

Frontiers of Governance

Moral Economy Symposium Discussion Paper

The first step towards establishing a 'whole earth economy' should be a fundamental questioning of the current value system that underpins the organisation of the global economy.

Governments and many international bodies have promoted and institutionalised a set of principles which contradict the basic morality and ethics of the majority of people. As such, greed and competition over resources guide the current global economic system, rather than collaboration and internationalism. To bring the human economy into line with ecological limits, governments must accept that a new value system, based on international cooperation and sharing, needs to be incorporated into economic management.

Akin to the idea of 'right relationship', STWR believes that the concept of sharing can act both as an ethical guide and as an organisational principle for the economy itself. Both ideas share a common goal, and are rooted in ideas of morality, fairness and respect for the earth's natural limits.

Global Governance and the United Nations

STWR suggests that the United Nations should play a central role in any global governance structure – but it must be strengthened in its general capacity as well as its ability to guide social, economic and environmental policymaking. A stronger more democratic UN will constitute an effective global federation of member states, which can act in the best interests of the global public.

Currently, the UN lacks the power to effectively regulate nation-states and multinational corporations in their interaction with the natural environment, and their ability to prioritise the public good. In contrast, the UN has created bodies such as the Global Compact that forges an alliance between the UN and some of the 'worst of the worst' environmental and human rights violators.

In other policy areas, the most powerful member states have marginalised the UN role in promoting economic and social rights, as well as limited the ability of the UN to propose viable alternatives to the 'economic growth panacea'. Bodies such as ECOSOC and UNCTAD have been downsized or marginalised, whilst the richest nations have attempted to channel economic, social and environmental problems through unaccountable 'pro-growth' forums such as the World Bank and International Monetary Fund.

The UN itself also lacks democracy and accountability; many of its forums fail to address the problem of local and even national participation. Any incorporation of the United Nations into a more holistic management of the global economy would require the acknowledgement of the above factors.

Specific Framework Proposals

A solution to this problem is to increase the power of the UN General Assembly and strengthen the UN role in managing the environment and the global economy. Key considerations for establishing a new governance architecture include:

- safeguarding the global commons, and regulating the use of natural resources and other environmentally destructive or polluting activities
- promoting a more sustainable or 'steady-state' economy as a development model where fair distribution is prioritised over growth
- ensuring equitable access to natural resources, basic goods and essential services
- facilitating a significant transfer of the necessary resources to the developing world in order to end poverty
- regulating multinational corporations and promoting subsidiarity

To achieve these 'right relationship' goals, STWR have proposed a number of new UN-based agencies to facilitate sound ecological and economic management. These include:

A UN Council for Resource Sharing which would create the framework for the sustainable use and redistribution of essential resources, within environmental limits. Governments would opt into the system and the Council would advise member states to manage and adjust the levels of use, production and distribution of the most essential resources, goods and services.¹ The aim of such a body would be to ensure that human needs are universally secured within ecological limits, through an international framework based on cooperation and sharing.

A Global Commons Trust which could be established by the new UN Council to allow natural resources to be held in trust for the benefit of the 'commonwealth of life' and the planet. The trust would be created on the premise that common assets must be utilised in a manner that prioritizes securing the basic needs of humanity and the earth's environmental limits. By protecting the global commons in this way and sharing them equitably and sustainably, it is possible to establish 'right relationship' with the planet, whilst also ending global poverty.

As the UN and these new agencies play a more active role in managing the environment and the global economy, the role and influence of existing institutions such as the IMF, World Bank and WTO will progressively reduce. They would proceed to work together more closely under the auspices of a democratic governance body such as the General Assembly.

Many of the ideas proposed by STWR are similar to proposals outlined in Right Relationship. Other similar examples include the World Federalist Movement's call for a World Environmental Organisation to help manage the global environment.²

STWR believes that cooperation remains the key to any proposed global solution to the multiple problems we face, and that UN member states must work together and share their resources sustainably and for the greater good, rather than engage in endless economic and financial competition.

¹ For more on this see Rajesh Makwana, [How to Share the World's Resources: A Proposal](#), STWR, September 2007; Adam W. Parsons, [Sharing in the Global Economy: An Introduction](#), STWR, August 2007

² World Federalist Movement – Institute for Global Policy, [A Call for International Democracy](#)