



July 2014

Summer is a great time of year to get outside and appreciate the beauty of God's Creation—whether hiking in the mountains, splashing in the ocean, tending to a bountiful garden or watching this past World Cup.

But in the blazing summer heat, it's hard to ignore the temptation to turn on the A.C. or a ceiling fan. Between an increase in energy use and the immense heat, the reality of climate change is a constant. According to the National Oceanic Atmospheric Agency, this past May was the warmest May on record for the world. The warming of the Pacific and Indian Oceans, attributed to climate change, contributed to the high temperatures.

There is hope that we can stem the impacts of climate change. We can make change as individuals, as communities, and in the realm of public policy. In this month's Encounters we highlight examples of change that is already happening to help us transition to a New Economy that will sustain God's Earth.

Peace and blessings,

Chloe and Dave

Paradigm shift in mindset and values

Japan: An example of adapting to a Steady State Economy?

After so many decades focusing on economic growth as the solution to most social problems, the idea of moving toward a steady state economy is intimidating for many. But the change does not need to be a negative one. Japan's experience over the past couple decades of an economy with minimal economic growth could provide a clue as to what it could be like for people in other (over)developed nations to adapt to a slower economy.



Many traditional economists bemoan the failure of the Japanese economy. Paul Krugman summarized the thoughts of many of these, [writing](#), "The state of Japan is a scandal, an outrage, a reproach ... operating far below its productive capacity, simply because its consumers and investors do not spend enough."

But others are looking at the experience in a more positive light seeing how it can serve as an example to others.

Norihiro Kato, a professor of Japanese literature at Waseda University, wrote a [provocative op-ed](#) in the New York Times describing how Japanese citizens, especially youth, are adapting to the new economy and could provide a lesson for the world as it approaches environmental limits to growth. “Japan now seems to stand at the vanguard of a new downsizing movement, leading the way for countries bound sooner or later to follow in its wake,” he concluded. “In a world whose limits are increasingly apparent, Japan and its youths, old beyond their years, may well reveal what it is like to outgrow growth.”

In an interesting Adbusters article, Junko Eda, cofounder of [Japan for Sustainability](#), commented on how many Japanese are finding more fulfilling alternatives to consumerism pointing out that “[de]-ownership, demonetization, [and] de-materialism are the dominant behaviors of young Japanese... [that are] quietly progressing at the grassroots level deep in people’s minds and changing their sense of values.” She continues, “A growing number of Japanese value ‘spiritual richness’ more than ‘material abundance,’” Eda says. “... We [Japanese] might be able to show the West some ways to survive and be happy with less.”

David Pilling, writing in the [Financial Times](#), asks a good question about what really is the role for government. “If the business of a state is to project economic vigour, then Japan is failing badly. But if it is to keep its citizens employed, safe, economically comfortable and living longer lives, it is not making such a terrible hash of things.”

Finally, Jeremy Williams sums up the issue well in a [Post-Growth blog](#): “The point is that for well over a decade, one of the world’s most important economies hasn’t grown. And at the end of that stint, it’s still a great place to live. So maybe Japan isn’t a failure. Maybe it’s just ahead of its time – not ‘stagnating’, but settling into the plateau of ‘enough’.”

Joanna Macy and Work That Reconnects

In her helpful [website](#) Joanna Macy, an inspiring scholar and speaker on issues related to Buddhism, general systems theory and deep ecology, provides a toolbox of resources to address the psychological and spiritual transition to a new economy. She is perhaps best known for her workshops and trainings, known as [Work That Reconnects](#), that “builds motivation, creativity, courage and solidarity for the transition to a sustainable human culture” by “drawing from deep ecology, systems theory and spiritual traditions.” The workshops are especially helpful in allowing people to work through the despair, frustration and grief many feel while trying to respond to apparently overwhelming global

problems.

