



low-impact economy



what is it?

It's an economy that doesn't destroy nature, which will eventually cause societal collapse and possible extinction for humans. Unfortunately, our current economy does destroy nature. Globally, humanity has a 1.7 planet 'footprint' – i.e. to continue consuming as we do, we would need 1.7 planets. As we only have 1 planet, we need to reduce the global footprint to below 1 – but we're moving in the opposite direction. Nature shrinks as the human economy grows, and what's left of it is degraded and toxified. A low-impact economy:

- Doesn't have to grow perpetually.
- Doesn't concentrate wealth, which overflows into politics and prevents real democracy.
- Doesn't concentrate land ownership in the hands of a tiny minority.
- Doesn't require individuals to constantly increase consumption.
- Is based on federating small institutions, rather than big, centralised ones.
- Is comprised of democratic institutions - from self-employment to federations of co-ops. Capitalist / communist institutions are not democratic – it's one share, one vote, or no vote at all.

Similar ideas: Solidarity economy - a still-evolving concept, Wikipedia tells us that some see it as a replacement for capitalism, and others for 'humanising' capitalism. Those two positions are very different. The question is – at what point would the 'humanisers' want it to stop growing?; Non-corporate economy - an economy that doesn't include multinational corporations. However, some small companies will turn into the multinational corporations of tomorrow, so it's much better to support co-operative / mutual institutions; Conviviality - a convivial economy would be based on institutions and technologies that can be controlled by individuals and communities - so, a wind turbine, yes; a nuclear



Workers' co-ops form the backbone of the low-impact economy. Decisions are democratic, and rewards are distributed for work done.

power station, no; Distributism - an early 20th-century movement that wanted power to be distributed to small businesses, family farms etc. Again, it includes the corporations of tomorrow, with no mechanism to stop the growth of companies; Mutualism - the institutions of an economy should be mutually owned, which includes self-employment. The main principle is that no-one gets rewarded for anyone else's work; Post-growth economy: a system in which investors always want more (spending power) out than they put in will require constant growth, which is not possible on a finite planet. Advocacy for non-hierarchical institutions.

A low-impact economy doesn't have a maximum size, so must be seen ultimately as a replacement for capitalism, not a plug-in, like an air freshener.

We think it's better to network small, local institutions – it keeps staff engaged in the democratic process, reduces product miles and doesn't concentrate wealth. Mondragon is a network of small and medium-sized co-ops in Spain, encompassing manufacturing, education, software and distribution. It produces high-tech electrical goods, and employs over 75,000 people. It shows that the co-operative sector can scale up by federating rather than centralising.

It's not the 'sharing economy'. There's a big difference between platforms like Uber, that suck money from taxi drivers all over the world to enrich shareholders, and platform co-ops owned by the drivers. And it's not about companies with external shareholders, otherwise we'll be helping to nurture future corporations, or corporate acquisitions. People were enthusiastic about the Body Shop, Green & Blacks and Ben & Jerry's because of their ideals, but they're now owned by L'Oreal, Mondelez and Unilever respectively. Community shares are different - returns, and shares held are limited, and they can't be sold for more than face value. There's no stock market for community shares.



Free & open source software and operating systems, like Linux, provide an alternative to the corporate sector – and they're free.



what are the benefits?

Sustainability: the main benefit is that we can stabilise the global economy (and shrink to below a one-planet footprint). We could live in harmony with nature, which would be nice – rather than the suicidal situation that we find ourselves in now.

Democracy: wealth doesn't concentrate – so no corporate political donations or jobs for politicians, and no lobby industry. So we could have an uncorrupted political system. We can't have a truly democratic society unless the constituent parts of that society are themselves truly democratic.

Community well-being: retains wealth in communities (corporate branches extract wealth from communities to give to shareholders).

Individual well-being: centralising power in the state or the corporate sector always runs the risk of its being seized by people who really shouldn't have it. This has happened repeatedly in all eras and in all areas. Personal freedom to do our own thing, including setting up in business, is vitally important, as long as we don't exploit anyone else. We believe that taking the value that someone else has worked to produce is morally wrong.

Strategic: there's no blueprint for what society will look like – it's a process rather than a blueprint. Many ideas for systemic change are pie-in-the-sky, but a low-impact economy is achievable, and is already being built. Also, the approach is neither left nor right. Socialism is where ownership of the means of production is vested in the community, rather than with a few private individuals. Great, but it doesn't rule out centralised control. And (right) libertarianism is where political freedom and autonomy are maximised. Great, but it doesn't rule out 'extraction' (being rewarded for other people's work). A low-impact economy is a free market, decentralised, unplanned, but with no extraction. The corporate sector will always use its influence and wealth to skew the market. In themselves, and without external influence, markets are just an efficient and convenient way of exchanging goods and services that don't require central planning. Opponents of markets are often really opponents of corporate capitalism. Let's not throw out the baby with the bathwater.

Also, some on the right will be turned off by the lack of opportunity to extract wealth from others; but 'personal responsibility and hard work' is a mantra of the right – so let them demonstrate it.

what can I do?

There's a new economy growing 'in the cracks', and we can help grow it if we have 'solidarity' - i.e. I'll buy from you even though it takes more of my work to do so. This isn't true in every case however – housing co-ops tend to have below-market-rate rents; free & open source software / operating systems are free; and 'community-supported' schemes are a way of getting food relatively cheaply – especially if there's a glut. People who want a safer, friendlier or just better-off community could come next, when they see that this is a viable alternative that doesn't suck wealth out of their town. If we can really get things moving, then we can attract the majority who will be motivated largely by prices. The future is going to be more decentralised, open source and co-operative, which suits the low-impact economy (e.g. Wikipedia has finished the corporate encyclopedia industry).

Go to NonCorporate.org for lots of ideas to help you move to the low-impact economy. You'll find help to move away from the corporate sector for all the things that you consume.

resources

- see lowimpact.org/low-impact-economy for more info, courses, links & books, including:
- Shareable, *Sharing Cities*
- David Bollier, *Think Like a Commoner*
- Kevin Carson, *the Desktop Regulatory State*
- NonCorporate.org: how to make the switch
- riposs.org: Solidarity Economy globally
- c4ss.org: mutualist think-tank



Community-supported agriculture is a way to provide guaranteed income for small farmers and nutritious, local food for the community.

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