



# Economy

## Contents

[REC91.1: Community Development Finance.....1](#)  
[REC95.1: Greening Economic Development.....2](#)  
[REC96.1: Restriction of Advertising Aimed at Children.....3](#)  
[REC97.1: LETSchemes and Benefits.....3](#)  
[REC98.1: Initial Form and Costing of the Citizen’s Income.....3](#)  
[REC98.2: Offering a Model of a £50pw Citizens Income.....3](#)  
[REC98.3: Multilateral Agreement on Investment.....4](#)  
[REC02.1: Barcelona European Summit.....4](#)  
[REC04.1: Post Office Savings Accounts.....5](#)  
[REC05.2: Free/Open Source Software.....5](#)  
[REC06.1: Trade Union Mass Strike for Pensions.....6](#)  
[REC08.1: Green New Deal.....6](#)  
[REC09.1: Campaigning for an Alternative Economic Strategy.....6](#)

### **REC91.1: Community Development Finance**

(Originally passed – 1991 Conference)

#### **Introduction**

Many of the economic, social and environmental problems we are experiencing throughout the world today have arisen as a direct result of the centralisation of economic and political power by politicians, industrialists and financiers. Their decisions and actions have undermined and distorted local and regional economies, disempowering people in the process.

Local economic self-reliance, stability and diversity have given way to the hazards of export-led competition and monocrop economy, creating areas of dependent poverty, and over-concentrating wealth as communities sink or swim. Power and control, along with locally produced resources, have been removed to remote mega-cities such as London. A key element in the extraction process has been the

centralised use and control of money and banking.

The imposition of a uniform national monetary policy, as at present, will necessarily fail to support the diverse economies of communities and regions, or to reflect the true state of the economy. The Green Party follows the principle of subsidiarity whereby the priority for decision-making and action will always be at the most appropriate local level, whether community, district or regional.

#### **Credit Unions**

Credit Unions are low-interest, not-for-profit savings and loans cooperatives that are democratically structured, and community-controlled. Credit Unions allocate members’ savings for loans, helping retain and recycle wealth within the community, while providing mutual support and encouraging thrift and the positive use of money. Credit Unions can adopt green loan policies allowing access for those on low incomes to resource and energy saving equipment.

Green local governments (from

parish to regional level) will establish Credit Union Development Agencies to promote and enable the setting up of Credit Unions within communities, workplaces, and establishments where a common bond can be shown. CUDAs may work with existing Credit Unions, local Cooperative Development Associations (CDAs), Money Advice Centres, and consumer protection departments to combat ‘loan sharking’ and extortionate credit, and to educate about the effects of wealth extraction on local communities.

A Green national government will promote Credit Unions through the media, to encourage public education about Credit Unions. In consultation with the national Credit Union agencies the legislation will be updated as a priority, bringing it into line with the enlightened countries where Credit Unions are already part of the local community fabric.

#### **Community Banking and Reinvestment**

To retain and recycle locally produced value, a range of

new financial institutions will be incorporated, depending on and responsive to the needs and aspirations in each locality. As a general principle, locally accountable non-profit community banks and reinvestment funds will be established providing for low-interest loans and guarantees for ecologically sustainable and community economic development. Local enterprise, investment and loan trusts and green venture capital funds will assist development, growth and innovation in key areas, such as renewable energy and sustainable agriculture, plugging the leaks in the local economy by encouraging import substitution and self-reliance.

To channel development resources into poorer areas, Community Development Corporations will be set up to lever low-interest Community Development Loan Funds for community initiatives - to finance smaller businesses, work and housing cooperatives, womens' enterprises, community businesses and initiatives by people without formal employment and those lacking collateral. Resources will also be directed towards the setting up of community-based support structures, including social collateral organisations, loan guarantee and revolving loan funds, and community-supported agriculture schemes.

Legislation will be updated as a priority to bring it into line with those enlightened countries where community banking and reinvestment is a well-established part of the local community fabric.

### **Local and Regional Currencies**

To enable communities, cities and regions to develop their own economies, Green local governments will set up seminars and working groups for the community to examine

the potential of local currencies. Experimental schemes based on successful local currency developments abroad will be set up. Banks will be encouraged to issue interest-free local scrip, to be spent only on local trading accounts.