In addition to sections on [The Great Turning](#), [The Work That Reconnects](#), [Engaged Buddhism](#), [Deep Ecology/Deep Time](#), [Living Systems](#) and [Nuclear Guardianship](#), Macy provides some [poems](#) that she likes. Her “[Prayer to Future Beings](#)” is a poignant call to future generations to help us in our work today for a better world tomorrow.

Who controls the rights to seeds?

In the Judeo-Christian tradition, God created seeds as the very essence of life and they are not something that corporations or any one person can own and control. Read Maryknoll’s [reflection paper](#) on this.

In this same vein, Via Campesina, the international peasant movement, [writes](#) that seeds “are the basis for the future. They shape, at each life cycle, the type of food people eat, how it is grown, and who grows it. Seeds are also a vessel that carries the past, the accumulated vision, and knowledge and practices of peasant and farming communities worldwide that over thousands of years created the basis of all that sustains us today.”

People around the world, especially farmers, are increasingly concerned about the encroachment of transnational corporations like Monsanto and Syngenta that are rapidly taking control of large portions of the seeds available to farmers. In 2012, 88 percent of corn and 94 percent of soy grown in the U.S. [were genetically modified](#) and growing portions of seeds being planted worldwide are produced and owned by these corporations.

In response to this dangerous reality, a multitude of initiatives are taking place to guarantee free access to seeds in the future. [PLANT](#), Partners for the Land & Agricultural Needs of Traditional Peoples, has an excellent [compilation](#) of many of the initiatives around the world.

Inspired by Ecuador and Bolivia which have adopted [Rights of Nature](#) in their constitutions, California artist Beth Grossman wrote a [Bill of Rights for Seeds](#) and convinced the city of Brisbane to adopt the bill. The University of Wisconsin-Madison recently launched the [Open Source Seed Initiative](#) that “brings farmers, researchers, scientists, and food advocates together under an Open Source Seed Pledge to keep seeds available — for free and in perpetuity — for anyone to grow, breed, or share anywhere in the world.”

And finally, we must acknowledge the largest human effort to save seeds, the [Svalbard Global Seed Vault](#) that currently

guards more than 740,000 seed varieties from around the world. An interview with Cary Fowler, the vault's executive director, about the first four years of the vault's functioning and the future of agriculture can be found [here](#).

Economy of right relationship

Moving from a “take, make, and dispose” economy to a circular economy

One thing that clearly must change for a sustainable future is that the global economy must use fewer raw resources and create less waste. If not, Earth could end up looking like it does in the movie “Wall-E,” with piles of trash higher than skyscrapers.

One important part of the solution is to move away from our current linear system of production (termed “take, make, and dispose” by some) toward a circular economy that acts more like a living system in which wastes from one process are used as inputs for other processes. The Guardian has a good [series of articles](#) laying out why the limits to growth facing humanity demand a shift to a circular economy.



The [Ellen MacArthur Foundation](#), a strong proponent of a circular economy, produced an [excellent video](#) responding to the question, “What if the global economy worked like nature?” to introduce people to the concept. Earth Horizons Productions has created a [more in-depth video](#) on the subject that looks at some Irish businesses that are moving toward circular production.

Potato starch is biodegradable and can be used to create plastic items such as cutlery and packing material.

Other businesses are looking to diminish the amount of waste created by their products. Some interesting examples are [Wikipearls'](#) no-waste foods, [edible water “bottles,”](#) and [increasing numbers](#) of [package-free grocery stores](#).

Perhaps a helpful meme to help orient our actions in the future is Kenneth Boulding's iconic essay [Spaceship Earth](#). Though written in 1965, the essay continues to be relevant today, only much more so. In it he writes how humanity's situation on Earth has radically changed from seeming to live in a world with no apparent limits to realizing that Earth is very finite with limited resources and space for our waste, not unlike a spaceship:

“As long as man [sic] was small in numbers and limited in technology, he could realistically regard the earth as an infinite reservoir, an infinite source of inputs and an infinite cesspool for outputs. Today we can no longer make this

assumption. Earth has become a spaceship, not only in our imagination but also in the hard realities of the social, biological, and physical system in which man [sic] is enmeshed... Man is finally going to have to face the fact that he is a biological system living in an ecological system, and that his survival power is going to depend on his developing symbiotic relationships of a closed-cycle character with all the other elements and populations of the world of ecological systems.”

