

Economy for the Common Good

An economic model whose time has come

Systemic crisis

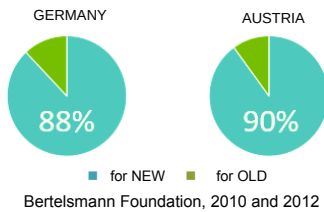
72% of people globally say business is failing to take care of the planet and society as a whole.



Data from Ipsos Media/Research survey of 30,000 consumers worldwide. Numbers by country represent proportion of respondents answering 'agree' and 'strongly agree'.

Time for system change?

„Wish a different economic order“

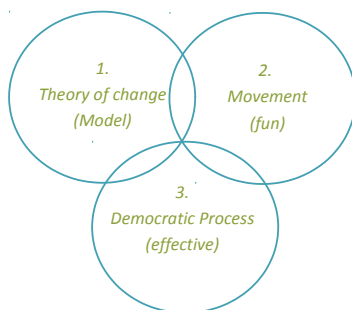


Bertelsmann Foundation, 2010 and 2012

TAPAS better than TINA

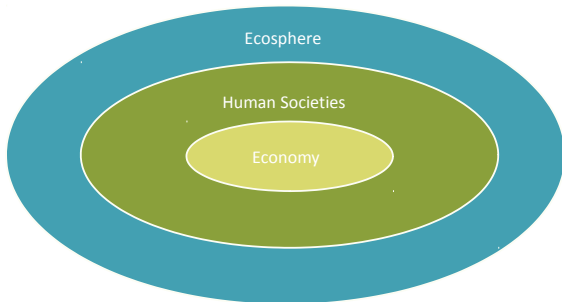
- Degrowth /Doughnut/ Circular Economics
- Buen vivir / National Happiness
- Fair Trade, Ethical Banking
- Solidary and Social Economy
- Commons
- Transition Town
- Economy for the Common Good

Holistic alternative

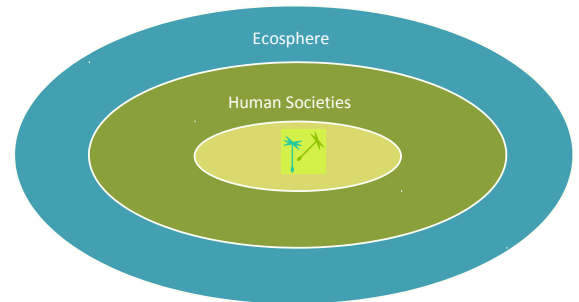


1. Model

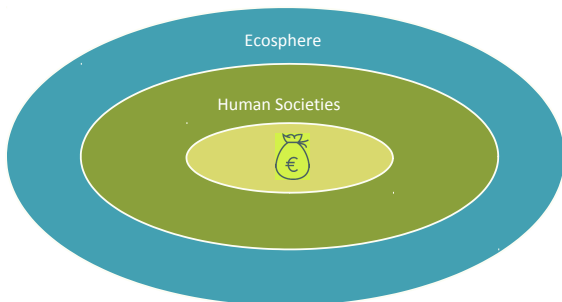
Reintegrating the Economy



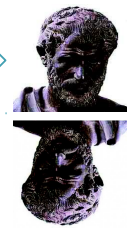
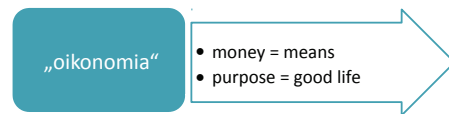
Reintegrating the Economy



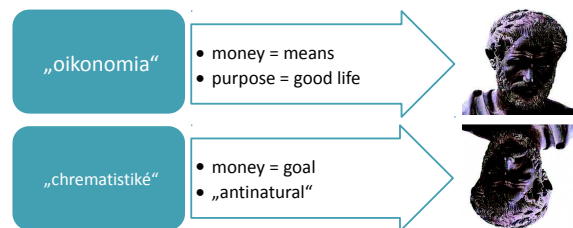
Reintegrating the Economy



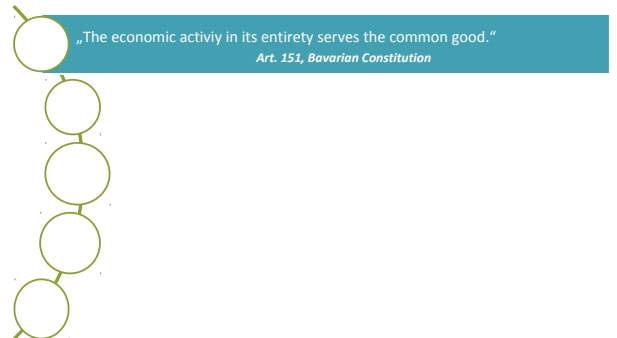
Nicht neu...



