



## Response to the consultation on the National Strategy for Economic Transformation

### **About Quakers**

Quakers are a faith group committed to working for peace, equality, truth and integrity, and simplicity and sustainability. Quakers promote these values across Scotland through practical action and advocacy. We are aware that our economic system profoundly affects our culture, at present slanting discourse towards the economic or monetary and tending to conflate well-being with material possessions. This situation intensifies the struggle over scarce resources and is often at the expense of more sustainable production systems and the gift economy. We are inspired to believe that human beings can live in cooperation and peace if enabled by economic structures which favour and support this.

### **Principles for a new economy**

While the current economic system has provided humanity with many material benefits, those benefits have been unequally shared and many of them have been brought about through the over-exploitation of the Earth's natural resources. We believe that economic transformation will require more than just tinkering with the existing system. As Quakers we wish to see an economic system that values human wellbeing, fairness and sustainability above profits.

The following reflects our vision of the economic transformation that we would like to see:

**1) The purpose of the economy being the enhancement of all life**, human and non-human. In recognising that of God in everyone, we seek economic relationships, whether individual or collective, which do not exploit or enslave, but which provide mutual support. Indicators of human well-being, strength of relationships and the health of the natural world are used to judge whether our economy is successful, rather than purely financial measures. This results in more fulfilled human lives.

**2) We do not over-consume the earth's resources.** The natural world (which has been called the Great Economy) has in its beauty and diversity a value in its own right and not only as the essential foundation for meeting human needs. Its value cannot be adequately expressed in financial terms. Our responsibility for the benefit of future generations and for all life on earth takes precedence over economic growth. In particular, we live low-carbon lives individually and collectively having agreed to leave fossil fuels in the ground.

**3) All (including future beings) have an equal right to access and make use of global commons** such as land, soil, water, air, and the biosphere's capacity to process greenhouse gases, within the limits of what is sustainable. Rights to hold and use land are therefore never absolute as land is a common resource. Rights are balanced by responsibilities for the good of all. The monetising and privatising of common resources (such as water and wilderness) would be reversed in favour of community or stakeholder management. Our lifestyles move towards consistency with global justice. As a wealthier nation Britain would promote low-carbon economies throughout the world, contributing financially to enable the transition in poorer countries. Peace is promoted by seeking just settlements in access to the natural world and its resources.

**4) Everyone needs time and resources to participate in community life.** Devolution of decision-making and localisation of production as far as practicable help enable more effective democratic decision-making about economic matters.

**5) Pricing of goods and services reflects environmental and social costs.** Market mechanisms can effectively organise production and distribution of many commodities, although the limits of these are recognised. Prices would reflect all social costs. In this new economy, the democratic political system controls the economic system, rather than the other way round. Interventions to achieve a fair allocation of goods and services include regulation (e.g. of the banks), rationing (e.g. of health services by need) and price setting (e.g. a truly living wage). Some public services are not considered suitable opportunities for profit-making. The gift economy, based on giving without expectation of exchange, is celebrated and promoted as a radical alternative to the market, and contributing to community.

**6) Debt is less needed and less prevalent,** as a result of money being created under democratic control for positive social benefit rather than private profit.

**7) A fundamental equality is recognised, not limited by race, gender or social origin.** Achieving greater equality in income, wealth and life chances is a high priority both nationally and internationally. The path of international development to which trade and aid contribute is one of poverty reduction rather than creation of growing inequality, which fuels economic migration.

**8) The tax system redistributes from richer to poorer, with richer people paying a greater proportion of their income.** It also applies to land and wealth. Payment of taxes is viewed as a matter of justice to support those things that contribute to human flourishing such as health care and education whilst discouraging harmful activities such as arms production and those causing pollution, ill health or ecosystem destruction. There is a social safety net which operates to uphold the dignity of all.

**9) Businesses are structured and owned in a variety of ways.** Cooperatives and community-owned enterprises form a large part of the economy as well as private and national ownership. Employees, customers, and local communities are represented in the governance of large businesses. Work is seen as an opportunity for service to the community and opportunities exist for the exercise of creativity and for cooperation with others towards common goals and not simply for income generation.

**10) A revitalised, participative and more truly representative democracy is key to our peaceful and prosperous coexistence.** In the new economy, all individuals and groups have meaningful routes to influence public and economic policy; all voices are heard. In this way power is distributed and the equality essential to this vision is maintained.

#### **Practical policies that may helpfully be pursued**

For Scotland, we believe there are some practical policies that can set us on a path towards an economic transformation. Guided by our values we support government policy which:

- Aims to reduce poverty and marginalisation in society when allocating public funds across the full range of public services.

- Ensures that the cost of public services is paid for by those (both people and organisations) who can most afford it.
- Aims to remove loopholes in law which enable large scale tax avoidance contrary to the spirit of the tax system.
- Brings forward phased removal of financial incentives currently enjoyed by the fossil fuel industry and provides for support, re-training and redeployment of the fossil fuel industry workforce.
- Prioritises investment in the transition to zero carbon and ensures that any financial packages are only granted to companies that can demonstrate their commitment to fairness and sustainability.
- Creates financial incentives which encourage agro-ecological farming and sustainable land use including peat restoration.
- Brings forward the creation of a land tax and other financial incentives to address the inequality created by land ownership in Scotland and further opens up land to community ownership both rural and urban.

We recognise that this is a significant moment for Scotland, as it is for many nations. As we recover from the pandemic and respond to the climate and ecological crisis we urge the government to be bold in its national strategy and, through its economic strategy, to lay the foundations for a society in which all life may flourish.