responsibility and reparations September October 2022
- 3. Climate justice and the new economy November – December 2022
- **4.** What happens if we don't focus on justice? January March 2023
- 5. Living in right relationship with the earth March May 2023
- 6. How do we act in solidarity and friendship across social justice movements? May July 2023

The next module will look at approaches to climate breakdown that aren't compatible with justice, and how we might recognise and respond to them.



Text in this dark blue colour indicates a link to further information or resources.

To access the further information or resources in this booklet, please go to the online version which you can find on this webpage:

www.quaker.org.uk/
efci

Join Quakers in Britain and Woodbrooke on our year of learning and spiritual reflection about climate justice.

You can sign up on your own, or as part of a group or meeting at www.woodbrooke.org.uk/efcj.

For more information and resources visit www.quaker.org.uk/efcj.

Get in touch at climatejustice@quaker.org.uk.

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Did you find this resource useful? To let us know your thoughts, to share a story of witness or to request support from Quakers in Britain, please email climatejustice@quaker.org.uk or call 020.7663 1046

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