Boulding [expands on this concept](#) in a presentation to an environmental conference in 1966. If humanity had heeded this warning almost 50 years ago, the ecological situation today would not be near as dire.

A Universal Basic Income to provide stability in a precarious future

A variety of factors indicate that high levels of unemployment may be a more permanent aspect of the global economy. Due to increasing scarcity of resources (water, oil, gas, phosphorous, etc.), growing effects from climate change, advances in labor saving technologies and other factors, the future economy will be difficult with more disruptions in production and workers facing more precarious employment possibilities. In order to guarantee that people will be able to weather these changes without facing hunger or homelessness, the idea of a Universal Basic Income (UBI) is becoming increasingly popular among people with a variety of political persuasions.

As computer scientist Jaron Lanier [points out](#), Kodak, the iconic photography company, employed 140,000 people with middle class incomes at the height of its power. It filed for bankruptcy in 2012, the same year that Instagram, the company that now helps people share pictures, sold for \$1 billion while employing only 13 people. It is an extreme example of a larger trend of technological advances displacing workers. We are able to create much more with fewer people today, a trend (that is) likely to continue in many sectors of the economy.

In order to maintain adequate levels of employment, many countries have chosen to deal with this excessive production by producing and consuming more and more, clearly not a long-term solution. To guarantee a basic minimum income for all would assure that even while not employed in paying work, a person would be able to survive. According to the [Global Basic Income \(GBI\) Foundation](#), “A basic income seems to be the only reform proposal that we currently have, which solves the contradictions in our present economic system and policy,

and which will enable a gradual transition to a sustainable and social economy.” It would be especially effective if done in conjunction with resource taxes such as a carbon cap or tax or land use fees that make resource usage more expensive.

The proposal is supported by people from a [variety of political persuasions](#), from socialists to libertarians and free market capitalists, theoretically making it easier to pass as law. Milton Friedman and William F. Buckley had an [interesting debate](#) in which Friedman explains the benefits of a UBI from a free market perspective.

There have been a few [small-scale experiments](#) with a UBI, with mostly positive results; a larger countrywide experiment may be held in Switzerland since voters there [recently demanded](#) a referendum to be held on a monthly UBI of nearly \$2,800 for everyone in that country. The vote should take place in two to three years.

For more information on this promising policy, the GBI Foundation has a helpful page with [frequently asked questions](#) and other resources. The [Basic Income Earth Network](#) is another organization working for a global basic income.

Reduce the workweek for an abundant life

Despite many predictions that advancing technologies would result in drastically shorter workweeks, employees in most countries continue to work 40 hours or more per week. While a host of social and economic [reasons](#) exist for reducing the workweek (such as more jobs, improved health, higher productivity, less traffic, more balanced gender roles and more fulfilling social lives) perhaps a more important reason today is the added benefit of reducing greenhouse gas emissions and use of natural resources. Shorter workweeks are an important part of a steady state economy.

Shorter workweeks will be especially helpful in the near future as most (over)developed economies begin to confront limits to growth. One of the worst effects of a stagnant economy is usually high unemployment – but this can be offset, to an extent, if people work fewer hours. Instead of laying people off, as was done in the U.S. during the last recession, many European countries used [job sharing](#) and [shorter workweeks](#) to avoid such layoffs. Having a strong safety net makes the transition to shorter workweeks much easier as would a Universal Basic Income (see above).