Nicht neu...



Constitutional goal



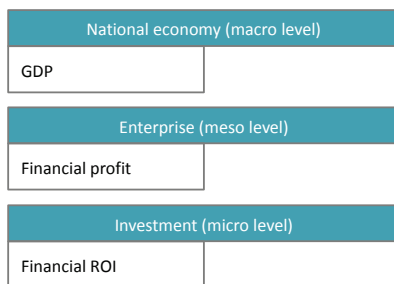
Constitutional goal

- „The economic activity in its entirety serves the common good.“
Art. 151, Bavarian Constitution
- „Property obliges. Its use shall serve also the common good.“
German Basic Law, Art. 14
- „Economic activity and private initiative are free, within the boundaries of the common good.“
Constitution of Columbia, Art. 333
- „We the people of the United States, in Order to form a more perfect Union (...) promote the general Welfare.“
Preamble, Constitution of the United States

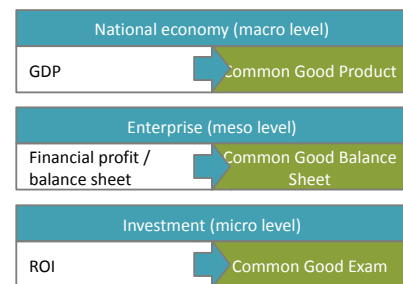
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Preamble, Constitution of the United States
- „Formation of capital is not an end in itself, but a means of the development of the economy.“
Art. 157, Bavarian Constitution

Measuring economic success differently



Measuring economic success differently

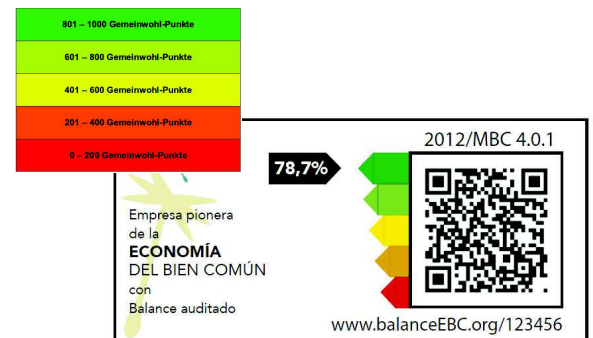


Common Good Matrix

The Common Good Matrix lies at the heart of the Common Good Balance Sheet. Version 5.0 can be seen below.

VALUE	HUMAN DIGNITY	SOLIDARITY AND SOCIAL JUSTICE	ENVIRONMENTAL SUSTAINABILITY	TRANSPARENCY AND CO-DETERMINATION
STAKEHOLDER				
A: SUPPLIERS	A1 Human dignity in the supply chain	A2 Solidarity and social justice in the supply chain	A3 Environmental sustainability in the supply chain	A4 Transparency and co-determination in the supply chain
B: OWNERS, EQUITY, AND FINANCIAL SERVICE PROVIDERS	B1 Ethical position in relation to financial resources	B2 Social position in relation to financial resources	B3 Use of funds in relation to the environment	B4 Ownership and co-determination
C: EMPLOYEES	C1 Human dignity in the workplace and working environment	C2 Self-determined working arrangements	C3 Environmentally friendly behaviour of staff	C4 Co-determination and transparency within the organisation
D: CUSTOMERS AND BUSINESS PARTNERS	D1 Ethical customer relations	D2 Cooperation and solidarity with other companies	D3 Impact on the environment of the use and disposal of products and services	D4 Customer participation and product transparency
E: SOCIAL ENVIRONMENT	E1 Purpose of products and services and their effects on society	E2 Contribution to the community	E3 Reduction of environmental impact	E4 Social co-determination and transparency

