



new economy



what is it?

There's a crash coming. Regardless of whether or not you're a fan of Greta Thunberg and the XR gang – what they're saying is right. The current economy is driving us towards the crash, by:

- stimulating overconsumption via advertising & maximising returns for shareholders / lenders;
- depleting communities by sucking money out of them via corporate branches;
- using that concentrated wealth (which includes ownership of the media) to influence the political process and public opinion, to ensure that system change is prevented.

However, a new economy is being built that reverses these processes. It is decentralised, community-based and not controlled by the state or corporations, but by ordinary people.

Components: the new economy includes co-ops of all kinds, including platform co-ops, housing co-ops, credit unions and the Phone Co-op; community land trusts; community-supported agriculture, community energy; cohousing projects; 'commons' elements such as free/open source software and wikis; sole traders; mutuals such as building societies; mutual credit.

Features: the new economy is embedded in community and based on providing goods and services for an exchange medium that's used to buy goods and services provided by other people, rather than just trying to make more money from investments, speculation and lending at interest.

Large co-operative organisations are at risk of being bought out – e.g. the Co-op Bank and Co-op Energy stumbled and were swallowed by the corporate sector, leaving gaping holes in the co-op movement that wouldn't have happened with a network of community-embedded institutions. Mondragon is a network of small- and medium-sized co-ops in Spain, encompassing manufacturing, education, software and distribution. It employs over 75,000 people in small, co-op businesses. It's not perfect but it's an example that shows the co-operative sector can scale up by federating rather than centralising.

There are many ideas about how society might change, but with no implementation plan. We're wasting time discussing ideas with no implementation plan. The new economy is being built already. It doesn't require anything to be 'overthrown', or politicians to do the right thing. It just requires enough people to switch to new economy institutions in the ways outlined below, so that the new economy can grow to transcend the current economy in the same way that the current economy grew to transcend feudalism.



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

what are the benefits?

Sustainability: consumption isn't constantly stimulated to satisfy shareholders. Food (and everything else) miles are reduced.

Democracy: wealth doesn't concentrate and overflow into politics (via donations, jobs for politicians, the lobby industry etc.). So we could have an uncorrupted politics that doesn't protect the status quo. We could have a money system that doesn't require interest or banks.

Community: all towns won't look the same, with the same corporate branches and supermarkets. Keeps money in communities.

Well-being: more meaningful, creative work / personal autonomy / human interaction / more input into decisions that affect you. More (and more interesting) jobs. Trading with each other (especially in mutual credit) builds trust. Building more trusting communities means less crime and less risk to personal safety. More fun.

Unity: these ideas aren't 'left' or 'right', and don't need to divide us. The new economy isn't associated with any -isms, which are always opposed by those who support different -isms. The new economy is neither planned nor extractive, and is already being built. This may seem unrealistic to you, but we think it's more realistic than carrying on as if nothing is wrong; attempting to overthrow the current system, with its enormous military power; or trying to reform a system that perpetually concentrates wealth and power; reform can seem a bit like serving organic food on the Titanic – it appears sustainable until you step back and see the bigger picture. Alternatively, it may not seem enough for you – it's still based on a market, for example. Some would like an economy based on love rather than exchange, but there doesn't seem to be a way of making that transition in one step from here. Right now we have to build an economy that allows us to survive whilst avoiding fascism.



what can I do?

Consumption: don't fall for the consumerist hype. Shift consumption to the new economy. We've made this easier for you at our sister organisation, NonCorporate.org. Beware things that pretend to be non-extractive and democratic. First, 'corporate social responsibility' – corporations employ graduates to work out ways to give a tiny portion of their profit to charitable causes whilst trying to disguise the fact that they are centralised, undemocratic entities that suck money out of communities. The real aim of corporate social responsibility is to maintain corporate market share. Second, the 'sharing economy' – a misnomer that includes Über, Airbnb and others that not only suck wealth out of communities, but don't even provide or maintain the tools / infrastructure required.

Production: reskill (if required), to be able to provide useful things for yourself and for your community. Use those skills to become a sole trader, or to start / join a local group – a co-op, community land trust, or any of the topics in our economy category. Training is often available. Your prices will be higher than corporate alternatives, but that's because you won't avoid taxes, employ virtual slave labour overseas or bribe politicians. But if you consistently support other new economy businesses, and they support you in return, we can give each other a good living in a sustainable economy.

We mustn't let the corporate sector take over our assets, as they did with many building societies – those that survived had 'asset locks' in their founding documents to prevent members from profiting from the sale of the organisation. Make sure your chosen organisation has an asset lock.



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



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

Purchase community shares - they allow people with a little capital to invest in community-based enterprises, but they can't be traded, don't increase in value and it's one person, one vote. Investigate the potential for community wealth building, a local economic forum, the Preston Model or a co-operative grocery in your community – see our site for more.

Exchange: mutual credit is the exchange mechanism for the new economy. It works in places with no money, so is a cure for poverty; there's no interest, and it doesn't require banks. Register your business with the Open Credit Network (OCN) and start to trade in mutual credit. Contact the OCN to become a local convener.

Federation: scale is achieved by networking & federating. Join organisations committed to building a federated new economy (inc. Lowimpact.org); attend conferences on the theme of new economy networking; blog, comment, share, debate, read, learn, organise. Meet like-minded people and help develop a decentralised, networked economy that doesn't damage nature, democracy & communities.

resources

- see lowimpact.org/new-economy for more info, courses, links & books, including:
- Shareable, *Sharing Cities*
- David Graeber, *Bullshit Jobs*
- Kevin Carson, *the Desktop Regulatory State*
- NonCorporate.org: how to make the switch
- opencredit.network: Open Credit Network
- bit.ly/2tkojkB: our new economy interviews

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