Local governments will sponsor the setting up of community based exchange systems using quasi-currencies, such as the Local Exchange and Trading Systems. These can be of particular value in recession-hit and economically marginalised areas, encouraging community resource sharing, skill development and mobilising self-reliant local production for local need. Green local governments will evolve structures leading to the development of local currencies within the framework of an integrated, environmentally sustainable local economic development strategy.

### **Government Assistance**

A Green national government will not only reject the proposal for a single centralised European currency, but will assist in the creation of regional, city and local currencies for the purposes of encouraging regional, city and local economic development, by:

1. Giving authorisation to local and regional governments to create their own banks and their own currency in the form of non-interest bearing local and regional bonds to be used as money.
2. Legislating that the currency be accepted by regional and local government and other 'official' organisations in payment for wages, taxes, rents, licences etc., and be used by them for their own local payments.
3. Making the currency only exchangeable into national

- currency if that exchange can be shown to encourage the appropriate use of local resources.
4. Encouraging the use of the local currency as a local means of exchange, not as a commodity in itself.

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## **REC95.1: Greening Economic Development**

**(Originally passed – Spring 1995 Conference)**

This Conference recognises that greening Economic Development is one of the more challenging and difficult tasks faced by elected Green Councillors. Conference therefore urges existing and future Green Councillors to pursue the following as the first steps:

- a) de-zoning appropriate areas to allow people to live closer to their workplace and the location of new industries close to public transport facilities;
- b) using grants to support local firms experiencing temporary difficulties;
- c) providing funds for training, the development of partnerships and cooperatives;
- d) supporting as appropriate useful employment with an emphasis on the quality of work not quantity of jobs;
- e) supporting 'buy local' campaigns, the use of local resources, people and companies;
- f) investigating ways of awarding contracts or tenders to local companies;
- g) moving the emphasis away from building large out of town industrial estates towards appropriate small scale initiatives;

h) encouraging companies to provide works buses and facilities for cyclists.

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### **REC96.1: Restriction of Advertising Aimed at Children**

(Originally passed – Spring 1996 Conference)

Unsustainable economic growth is highly influenced by a culture of consumption. This culture is currently engendered in children and young people by advertising, particularly on television. Children must be protected from unscrupulous marketing and aggressive advertising.

A Green government would:

1. End all TV advertising aimed at children.
2. Exercise rigorous control over other forms of advertising of children's products to ensure that they are factual, informative, and not manipulative.

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### **REC97.1: LETSchemes and Benefits**

(Originally passed – Spring 1997, updated Autumn 2001 Conference)

At the moment LETS currencies have limited spending power in covering the basic necessities that welfare benefits are designed to provide for, e.g. housing, heating and food. It is therefore unfair for any benefit office to treat LETS earnings just like earnings in pounds. We are

calling for LETS earnings not to be counted against benefits for a 5 year period because in that time LETS may grow so well that it is able to provide the basic needs of almost everyone. Should we reach this point we may want to re-examine the relationship between LETS and benefits.

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### **REC98.1: Initial Form and Costing of the Citizen's Income**

(Originally passed – Autumn 1998 Conference)

Conference notes the debate currently taking place in the Republic Of Ireland about a Basic Income Scheme as proposed by the Justice Commission of the Conference of Religious of Ireland. Conference also notes the problems which have been encountered by the Citizen's Income Costing Group in trying to produce costed figures for a scheme in which the revenue required is raised by various environmental or resource taxes rather than through Income Tax, and feels that the Green Party is in danger of being left behind in a crucial period for the promotion of a Citizen's Income.

Conference therefore requests the Citizen's Income Costing Group to produce figures for a simplified Citizen's Income scheme, with the additional revenue required funded entirely from Income Tax and Corporation Tax. The level of Citizen's Income would be initially set at Jobseeker's Allowance levels for a single person, with additional allowances given for pensioners, single parents, and those who are unable to work because of disability or because they are caring for a

disabled relative. This should ensure that nobody would receive less in benefits than they do under the present system. Housing benefits would not be taken into account at this stage.

Conference recognises that such a Citizen's Income Scheme can be put forward as a "stand alone" proposal which can be fully implemented within the lifetime of a single parliament, without need for further Green tax reform to make it work, and believes that the Green Party should instigate a positive campaign for such a scheme.