Clear visibility – ECG label



Legal incentives

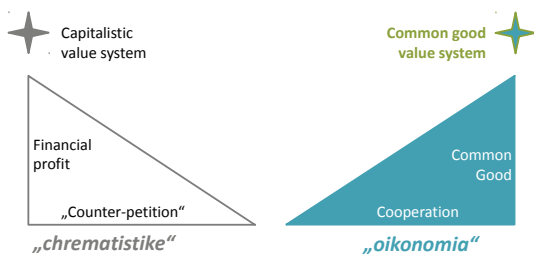
- ✓ Lower tax rates
- ✓ Lower tariffs
- ✓ Lower interest rates for bank loans
- ✓ Priority in public procurement
- ✓ Cooperation research with public universities
- ✓ Direct subsidies

„Bank for the Common Good“

- Common Good oriented
- No speculations / focus on core tasks
- Ethical creditworthiness assessment
- No dividends
- Exit of interest system



New Rules of the Game



20 Elements of Economic Order

- | | |
|----------------------------------|---------------------------------|
| ■ Values and objectives | ■ Ethical world trade |
| ■ Success measurement | ■ Bretton Woods II |
| ■ Use of profits | ■ Money as a public good |
| ■ Cooperation before competition | ■ Common good banks + stock m. |
| ■ Negative feedback | ■ Negative interest system |
| ■ Controls on capital movement | ■ Sovereign money (reform) |
| ■ Solidarity income | ■ Democratic commons |
| ■ Reduction of working time | ■ Sovereign democracy |
| ■ Four sabbaticals | ■ Holistic education |
| ■ Ecological human rights | ■ Reform the study of economics |

International Movement

- 9.000 supporters (Website)
- 2.000 active collaborators
- 2.300 supporting companies (Website)
- 500 companies with CG balance sheet
- 50 active municipalities and cities
- 200 active universities
- 30 associations (legal level)
- 150 local chapters (working level)
- 15 expert hubs

30 associations



Spain...

ECONOMÍA
DEL BIEN COMÚN



Mag. Christian Felber

www.ecogood.org

25

Chile...



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26

2010: 12 pioneer entrepreneurs



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2017: 2,300 supporting companies



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FINANCIAL TIMES

Home World Companies Markets Global Economy Lex Comment Management Life & Arts

Business Education Entrepreneurship Business Books Business Travel Recruitment The Connected Business Management Tools

November 19, 2014 2:23 pm

A corporate balance sheet with a little added love

Chris Bryant Author alert



What is the purpose of business? Many executives would say their task is to maximise returns for shareholders by serving the needs of customers, perhaps with social benefits as a byproduct.

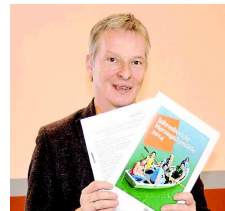
Mag. Christian Felber

www.ecogood.org

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Herzogsägmühle Bayern



Mag. Christian Felber

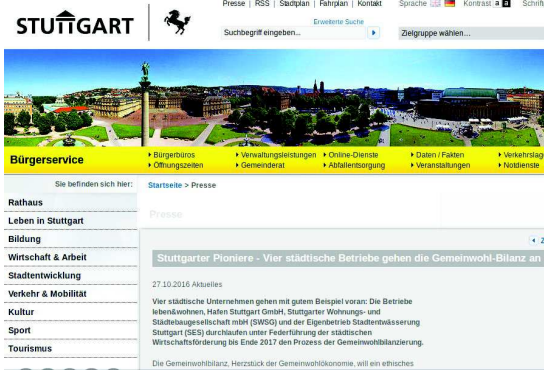
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FH Burgenland



 University of Barcelona



„The parliament of South Tyrol... mandates the government (...)

- To grant companies with a positive common good balance sheet result priority in public procurement
- To promote Common Good Municipalities with priority

Bozen, December 2014



Valencia is ahead...

