



# The Viable Economy

## A Summary

[www.steadystatemanchester.net](http://www.steadystatemanchester.net)

*This pamphlet is for everyone concerned about the dangers we face from the current unviable economic system and would like to explore an approach which integrates economic, social, ecological, political and cultural well-being; The Viable Economy. A copy of the full pamphlet is available at <http://steadystatemanchester.net/our-reports/>*

*The Viable Economy suggests a path to a resilient, more localised, stable economy that provides what we all need and ensures more equity and harmony in our own area and throughout the world. It argues that we can decide on rather than follow economic rules and tread lightly on the earth as well as protect and restore those systems that make life possible.*

*It says that in order to do this we will need a system based on the following values, caring for the earth (stewardship), justice, community (conviviality), solidarity, co-operation, equality and respect.*

*It is in update of Steady State Manchester's 2012 launch report In Place of Growth and acknowledges this is work in progress, needing further development.*

### What are the dangers of the current 'un-viable' economic system?

Inequality is now severe and is still rising in most countries making many people poorer, even destitute. Despite these increasing inequalities locally and globally, people who believe in economic growth continue to tell us all that where there is growth, prosperity will trickle down. Current austerity policies illustrate how greater equality is constantly postponed.

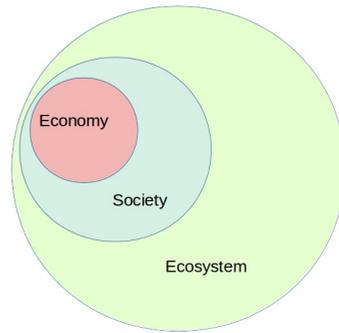
We cope with instability and repeated crises; it is increasingly difficult to control the actions of big business and working conditions are getting worse. More and more decisions are made on the basis of how much money it will make; this influences how we think, make decisions, politics and even culture. As Margaret Thatcher wanted, everything is reduced to economic activity, with the emphasis on profit

and the free market.

This economic system damages society. Some people and areas are highly valued while others are left out. Many people are dissatisfied with everyday life (some studies say dissatisfaction is higher in the UK than in places which are far poorer).

This dissatisfaction may be because increasingly our lives are more individual, separated and apolitical. Institutions and values which nurtured togetherness, solidarity, co-operation and a sense of community are less valued. Has this led to widespread feelings of pointlessness and insecurity, and high levels of stress, anxiety disorders, depression and addictions? Rising inequality has increased levels of insecurity and most worrying, a lack of social solidarity – the very basis for our shared life.

Finally, but ultimately even more distressing, we are using more ecological resources than our planet can cope with. The Intergovernmental Panel on Climate Change's (IPCC) most recent report has shown, it is economic growth that is responsible for the most immediately threatening increases in greenhouse gas emissions that threaten runaway global warming. And climate change is just one of the 'planetary boundaries' that humanity is crossing, or approaching. That then is the nature of the problem. The viable economy is not something we have just dreamed up; it is a way of bringing together a number of ideas and practices into a framework.



*The economy is part of society, which itself can only exist within the ecosystems of the natural world.*

**The pamphlet** draws on ground breaking thinking of recent years from a variety of fields and movements, including New Economics, Social Justice, Social Ecology, Trade Justice, bringing them together because ecology teaches us that everything is interconnected.

### So what is The Viable Economy?

#### **An economy:**

That is resilient in the face of bubbles, crashes, supply chain interruptions and the whim of National governments.

That delivers (and measures) what we need; where some sectors will grow, (e.g. renewable energy) and some must shrink (e.g. fossil fuels, financial speculation, armaments).

Where more money stays local and there is local control over savings and investment.

Where investment comes from within rather than as profit-seeking from external investors.

#### **An economy which is socially viable:**

That includes everyone, that uses everyone's energies and talents to the full and is based on nurturing human and social capital,

That builds equality, solidarity and cooperation among people, here and elsewhere.

Less exploitation of the majority world while keeping open channels for communication and learning globally.