Conference also notes that a Citizen's Income Scheme, as outlined above, would eliminate the poverty trap, bring about a more equitable distribution of the nation's wealth, and help to promote small-scale business initiatives, all of which would help to bring about a more "Green" society. A national minimum wage would do none of these things, and would actually be counterproductive in many ways. Conference therefore believes that the Green Party should highlight the failings of the minimum wage and should promote the Citizen's Income Scheme whenever the opportunity arises.

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### **REC98.2: Offering a Model of a £50pw Citizens Income**

(Originally passed – Autumn 1998 Conference)

Green Party notes the academic paper produced by Lord Meghnad Desai 'A Basic Income Proposal' which models a Basic income of £50pw (£62.50pw for pensioners and existing child benefit for under 18s). Green

Party Conference notes the gross costs of £117 bn could be met by abolishing Job Seekers Allowance, Income Support, Family Credit, Pensions and Personal Allowances and increasing the Basic rate of tax from 23% to 35%. The lowest decile of the population would gain nearly 50% on average and the top four deciles would lose between 1 and 6% on average.

The External Communications Officer is instructed to publicise these figures to demonstrate the feasibility of introducing a Citizens Income within the lifetime of a single parliament.

The Policy Coordinator is instructed to devise wordings for the European Election Manifesto which will quote these figures to demonstrate that an interim basic income of £50pw is economically and politically feasible.

The Elections Coordinator is instructed to ensure that all Euro election candidates receive a digest of the report so that all our candidates can argue with the confidence of academic research that a Citizens Income is not only just but is economically feasible.

### ***REC98.3: Multilateral Agreement on Investment***

(Originally passed – November 1998)

The Green Party notes three key principles to the Multilateral Agreement on Investment, currently being negotiated through the OECD:

1. Non-discrimination - foreign investors must be treated as well or better than domestic companies
2. No entry restrictions - national and local

government cannot restrict foreign investment in any form (such as buying privatised companies) or in any sector (except defence)

3. No conditions - national or local government cannot impose "performance requirements", such as to ensure local employment, control currency speculation, or require a minimum period for investment. These conditions are prohibited even if applied to both domestic and foreign-owned companies.

If national or local governments are in breach of any of these provisions, they can be taken to an international tribunal by multinationals and sued for past and potential future damages. Once they sign the MAI, countries cannot withdraw for 5 years and will be bound by the agreement for 15 years.

Some effects of the MAI will be that:

- Citizens will lose long-standing and fundamental democratic rights, while multinational companies will be given sweeping new powers, including the ability to sue governments and local authorities
- The world's poorest countries will be locked into poverty and under-development
- Social and environmental laws in all countries could be progressively dismantled
- Regional development agencies and local authorities, including those in the UK will lose important powers to control and influence local economic development
- local-level initiatives to promote sustainable development and the local economy will be undermined
- British companies, especially small

businesses, will be put at a competitive disadvantage.

The Green Party demands that negotiations within the OECD be stopped until:

- A. People are told what the OECD governments are engaged in, through greater transparency and consultation in the negotiation process for all countries;
- B. People are told what it means for them, including a comprehensive and independent review of the social and environmental implications;
- C. People are protected by safeguarding local and national governments' ability to regulate foreign investment for the public good;
- D. Legal rights are established, allowing workers, citizens and communities to bring claims directly against investors;
- E. Investors' rights are counter-balanced by responsibilities protecting the rights of workers, consumers and the environment.

### ***REC02.1: Barcelona European Summit***

(Originally passed – Spring 2002 Conference)

The Green Party Conference condemns the economic reform agenda at the Barcelona Summit. Such agenda is governed by market rules above all other considerations. It furthers liberalisation, deregulation and flexibilisation of public services renamed "services of general economic interest". It will curtail workers' rights, job security and pensions. Firing employees will

be easier and cheaper. It ignores the negative consequences for the environment and social justice.

We condemn the intention to extend that agenda to Eastern European countries through 'structural adjustment' programmes that have caused and continue to cause a tremendous increase in inequalities, social unrest and environmental degradation.

The Green Party demands urgent measures against speculation and control of unregulated finances. We ask for:

1. A tax on financial transactions when these involve a currency exchange operation (Tobin tax) and to set up a 'Tobin Eurozone'.
2. To dismantle tax havens.
3. To suspend immediately the initiatives of the EU governments in favour of capitalisation pensions.
4. To establish a legal framework for companies and businesses accountability on environmental and social responsibilities and performance.
5. The reform of the World Trade Organisation.