As described by Dean Baker with the Center for Economic Policy Research, "[The logic of work sharing is simple](#). Instead of the government providing workers who lose their job with an unemployment benefit, the government effectively pays firms to keep workers employed but working shorter hours. In Germany, the standard framework is that if the work week is cut by 20 percent, then the government picks up 12 percent of the workers' pay and it requires the company to pick up four percent." The result has been far less unemployment in countries with these incentives.

The [New Economics Foundation](#) (NEF) recently released "[Time on Our Side: Why We All Need a Shorter Workweek](#)," a helpful book that explores the idea of reducing the workweek from a variety of angles.

One descriptive commentary in the book of what reducing hours could look like is from Qaiss Dashti, with the UN Development Programme in Kuwait: "In the month of Ramadan in the Middle East all companies reduce the working hours from eight hours to five hours for 30 days, and surprisingly we all finish our work like it's an eight hour work day... A shorter day is much better and makes us more positive and willing to use the rest of the time for sports or family, and I guess it reflects back on our performance at work."

In the book Anders Hayden compares the variety of ways that different countries have reduced work hours showing the positive and negative sides of each. The book suggests three of the most promising [ways to reduce workweeks](#):

1. Trade productivity gains for more free time instead of higher pay.
2. Pass laws giving the right to workers to request shorter workweeks without worrying about retribution from employers as has been done in Belgium and the Netherlands.
3. Introduce shorter hours at both ends of the age scale. With this, young, new workers would start with shorter workweeks and workers above a certain age could reduce their hours as well.

For three excellent videos about why we need a shorter workweek, go to workersoftheworldrelax.org. The videos also do a great job explaining the [Jevons paradox](#), an important concept for people to understand, especially those who think that we can continue to have economic growth simply by being more efficient in energy use. For an

excellent (and free) book that dives into more details than the videos, see Conrad Schmidt's "[Alternatives to Growth: Efficiency Shifting.](#)"

Systemic changes needed for co-ops to succeed

One important change necessary for a sustainable and equitable future is the creation of new business models that allow for more democratic decision-making. Cooperatives and similar models hold much promise, but the lived reality of many of these initiatives shows that larger structural changes are needed in order for them to flourish.

Perhaps the most successful and well-known cooperative is the [Mondragon Corporation](#) that originated 1956 in Spain's Basque region and currently has more than 80,000 members working in 289 businesses and cooperatives selling products in more than 150 countries. It is an example of the possibilities of the cooperative model.

But the recent declaration of bankruptcy by one of Mondragon's premier businesses, Fagor Electrodomesticos Group, shows that today's global economy -- where corporations compete in a race to the bottom in terms of worker compensation, labor rights and environmental protections -- needs to be reformed in order for cooperatives to truly flourish. Gar Alperovitz, a leader in cooperative and other alternative forms of business, wrote [a good article](#) about this need.

For a more fully developed presentation of his ideas, see this website on his vision of a [Pluralist Commonwealth](#). One of the key concepts is that there must be a plurality of institutional forms of wealth democratization - "something not commonly recognized in discussions of alternative systemic models which often tend to focus narrowly on the simple polarity of state ownership versus worker-ownership, or state versus self-managed firms."

Alperovitz is a member of the [Democracy Collaborative](#) which documents and supports this plurality of institutions in the U.S. Its website, [Community Wealth](#), provides descriptions of concrete examples of [cooperatives](#), [community land trusts](#), [social enterprises](#), [municipal enterprises](#), [anchor institutions](#), and a [host of other initiatives](#) that are a part of a new economy being birthed.

Internationally, these alternative economic and business models are often referred to as the [solidarity economy](#). In the last decade, Brazil's government [has invested heavily](#) in this sector leading to the creation of millions of livelihoods.

Thriving and resilient communities

Growing food for a new economy

As resources, especially oil, become scarcer and more expensive, current global production lines for food will become more precarious and expensive. It will be important for communities to be able to secure enough food for themselves locally and without the input of large amounts of fossil fuel-based pesticides, fertilizers and herbicides. It's time to focus on building a local food infrastructure of new farmers on new farms using sustainable farming methods.

