

The Wellbeing Economy

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We are at an exciting time in our history. Conventional thinking is being challenged and a new consensus is emerging. There is growing revulsion at the current form of capitalism and the failings of democracy. We need to rethink globalisation and the pursuit of lowest cost so that food and work security and sovereignty can be provided and nations have more control over their economies.

Sparked by the Arab Spring and the repressive measures in response to the financial crisis, global protests have spread from Wall Street and St Paul's Cathedral to over 900 cities in 81 countries. 100 leading economists and Compass have put forward radical proposals in a Plan B, urging UK Chancellor George Osborne to step back from his disastrous policy of cuts, and implement a strategy to avert environmental catastrophe. People are angered by harsh measures bearing down on those least responsible for the financial crisis. There is a deep sense of injustice. People are bewildered and misled by a largely irresponsible, opinionated media offering little positive news or well informed discussion about how we can solve our problems. Too often it represents vested interests and resistance to progressive change. It focuses on sensation, tragedy and trivia. Media like this and badly behaved politicians create depressed and disempowered citizens. An out-dated democracy and obstruction of reform alienates and frustrates people; they think there is nothing they can do but get on with their lives as best they can.

The purpose of an economy should be the wellbeing of all. We're all interdependent, humans and all other life on the planet. People everywhere share the same need for love, happiness, security, good work, freedom, community and involvement in decisions affecting them. Everyone deserves the opportunity to live a healthy and fulfilling life – including all living creatures.

Today, this is far from being the case.

The Western economic model is dysfunctional. By fuelling climate change and damaging the ecosystem, it threatens our very existence - we may have only five years before climate change is out of control. Continuous economic growth defies common sense when we're already consuming 30% more than the earth can sustain and population is set to rise from 7bn to 9bn by mid-century. Economies based on continually increasing consumption and the desire for more, bigger, faster, cheaper and constant innovation breed discontent. Yet political leaders still chant the great god growth mantra, using GDP to measure progress. Are they mesmerised by their own rhetoric and unable to think?

This model systematically transfers wealth from those who create it to the richest and most powerful. Banking, big business and associated global institutions are not serving society. The gap between the rich and the rest is growing steadily. In USA and UK large numbers of people live in poverty. Our level of well-being is among the lowest in the West. Low well-being prevails wherever free market capitalism is given free rein. In India

impoverished people are driven from the countryside into huge city slums. In 2010, 7.6 million children under five died, 70% in developing countries. Two-thirds of these deaths are preventable. Injustice and lack of opportunity ultimately lead to violence. In places like Tottenham, London, where last year's riots began, young people see few opportunities. Unemployment in UK is at the highest level in 17 years and almost one million young people are unemployed. UK now has the highest prison population in decades, alongside USA one of the highest in the Western world.

More equal societies work better; people are happier and healthier. Less money is needed to deal with the consequences of inequality; higher taxation is not needed.

We face the biggest environmental crisis in known human history. Yet, preoccupied with financial crises, governments fail to provide the bold leadership and action needed to prevent catastrophe.

Human beings have survived throughout history by learning and adapting. We are enormously creative. As World War 2 showed, we are capable of rapid mobilisation. However current political and business leaders are slow to act. ***The big question is: Will we act quickly enough before climate chaos and ecological catastrophe overwhelm us?*** Citizens must demand bold action.

There is a growing consensus that the prevailing economic model isn't working. There is an alternative. We know what needs to be done. It's total system change. *Prosperity - without growth* (explored by Tim Jackson in his book of that title) is a win; win. It can resolve **both** the environmental **and** economic crises at the same time. A Great Transition (proposed by the New Economics Foundation) offers new work opportunities, a better balance of work and leisure and better health for all. The vision of a better way inspires and brings hope. It can be achieved through substantial funds for green investment; fairer, sustainable taxation; tackling tax avoidance and evasion; and shifting subsidies from industries that accelerate climate change, damage the ecological system and harm lives to those that are sustainable. Big business has to accept that it benefits enormously from public investment and research funded by the state. Their demand for lower taxation is unjustified. Now some wealthy people like Warren Buffet are asking to pay more tax! We need a completely new form of auditing that takes account of past investment in infrastructure.

Radical monetary reform is pivotal yet not widely understood. Banks make huge profits by creating 97% of our money through debt. National Reserve Banks should have the sole right to issue money supply to meet national objectives set by Government. Banking needs to be restructured along German lines to provide local banks whose remit is to help engender local enterprise. A Citizen's income, partly funded by land value taxation, can reduce the humiliation and the cost of administering complex benefits. Governments and global institutions must control excessive power and regulate financial markets. Principled foreign policies and conflict resolution can save lives and release vast sums spent on war. War rarely works.

The means are available. Sun, wind and wave can meet our power needs without harming people or planet. We can feed ourselves if we waste less and work with nature. All over the world, good things are happening. There are plenty of models for better businesses and government at every level, local and global.

We need to believe that fundamental change is possible and not accept “*It can’t be done*”. We need to put *the well-being of all* before individual affluence. We need “*servant leaders*”. It will mean changes in our lifestyles, giving up some things, choosing instead what truly matters. Apart from saving our lives and those of future generations, this will lead to far greater well-being.

Such a transformation requires bold political leadership, courage and integrity. Individual actions count. But national and international action is needed. If we are to prevent disaster, collaboration, not competition, is required. A new inspiring consensus needs to be articulated. ***It also requires citizens to get fully engaged.*** We can’t afford to be bystanders. *All of us* have to accept responsibility. We have to inform ourselves, lead, collaborate, lobby, educate politicians and demand they do what’s needed. My new book, *A Better World is Possible – what needs to be done and how we can make it happen* is a handbook for people who want to do just that. <http://www.brucenixon.com/betterworld.html>.

Bruce Nixon - veteran change agent, writer and speaker.
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