

PRINCIPLES FOR A NEW ECONOMY

PREAMBLE

The purpose of an economic system is to help organize human activities in ways that create healthy and resilient human communities and ecosystems for both present and future generations.

To achieve these purposes, deep system-wide change is urgently needed to reverse conditions typical of contemporary global, regional, national and local economies that exhibit one or more of the following serious flaws. They are:

- **UNSUSTAINABLE:** They over-consume and degrade the resources upon which their long-term prosperity depends.
- **UNFAIR:** They multiply financial advantages to those already advantaged at the expense of those most in need.
- **UNSTABLE:** They lack resilience in a time of growing volatility and rapid social, political and technological change.
- **UNDEMOCRATIC:** They operate with inadequate democratic control and accountability on the part of their most powerful economic organizations - corporations, financial institutions and governments.

At the root of these conditions is an implicit, dominant theory of economic purpose: namely to achieve continuous economic growth, as measured principally by GDP, by relying on “free markets”, without regard to the impact on overall human and ecological well-being. At the core of a New Economy is the need to decouple the achievement of well-being from limitless economic growth, by structuring economies that:

- Fully realize individual potential through the advancement of human rights, including the right to thriving livelihoods, freedom from unjust persecution, quality education, effective social safety nets, affordable nutritious food, clean water, secure health care, and adequate shelter.
- Protect and nurture the richness of the natural world in ways that confront and rectify intensifying threats to humans and other species, including those associated with climate change, biodiversity loss, eco-system degradation, and polluted air and water

The following Principles are designed to guide the actions of all economic actors and organizations whose decisions and actions affect, or are affected by, the pursuit of a New Economy.

PRINCIPLES

1. MEASURING PROGRESS - Economic progress shall be measured in terms of the well-being of all living species and ecosystems.
2. RESPECTING NATURAL LIMITS - The economy shall draw from, and inject into, ecosystems only what is compatible with maintaining a sustainable healthy and resilient natural world.
3. DEMOCRATIZING THE ECONOMY - All institutions that manage, regulate and execute economic activity, including private corporations, shall be democratically controlled in order to serve long-term societal goals.
4. ENSURING ECONOMIC PROGRESS - Governments shall work to ensure prosperous and resilient economic outcomes by making adequate investments in research, education, physical infrastructure, and technology, whenever markets fail to do so. .
5. LOCALIZING CONTROL - Economic policy shall favor subsidiarity, i.e., the localization of economic decision-making and control to the greatest extent possible consistent with democracy, equity, and efficiency.
6. TAMING FINANCE - All monetary systems and financial institutions shall be regulated as essential public utilities for the benefit of society as a whole.
7. REDUCING INEQUALITY - Increasing economic inequality shall be understood to be inherently and profoundly antithetical to achieving human and ecological well-being, and shall be rapidly reversed.
8. PROVIDING ADEQUATE LIVELIHOODS - Individuals shall be ensured of opportunities for decent paid work, employee ownership and the right to organize, and accorded recognition for work performed outside the formal wage economy that is fundamental to enriching community and family well-being.
9. RE-DEFINING GLOBALIZATION - International economic relations that impinge upon human and ecological well-being shall rest upon the same principles as those applicable to economic activities within nations so that economic justice becomes enshrined in such relations.
10. FOSTERING NEW VALUES - Economic values shall be diverted, by all fair and reasonable means, away from the materialism fostered by promoters of a consumer society, and shifted toward values that prioritize flourishing communities, individual happiness, and a healthy and resilient natural world.



Toward an economy
that sustains people
and the planet

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