- Order to foster ECG companies
- Order to foster investment
- Register for ECG companies
- Law with incentives for ECG companies
- ECG Chair at University

Valencia, June 2017



 EESC „opinions“ on ECG

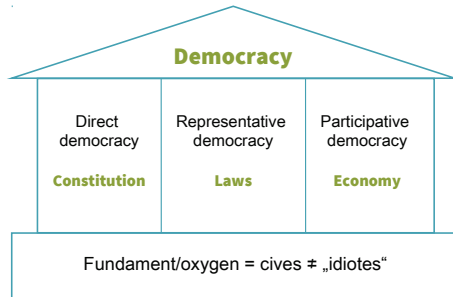


2015: 86% approval
2017: 96% approval



3. Democratic process

„Sovereign democracy“



„Sovereign rights“

1. Write the constitution
2. Change the constitution
3. Elect a specific government
4. Dismiss the government
5. Stop a law initiative
6. Initiate and adopt laws
7. Take control over public goods
8. Issue money
9. Take control of trade (tariff) regime
10. Give framework mandates for international agreements

„Negative feedback mechanisms“



Limitation of income inequality



Limitation of private property



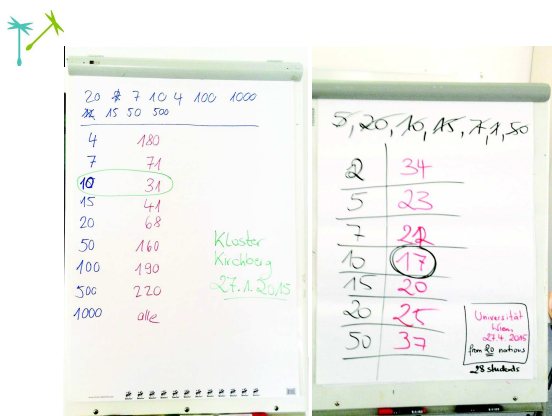
Democratization of big companies



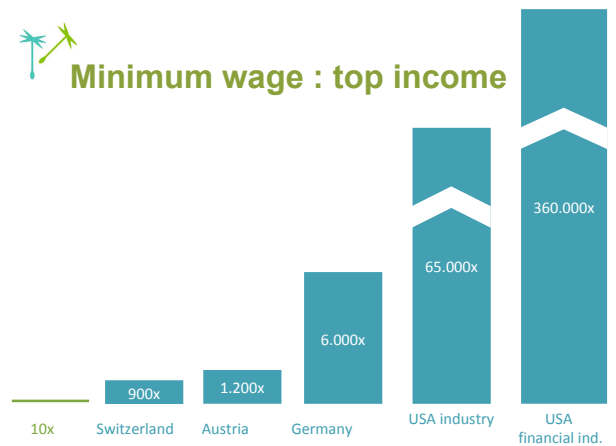
Minimum/maximum inheritance

Minimum wage : top income





1 : X



Minimum wage : top income



Participate!

-  Individuals: Membership, regional chapters, member of cooperative bank ...
-  Companies: Common Good Balance Sheet, ...
-  Municipality: Common Good Municipality, ...
-  Educational institution: Curriculum, research, ECG balance sheet, ...



"How to refocus the economy toward the common good may well be the most important challenge of our generation."
Otto Scharmer, MIT senior lecturer



**„Get involved for concrete alternatives!
Get involved in the Economy for the
Common Good!"**
Stéphane Hessel, former diplomat, ambassador

End = beginning



<http://ecogood.org/>
<http://www.ecocommongood.be>
<http://christian-felber.at/>

Democratic Convention

- Option 1: Free Trade**
 - Trade is an end in itself
 - Resistance: **28**
- Option 2: Closed Borders**
 - Trade is bad
 - Resistance: **44**
- Option 3: Ethical Trade**
 - Trade is a means
 - Resistance: **0**



Strategy: legal Common Good Balance Sheet

Timeplan	Till 2015	2016-2020	2021-2025	2026- 2030
Strategical phase	1st Generation CSR-Standards, but no effect	2nd Generation of CSR Standards: all that comply with the criteria will be included in the EU directive	All listed standards will fusion in one single ethical reporting which will have legal consequences	Financial and non-financial reporting will fusion into a holistic Reporting Standard, this will be a standard for the EU, WTO and, later, for the UN