Conference notes that the EU's measures on employment impose new demands on workers, and that the intention is "to trade with education by privatising it", and that the sum of all of these factors signifies an economic, mercantile agenda of construction of the Union, created behind the citizens' backs, and at the service of the most powerful interest groups.

## **REC04.1: Post Office Savings Accounts**

(Originally passed – Spring 2004 Conference)

Conference notes that post office savings accounts are due to be replaced in August by Easy access accounts.

Conference notes that these easy access accounts are only applicable to those already holding a bank or building society account, and to those that have at least one hundred pounds in their account.

Conference notes that this will discriminate against those without a bank or building society account, and in particular the elderly, who often hold post office savings accounts.

Conference instructs GPEX to condemn this move and local parties to call upon the government to withdraw its intentions to phase out Post Office savings accounts.

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## **REC05.2: Free/Open Source Software**

(Originally passed – Autumn 2005 Conference)

The Green Party stands against monopoly and unfair competition, but also in favour of fair trade and global justice. In supporting local development and appropriate technologies, we should look to the open and democratic use of Free/Open Source Software.

The Green Party notes:

- i. Many countries are adopting Free/Open Source Software including Brazil, India, Chile and China because of cost savings and the

opportunity to develop local expertise. Such moves can release local economies in poorer regions from dependency on Western monopolistic concerns.

- ii. Using free / open source software is a crucial way in which those individuals in poorer regions of the world can be enabled to stay within their communities and contribute their expertise, rather than moving away and contributing to the 'brain-drain'.
- iii. Free/Open Source Software systems like Linux are often useful for use with older hardware and thus are a way of revitalising equipment given to projects in southern countries. Pakistan is supplying its schools with 50,000 Pentium II machines running Linux at around \$100 a machine.
- iv. Control of security issues and other issues of copyright and access are not controlled by any monopoly but by the user and the community at large in Free/Open Source Software projects.
- v. OpenOffice, a replacement of Microsoft Office, has been adopted by West Lothian Police at a saving of at least £300,000. Similar projects could produce massive savings throughout the state sector.

The GP strongly opposes patenting of software ideas. Copyright works well enough to protect IPR (Intellectual Property Rights). The flag of IPR must not be used to give more power to rich corporations while preventing the general use of useful cheap software. The GP notes the current proposals in the EU that greatly extend the patentability of software, and the overturning of the parliament's modifications by the EU Council.

This Conference resolves that the Green Party will:

1. Promote Free/Open Source Software in government as a cost-saving and anti-monopoly strategy.
2. Promote Open Source / Free Software as a for computer technology in southern countries, as it allows those countries to develop their own intellectual economy.
3. Encourage our government and the Welsh Assembly to promote Open and free standards in computing as they allow a level playing field and therefore allow small and localised firms to compete against large or monopolistic concerns.
4. Urge the Executive to campaign for government to require the exclusive use of Open Standards in their software use and to release software designed for their own use under the GPL (GNU Public Licence) as part of future contractual arrangements.
5. Urge the Executive to campaign to see local and National government committed to using Free/Open Source Software and to publicise our position in the technical press.
6. Urge the GP Executive to campaign on the issue of software patents and to bring publicity to the issue and the record of our

MEPs on this issue.

This conference further notes that this motion does not seek to have a bearing on internal organisational or software issues.

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### ***REC06.1: Trade Union Mass Strike for Pensions***

**(Originally passed – Spring 2006 Conference)**

The Green Party Spring 2006 Conference notes the "Yes" Strike Vote by nine Trades Unions on March 15th 2006. The first strike to protect the Local Government Pension Scheme for existing members is expected on 28th March 2006 by up to 1 million Trade Union Members.

The Green Party Conference supports this campaign, deplores the Labour Government's disgraceful betrayal of pension rights due to millions of workers and calls upon GPEX to publicise this position.