Has more space for non-commercial transactions (including care of children, adults, neighbourhoods and exchanging services and skills: the collaborative or solidarity economy).

#### **An economy which is ecologically viable:**

Radically reducing both the use of limited resources and emissions, including greenhouse gases.

Based on production and consumption for need: a frugal abundance.

An economy that practices stewardship of the natural world that we depend on. Resilient to climactic and other ecological shocks.

More security for us all because the environment is protected from further destruction.

It covers eleven critical areas: growth; resilience; space; democracy and ownership; investment, money, credit and debt; distribution and equality; work and income; environment; consumerism; living well and its measurement and population and migration. For each area there is an outline of the current problems, the viable alternative and some viable policy ideas.

The themes that constantly run through these 11 areas are equity, localisation, money and measurement. We argue that greater equity is needed globally as well as locally and economically as well as socially. We recognise that greater equity is needed wherever there are preventable gaps if everyone is to live well and the economy is to be viable. This includes within Manchester and compared to other places locally and throughout the world, as well as in terms of gender, race, sexuality and disability.

We argue that localisation of the economy can have an enormous impact on reducing ecological damage and ensuring a more stable and less exploitative approach to money. We also consider the urgent need to measure the wealth of society, not by how much we produce (Gross Domestic Product) but by measures that consider the value of what we produce, who benefits, and any damage to the planet as a result of the activity.

We have a section on population and migration, an area we have not previously explored, where we

suggest that the focus of action needs to be on the reasons why people have large families and want to migrate rather than control.

## A taste of our policies for a Viable Economy

Below are a taste of the recommendations in the pamphlet. Some may stimulate the adoption of viable economic ideas, they are both attractive to local people and decision makers and can be put into practice fairly immediately. Others are likely to make the most difference and will take longer to put into practice. They also relate to the key areas of well-being, economic, social, ecological and the four themes which are central to our viable economic framework; equity, localisation, money and measurement.

**1. Reduce our demand** for food, energy and other resource use through cutting out waste, increasing product life, re-using and recycling, developing incentives and sanctions to support all these things.

**2. Focus on essential goods and services** such as infrastructure, utilities, food processing, retailing and distribution, and health, education and welfare - the relatively resilient 'foundational economy' and reduce the emphasis on projects that bring little benefit to the economy or society with high ecological costs.

**3. Award grants** for improved community facilities and business development which **promote cooperation.**

**4. Develop locally and regionally based financial institutions** which encourage saving, credit and investment locally, with clear ethical priorities for strengthening the green and social economy.

**5. Support community-led renewable energy production**

**6. Promote collective energy purchase schemes** that encourage lower unit levels of energy use

**7. Retrofit buildings** to reduce fuel demand.

**8. Support local communities** to plan and manage their own regeneration, and ensure solutions are found as and when problems come to light.

**9. Bring assets into community ownership** and stewardship where possible. Reform and redistribute land-ownership to small owners and not-for profit enterprises. Thereby, increase the area that is open for non-commercial use by the public

**10. Campaign for an overall reduction in working hours**, thereby releasing employment for those that want it and increasing the potential for employed people to undertake unpaid work in the home and community. Backed by a Living Wage to reduce the need for low-paid people to work long hours, and secondly, the overall reduction towards a 21 hour working week

**11. Focus on ensuring conditions exist in which small families can thrive** including low mortality rates and support for people without

sufficient income and care needs.

**12. Focus on reducing the determinants of unviable migration** by ensuring all policies foster equity between our region and others, good environmental measures which will ensure minimum climate change and do not fuel reasons for migration such as war e.g. arms exports.

**13. Consider developing 'genuine progress indicators'**, for the eco-city-region to measure and direct economic development towards social and ecological viability. This should include social and ecological measures such as well-being, inequality, work/life balance, commuting times and carbon emissions per person.

*We welcome feedback especially concerning our framework, which of the viable economy policy ideas are most inspiring and your experience of implementing them.*

*The full pamphlet can be downloaded from <http://steadystatemanchester.net/our-reports/> or bought for £3.*

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