Different entry levels

„play“ with initial balance sheet

peer evaluation

external audit



Benefits for pioneer companies

- 1) Meaning
- 2) Organizational development (360 view)
- 3) Cooperation platform
- 4) Ethical employees
- 5) Ethical customers
- 6) Subventions
- 7) „First mover advantage“ („thrust reversal“)



Criteria for universal balance sheet

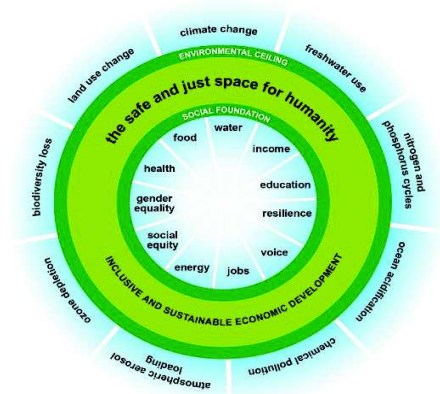
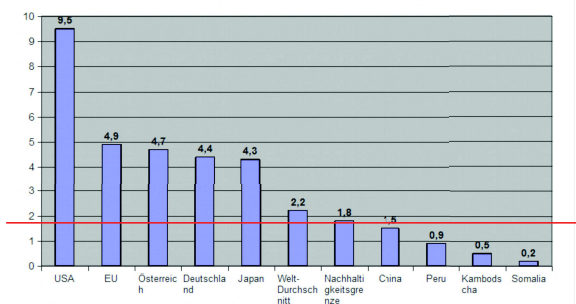
Universal/holistic	External audit
Measureable	Public/transparent
Comparable	Legal consequences
Comprehensive	Integration in landscape
Compulsory	Participative development

Counterpetition → competition

Aktives Schädigen von Mitunternehmern	Unterlassen von Hilfestellungen und Kooperation	Kooperation auf individueller Ebene	Kooperation auf Branchenebene / Systemebene
Preisdumping	Nichtüberlassung relevanter Infos	Unterstützung mit Know-how	Open source, Creative Commons-Lizenzen
Sperrpatente	Unvollständige Information der KonsumentInnen	Finanzielle Hilfe: Liquiditätsausgleich, zinsfreier Kredit	Definition und Anstreben einer optimalen Größe
Feindliche Übernahme	Nichtüberlassung von Restmaterialien	Überlassen von Arbeitskräften	Teilnahme am Branchentisch zur Krisenbewältigung
Massenmediale Werbung	Nichtüberlassung überflüssiger Betriebsmittel	Überlassung von Aufträgen	Beteiligung an egalitärem Produktinformationssystem
Strategische Klagen	Nichtüberlassung freier HR	Gemeinsame F&E	Einspeisen in einen Insolvenzfonds
Schlechtes Bilanz-Ergebnis	Schwaches Bilanz-Ergebnis	Gutes Bilanz-Ergebnis	Vorbildliches Gemeinwohl-Bilanzergebnis

Ecological Human Rights

Ökologischer Fußabdruck (Hektar pro EinwohnerIn)



Crisis overview



CURSOS DE VERANO DE LA UNIA

Sevilla se apunta a la nueva 'economía del bien común'



ECG municipality

- 🌴 Balance Sheet for public (lead) companies
- 🌴🌴 Balance Sheet for private companies
- 🌴🌴🌴 Public purchasing – Balance Sheet
- 🌴🌴🌴🌴 Network of ECG municipalities
- 🌴🌴🌴🌴🌴 Democratic trade convent

Matrix 5.0

- ✓ 5 > 4 value columns (simplification)
- ✓ All „topics“ can reach 50 points (max. 1000)
- ✓ Balance sheet „compact“ for small companies
- ✓ Linking negative and positive aspects
- ✓ Emphasis on industry and relevance

ECG municipalities

- Übelbach/Styria: LEADER project
- Stuttgart + Mannheim: 6 municipal undertaking
- Barcelona: Horta d'Guinardò (300,000 inh.)
- Sevilla: cooperation agreement with ECG association
- South Tyrol: First ECG region