The largest and most in-depth study of agriculture ever realized, the [International Assessment of Agricultural Knowledge, Science and Technology for Development](#) (IAASTD) showed the importance that agriculture represents not only for feeding the world, but for creating livelihoods, thriving communities and protecting the environment. The UN Special Rapporteur on the right to food also [reviewed recent studies of agriculture](#) showing the importance of using techniques from [agroecology](#) instead of fossil fuel-dependent industrial agriculture.



Luckily, there are many initiatives already being carried out that will help in the development of stronger local food networks. For example, many communities are having success with [food hubs](#) (see the [last edition](#) of Encounters).

Another challenge for local food systems is attracting young people to become farmers. Some great resources designed to aid in this effort are the [Farm Incubator Toolkit](#), the [Slow Money Movement](#), the [New Farmer's Almanac](#) and the [Food Policy Council Movement](#).

Of course it is not only in the U.S. that communities are building up local, sustainable food systems. The [Mesoamerican Institute of Permaculture](#) works to help farmers in Guatemala and beyond become more adept at agroecological techniques. The [Via Campesina](#) works around the world to strengthen small scale farmer networks and provide healthy, sustainable food.

Skills sharing to protect creation and build a cooperative society

In a future with fewer resources, many of the goods and services that we buy cheaply today will be more expensive or unavailable. Knowing how to do more things for yourself will be essential. To prepare for this, many Transition Towns and similar organizations are establishing skills sharing events for

people to learn new skills, usually for free.

A good example of what this can look like took place in [Somerville, MA](#) last year. Very often, the events are a great way for people from different generations to interact, something that doesn't happen nearly enough. The Shareable network produced The [Ultimate Guide to Organizing a Skillshare](#) that provides a helpful timeline of what needs to be done in order to hold a successful skillshare event.

Movement Generation, a very interesting collective based in San Francisco, holds what they term [Earth Skills trainings](#) where people learn skills that will not only be useful in the future, but also help them reconnect with Earth, something that can be very difficult for urban dwellers.

Transform food deserts with sustainable communities

As fuel for transportation becomes more expensive it will be important to have sources of food within walking distance, yet millions of people in the U.S. live in food deserts where access to affordable, healthy food is difficult or impossible without traveling long distances. Food deserts are most prevalent in low-income neighborhoods, rural communities, and in communities of color.

The [Food Empowerment Project](#) has a good [description](#) of food deserts with examples and more in-depth looks at the phenomenon from [Why Hunger](#). Food often times cost more in food deserts as food may only be available in small quantities at gas stations or convenience stores where the shop owner determines the price.

Not only is food more costly in food deserts, but it is also costly to the health of residents. People who live in food deserts face higher risk for obesity, diabetes, heart disease and other diet-related illnesses not only due to cost but quality of the food.

To learn where food deserts are located near you, check out this tool from the U.S. Department of Agriculture. [Walkscore](#) is also an interesting site where you can enter your address to see not only what food sources are within walking distance, but also restaurants, public transportation and other amenities and how "bikeable" your neighborhood is (is there biking infrastructure like specified lanes or trails, how hilly the area is, etc.)

[Grist](#) has a good [comparison of major U.S. cities](#) and their food deserts showing the vast differences between cities – while 72 percent of people living in New York can walk to a grocery

store in five minutes or less, only six percent of people in Tucson have that level of access.

Shrinking power and influence of corporations

A Constitutional amendment to end corporate personhood. Wait - corporations are people?

One of the fundamental pillars of corporate power and influence is the fact that legally, corporations are considered to be people with the same rights that living, breathing people have. Another pillar is that spending money to influence elections is considered to be free speech. These are two important reasons why it is so difficult to place limits on corporate actions. The [Citizens United decision](#) was only the most recent made by the Supreme Court in favor of corporate personhood. Good histories of corporate personhood decisions through history can be found [here](#) and [here](#).