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### ***REC08.1: Green New Deal***

**(Originally passed – Autumn 2008 Conference)**

The Green Party welcomes the publication on July 21 of "the Green New Deal" by a group that includes Caroline Lucas, as a creative, distinctive and optimistic response to the problems of the credit crunch, climate change and peak oil. We also welcome the call to build a new progressive movement including

environmentalists, industry and trades unions around these economic proposals. In particular we endorse many of the particular policies proposed, including:

- i. investing massively in a low carbon energy system
- ii. raise a windfall tax on energy companies and creating new low interest financial instruments to fund these investments
- iii. a massive training programme for the new skills required
- iv. ensuring that the cost of fossil fuel use includes the cost to the environment
- v. re-regulating the domestic and international financial systems
- vi. breaking up discredited financial institutions, and
- vii. minimising corporate tax evasion.

All of these policies should be implemented in the context of policies for a more equal society, including

1. higher taxes on the highest incomes
2. a Green Keynesian approach to public expenditure in recession
3. the introduction of a Green work subsidy and,
4. a genuine end to the poverty trap and disincentives to small scale green enterprise through the introduction of a citizen's income.

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### ***REC09.1: Campaigning for an Alternative Economic Strategy***

**(Originally passed – Spring 2009 Conference)**

The authors of the Green New Deal pamphlet are right to say that the current crisis

undermines the credibility of the whole neo-liberal project and to point out the need for good old-fashioned direct government spending and job creation, putting new demand into the economy through investing in infrastructure and public services. However, the scale and intensity of the crisis has worsened since the report's publication and it is clear that a programme of infrastructural renewal even more ambitious than that envisaged by the pamphlet's authors is needed. Such a programme will require determined government and popular action to end the domination of the market and to use society's resources to transform fundamentally, rather than simply to try to stabilise and regulate, the current financial and industrial system.

It will require a programme of industrial restructuring of wartime proportions and a determined social programme that puts measures to advance equality at the centre of its proposals. In order to gain the active support of working people it will be necessary to make the defeat of unemployment an explicit central objective of government economic policy, along with measures aimed at steadily reducing income and wealth differentials and safe-guarding the homes of families threatened with repossession. In addition, workers affected by major changes in industrial strategy must be confident that their futures will be secured and improved, rather than threatened, by those changes.

Therefore, the Green Party will actively campaign, particularly within the trade union movement, for an emergency programme of economic and social reconstruction, based on the proposals of the Green New Deal pamphlet, but broadened and reinforced by the following measures:

1. The creation of a monopoly

on the creation of credit, both for corporate and retail banking, operated by the Bank of England under the direction of the Government. The retention of RBS, Lloyds/HBOS, B&B and Northern Rock in permanent and effective public ownership and their conversion into a chain of smaller, more responsive and democratically controlled local banks. The introduction of powers to control the investment policies, dividends and bonus payments of all privately owned financial institutions.

2. The active development and promotion of alternative vehicles for the provision of credit, including publicly owned and accountable banks, local community banks, credit unions, building societies and other mutuals.

3. Government powers to direct the investment policies of the pension funds, including the requirement to invest a certain percentage of their funds into government bonds each year.

4. Implementation of a direct taxation policy aimed at steadily reducing income and wealth differentials.

5. The regeneration and restructuring of our public transport system, including the return to public ownership of the railways and democratic public control of local and regional bus services, including the reintroduction of municipal and other commonly owned services.

6. Funding for a major programme of social housing construction and refurbishment by local authorities, housing co-operatives and housing associations in order to respond to the aspirations of the four million families currently on housing

waiting lists.

7. Powers to enable families in mortgage arrears to transfer the tenure of their homes to social tenancies.

8. Taking all energy distribution into public ownership and ensuring that energy production becomes a mixture of public and private enterprises.

9. A programme of large scale direct public investment in the conversion of existing engineering and construction component manufacturing to more socially useful production, the development of their productive capacity and a big expansion in relevant R&D.

10. Full implementation of the Citizens' Income Scheme as quickly as possible. Retraining for those having to move from declining industries to new industrial sectors brought about by the move to a peaceful, low-carbon economy. Large-scale expansion in training provision for the jobs needed to create a low carbon economy (such as plumbers, electricians, builders and engineers). Extra support for communities heavily reliant on increasingly redundant industries and encouragement for new industries (such as wind turbine manufacture and low emission bus production) to locate in these areas.

11. Countering the loss of jobs by introducing a statutory 35 hour working week and banning the systematic use of overtime working.

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