

Towards a wellbeing economy

A JUST AND SUSTAINABLE FUTURE FOR SCOTLAND

The pandemic has exposed fractures in our economy

Prior to the crisis:

- We had faced a decade of austerity, 10 years of lost real wage growth for workers, stagnating living standards, declining investment, soaring levels of hunger, and rising child poverty.

Covid has exposed fractures in our economy that long predate the pandemic:

- While the virus itself may not discriminate, our economy does, and those who were already marginalised, oppressed and vulnerable are disproportionately shouldering its cost.

Government government has been used to insulate the wealth of the already wealthy:

- An IPPR report estimated that 45 percent of the net cost of the UK Government's furlough scheme over the first three months was spent on rent and debt repayments.

Joining the dots: Our unequal, extractive economy is fuelling climate breakdown

While Covid-19 is the immediate focus, climate breakdown and biodiversity loss are the single biggest threat facing our future.

Five years on from the Paris Agreement, the world is off-track to meet the 'well below' 2-degree limit set by the accord.

The causes and distributional impacts of the climate crisis are unevenly felt, with those contributing the least to the crisis disproportionately paying the price for it:

The climate crisis is a crisis of inequality: the poor have both done the least to drive it, and yet are the most vulnerable to its impacts.

To confront the climate emergency to effective and just, we must recognise that our environmental and economic flights share a common cause - an extractive and unequal economic model.

What's coming ahead?

The economic fallout from Covid-19 is predicted to plunge our economy into its deepest recession in three centuries

We face mass unemployment and evictions

How we choose to respond to this crisis will be a test as to whether lessons have been learned from the last economic crash

The impact will again be felt hardest by those already struggling unless action is taken to protect them.

A just and green recovery for Scotland

Just as the current model centres on a particular form of economic model, a new consensus can lay the foundations for a more equitable, sustainable, and democratic system based on a pluralistic landscape of common and democratic ownership.

- a Scottish Job Guarantee could be designed to provide well paid, secure employment opportunities in the *public* sector to anyone who needs it - focussed on priorities like decarbonising the housing stock, building a new generation of social housing, supporting afforestation and restoring peatlands.
- To deliver a Green New Deal, we need to break from a model of unsustainable forms of production and consumption and reimagine how our economy operates and in whose interests.

Expanding Community Wealth Building

The concentrated ownership of wealth and power designed into our economy strips workers and communities of the wealth they create in common.

Community Wealth Building supports an economic strategy that transfers financial and physical assets to local communities and redirects wealth, control and benefits to local economies.

A Community Wealth Building Act could support local-led economic strategies by enhancing pluralist models of business ownership, making financial power work for local places, fair employment and just labour markets, progressive procurement of goods and services, and socially just use of land and property.

Banking for the Public Good: The Scottish National Investment Bank

The establishment of the Scottish National Investment Bank is a massive achievement.

We need to maximise its potential by restructuring its governance to allow it to meet its Mission.

A new holding company arm of the SNIB can be established and tasked with purchasing equity stakes in distressed but otherwise viable Scottish businesses that meet defined criteria, helping them to stay solvent throughout the Covid-19 crisis.

Tenant Protection and Social Housing

In recent years the Scottish Parliament has made significant progress towards enhancing security of tenure in the private rented sector.

But rents in Scotland remain high and continue to increase faster than many households can afford, constraining living standards. We need:

- a rent freeze to ensure that tenants would ensure tenants do not face rent increases during a time of hardship
- a system of rent controls could commence after the rent freeze period ends
- and increase in social house building to secure homes for all and create jobs
- and measures to encourage local authorities to explore opportunities to purchase properties made vacant by Covid-19 to repurpose them as part of the social housing stock.

Securing Democratic Public Ownership

Over the last four decades, privatisation has been a prominent component of the UK's unequal and extractive economic model.

Scotland has taken important steps to break with privatisation, like the abolition of the right to buy, which sold off nearly 500,000 council homes in Scotland.

But there remains a need to harness this by shifting our understanding of this approach, from a patchwork of decent individual policies and towards a strategy to integrate democratic public ownership at the heart of a comprehensive, planned transition to a new economy with wellbeing at its core.

Land reform has been one of the crowning achievements of the Scottish Parliament, but land reform should not be viewed as a one-off event but rather an ongoing process. Land ownership in Scotland remains highly unequal

We can take action to establish a democratically accountable 'Scottish Land Development Agency' to purchase, develop and sell land and ensure that this key resource is being managed strategically in the public interest; enhance Community Right to Buy and introduce an upper limit on the total amount of land in Scotland that can be held by a private landowner or beneficial interest; and grant local authorities the legal power to issue Compulsory Sale Orders.

STEWARDED LAND