A number of civil society movements ([Alliance for Democracy](#), [National Election Integrity Coalition](#), [FreeSpeechforPeople.org](#), [Move to Amend](#)) are working to pass a Constitutional amendment to end corporate personhood and to reverse the ruling which equates money to free speech. To pass an amendment is a long, difficult process (the last time it was done was in 1992 for the 27th Amendment prohibiting pay raises in Congress without an intervening election, a proposal originally submitted to states for ratification in 1789 – a 202-year long process). Yet, in just three years after the Citizens United decision, the movements had secured [more than a third of what is necessary to pass an amendment](#). In the Senate, 27 senators support the idea (40 percent of the 67 needed), 98 representatives (33 percent of the 290 needed) and 16 states have passed resolutions in support (44 percent of the 38 necessary to pass).

The two key issues needed are to end the legal concept of corporate personhood and that spending money on elections is equal to free speech. It also [lists the various Amendment proposals](#) circulating in Congress with a description of what they would and would not address and includes a good [list of ways to get involved](#) in the movement.

Corporations can benefit people?

One of the very [limiting factors](#) for traditional limited liability corporations is the shareholder maximization requirement that compels corporations to favor their stockholders over all other stakeholders in its operations (workers, suppliers, buyers, communities, the environment). So if, for example, the director of a corporation were to make a decision that protects the environment or workers in the firm, but results in lower profits for shareholders, s/he faces the possibility of being sued by shareholders. Needless to say, this makes it difficult for a director to act socially instead of

fiscally. This requirement has been considered to be jurisprudence since the [Dodge v. Ford](#) case in 1919.

To create more flexibility and allow business owners to use their profits to benefit the larger community, many states are creating new corporate forms. *The Economist* [describes](#) some examples in the “flexible purpose company” (FlexC), “which allows a firm to adopt a specific social or environmental goal.” Another option in the U.S. is the low-profit limited-liability (LC3) company, which can raise money for socially beneficial purposes while making little or no profit.

Two increasingly popular options for their more ample possibilities for using a business to improve society are the Benefit Corporation and Certified B Corporation.

With this type of corporation, the founding charter of the business and its bylaws state up front that the purpose of the corporation is not only to make a profit for its shareholders, but also to benefit other stakeholders as well. This allows the directors more freedom to think and act socially.

While similar in make up, [some differences](#) exist between the two. A Certified B Corporation “is a certification conferred by the nonprofit [B Lab](#). A Benefit corporation is a legal status administered by the state. Benefit corporations do NOT need to be certified.” In order to be certified, a B Corporation must achieve at least 80 out of 200 possible points on the [B Impact Assessment](#), a very thorough examination of the corporation’s actions in a variety of areas, from governance to treatment of workers to its actions in the community and respect for the environment.

Both types of corporations are required to publish reports assessing their overall social and environmental performance, but Benefit corporations are not verified, certified or audited by a third party as is true for B Corporations. Laws regulating Benefit corporations vary state to state. By the beginning of 2015, 27 states will register Benefit corporations with at least 10 others considering legislation. Meanwhile, the Certified B Corporation option is available to businesses in all 50 states and around the world. Today, there are more than 1,000 Certified B Corporations from 30 countries in 60 different industries. Every year B Lab awards its B Corp Best for the World awards to the corporations with the highest assessment scores – [take a look](#).

ENCOUNTERS is an e-newsletter publication of the Maryknoll Office for Global Concerns’ Faith Economy Ecology Program. Each section of ENCOUNTERS focuses on one of the four pillars of the Faith Economy Ecology Transition statement endorsed by more than 80 groups. Read the statement in its entirety [here](#). To subscribe to ENCOUNTERS, please email your name, city, state and country to ogc@maryknoll.org, subject line: ENCOUNTERS.