

MEASURES TO COUNTER THE DANGERS INHERENT IN A DEBT-BASED ECONOMY

The following was sent to Heads of State and Government by the NGOs listed below.

Urgent Need for an Economic Shift

There is a **contradiction between sustained growth and the needs of nature**. This threatens to undermine its effectiveness and continue to place women at a disadvantage.

This contradiction can be resolved through a shift to a commons-based economy – an economy which would have at its base the well-being of all people and nature.

The threat posed by today's dominant world economy:

The debt-based financial system that dominates the world economy today fosters unsustainable growth because the lending of central banks is not covered by adequate collateral. As a result, banks must use interest payments received from previous loans to pay off their debts.

Therefore, their funds must constantly be replenished by encouraging people to consume, produce, borrow and make interest payments. This results in overproduction, overconsumption, excessive carbon dioxide emissions and disastrous climate change.

This dilemma also pits people against one another – and nature – as they compete for funds. Here women are often at a disadvantage. The resulting *win/lose* and human-centred *win/win* mentality (which ignores the well being of nature), creates an ever-increasing desire to have power over others and nature.

The debt-based financial system and the resulting win/lose mentality must continue to drive unsustainable growth to avoid collapse. It thus constitutes **one of the most influential root causes of the escalating environmental, economic and social crises our world faces today.**

The present escalation of interlocking crises can be averted once we have placed the well-being of all people, their communities, and nature, at the foundation of a new Green Economy. This shift would be further strengthened where a *commons* approach is used.

A commons approach involves empowering people to care for the fruits of nature and/or society they and their communities need to survive and thrive. A primary focus is on using open, inclusive and participatory forms of decision making where there is gender balance.

The advantages of shifting to a commons-based economy based on the well-being of all people and nature:

- 1) The economies of those countries with rich natural resources and/or social systems that serve the individual development of people and their communities would be valued for their *actual* wealth. Governments at all levels would have a

strong incentive to preserve and nurture their natural heritage and the social systems that develop all people's individual potential. They would also discontinue environmentally and socially destructive practices.

- 2) Encouraging a commons approach would have the additional advantage that people would be strongly motivated to steward their resources with great care both for their own use and that of future generations.
- 3) By giving people adequate access to those resources needed to both survive and to develop their unique potential, they will be less likely to vainly seek satisfaction in the acquisition of possessions and status symbols that do not deeply satisfy and are another root cause of unsustainable development.
- 4) The development of actual personal potential is tied to quality education, training, social interaction and cultural pursuits, etc. These aspects of the economy can continue to grow without necessarily having to draw heavily on depletable resources. This fosters social harmony and promotes sustainable economic growth while conserving non-renewable resources.
- 5) If this shift is undertaken, Governments will be able to build on the groundwork for a sustainable economy already being implemented by those people who have already adopted a commons approach. They are currently building sustainable communities, producing wholesome foods for those in need, cleaning up polluted water sources, managing waste, and revitalizing the stagnant parts of national economies. They are also providing free information, sustainable technologies, alternative energy, cultural resources, educational materials, and much more.
- 6) These civil society activities are already providing a skeletal structure for a sustainable green economy that is alleviating poverty – a foundation on which Governments can build. This process will increasingly speed up as the Internet-based Commons Abundance Network (CAN) grows and expands. CAN has as its objectives to empower commons to learn from one another; network, think and act together from local to global levels; and by empowering one another to form a strong basis for a commons-based economy at all levels centred on the well being of all people and nature.

This shift makes sense economically because **how people—both women and men--and their communities interact with their natural and social resources lies at the very foundation of every economy.**

Organizations who composed this include the UN Major Group Commons Cluster—a Network of NGOs that have been involved in the Rio Process and are still working together to help the United Nations, Governments and CSOs better understand the need for and potentiality of a commons based approach to the solution of problems in the area of sustainable development.