Counterpetition → competition

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EU Parlament
October 20, 2015



Bundestag Berlin
November 7, 2016



„From Aristotle to Thomas of Aquin to Adam Smith, there was consensus about limiting economic theory and practice through a superior goal (greek: telos) like the „common good“.“ *Claus Dierksmeier*

The screenshot shows the website for the municipality of Nenzing. The main headline reads: "Nenzing und Mäder erstellen Gemeinwohlbilanz - als erste Gemeinden Österreichs". Below the headline, there is a sub-headline: "Die Gemeinden Nenzing und Mäder sind auf dem Weg zur Gemeinwohlbilanz". The text continues: "Am 02.11.2016 fand im Ramschwagsaal in Nenzing die Auftaktveranstaltung für die MitarbeiterInnen der beiden Gemeinden statt. Über 50 Personen aus beiden Gemeinden sind dieser Einladung gefolgt." It also mentions Florian Kasserler, Bürgermeister der Gemeinde Nenzing, and the involvement of Regenbogen, a company that provides a light spectrum analysis to represent the diverse aspects of community life. The page also notes that Nenzing and Mäder are pioneers in Austria in creating a Gemeinwohlbilanz.

Diversity of property

Public property	Private property	Common goods	Socially owned goods	Rights of use (no property)
Schools, Town Halls, central banks, money	Bicycle, company, own house	Pastures, fishing areas, software, seeds	Big production companies	Water, energy, land
Infrastructure	Consumer goods	Common land, commons	Production of consumer goods	Nature
Only strategic goods	Limitations + conditions	Clear rules of the game	Relevance of systemic approach	Generation of ecological goods



www.schwaebische.de/wirtschaft/aktuelle-nachrichten_artikel,Gen Suchen

1 Felber https://www.google.e... news.ORF.at Bank Austria Wetter Christian Felber Economy for the com.

WIRTSCHAFT

22.04.2016 Von Ludger Möllers

Gemeinwohl-Orientierung bringt Unternehmen langfristig Vorteile

Initiative will ökologische und soziale Faktoren stärker bewerten - Impulse für neue Wirtschaftsordnung



salzburg ORF.at Salzburg-Freisaat: -8,2°C

Fernsehen TVthek Radio Debatte Österreich Wetter IPTV Sport News ORF.at im Überblick

Ganz Österreich **S**

Salzburg-News

Radio Salzburg
Rezepte, Studiokamera, Tierrische, Volkskultur, Da bin I dahoam

Fernsehen
Bewegt, Gesund, Garten, Erlebnis Österreich, Österreich Bild, 119 Plätze 119 Schätze

Landesstudio
Fernsehgarten, Kontakt

Unternehmen setzen auf Gemeinwohlökonomie

Die Gemeinwohlökonomie, nach einer Idee des Salzburger Christian Felber, hat nicht nur Gewinne für den Unternehmer im Visier, sondern auch das Wohl der Angestellten und der Umwelt. Das Konzept fasziniert immer mehr Unternehmer.

Woher kommt das Ei am Frühstücksbuffet, der Schinken, der Käse, das Brot? Am besten von Betrieben aus der Region, denn dafür gibt es besonders viele Punkte in der Gemeinwohl-Bilanz. Insgesamt 17 Bereiche listet die Gemeinwohlmatrix auch dafür wie Betriebe in der Region miteinander statt Gegeneinander arbeiten und wie sie ihre Mitarbeiter behandeln.

Im Hotel Auersperg in der Stadt Salzburg sind die Mitarbeiter etwa am Gewinn des Unternehmens beteiligt, sagt Hotelchefin Bettina Wiesinger. Ihr Haus bekommt auch Punkte wenn die gut 40 Mitarbeiter keine Überstunden machen.

Undurchsichtige Lieferketten kosten Punkte

Pioneers in Salzburg



„Instead of economic growth (increasing the gross national product), quality of life („gross happiness product“) is the main goal of economic and social policy. Everything else is subordinate.“

Approval: 67%

*Ministry of the environment/
German Federal Environmental Agency, March 2015*



„Money is not an end in itself,
but a means to an end.“

Friedrich Wilhelm Raiffeisen