

## **An Introduction to Economic Sharing**

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In response to some of the world's most pressing crises, there is an emerging discourse on the need to implement innovative policies, mechanisms and practices that embody the principle of sharing. Currently this discussion is broad ranging, spanning issues as diverse as strengthening local communities and reducing personal consumption to implementing a fair global solution to climate change. In light of the growing interest in the concept of sharing, this paper provides a brief overview of what sharing could mean in economic terms and how, in theory, global economic sharing could be applied as a solution to poverty and inequality, the environmental crises and the ongoing conflict over increasingly scarce natural resources.

Sharing is a familiar process that people in diverse countries practice on a daily basis within their homes, families and communities. But a closer examination of the term 'sharing' reveals that it can be interpreted in a number of different ways. For example, sharing can refer to 'giving' and is often associated with forms of philanthropy and charity, and we can talk about sharing in terms of reciprocity where there is an additional obligation to repay a gift or favour received. In relation to goods and resources, the concept of sharing as giving and receiving implies some degree of ownership, since we cannot give something away unless it belongs to us in the first place. Alternatively, when it is used in relation to the concept of the commons, sharing can also mean 'to use jointly' which implies that a shared resource is not necessarily owned, given or received but can be collectively managed and is freely accessible to all stakeholders.

Regardless of which form of sharing we are referring to, it is also important to recognise that this simple process is far more central to life than people often realise, and it can be commonly understood as a universal principle that is widely observable in nature as well as in human life. There are many examples of sharing in the natural world that have long been studied by scientists, from Planet Earth itself and its many natural cycles to the activities and behaviours of cells, plants, flowers and groups of highly social animals. There is also a growing body of evidence from evolutionary biologists and behavioural scientists that demonstrates how human beings are hardwired to cooperate and share, and how such behaviour has guaranteed humanity's evolution and survival.

### **Our collective failure to share**

Despite the prevalence of sharing throughout the kingdoms of nature and in family life, we have largely failed to create a world that reflects sharing in our social, economic and political structures. Instead, drawing on the theories of enlightenment thinkers, mainstream economists and policymakers have fashioned a world based on the assumption that human beings are inherently selfish, competitive, acquisitive and individualistic – assumptions that underpin the concept of homo-economicus. Such notions about human nature are now firmly established as the principles upon which modern economies are built, and have been used to justify the proliferation of free markets as the best way to organise societies.

It is increasingly clear that pursuing a purely market-based approach to organising society has led to the creation of economic systems that are inherently unjust and highly unequal. Levels of inequality within countries have rocketed since the 1980s, especially in OECD countries. Globally, the 'neoliberal' fixation with free markets is also responsible for creating an extremely competitive international framework that goes against the principle of sharing and prevents nations cooperating effectively. As recent evidence of this we only need refer to the repeated breakdown of the Doha trade talks; our failure to limit carbon emissions through UNFCCC negotiations; and even the negligible progress made at the Rio+20 talks last year to establish a viable path for sustainable development.

If our collective failure to share resources more equitably and sustainably is responsible for increasing inequalities and exacerbating many of the other crises we face, then it stands to reason that we need to find ways of reforming our political and economic systems by bringing them more in line with the principle of sharing. From this perspective, the term economic sharing can be used to describe the application of sharing to how governments organise economies and distribute available resources, which could include everything from wealth and natural resources to knowledge and technology - many of the resources we could refer to as the commons. Since sharing inherently ensures a fairer distribution of resources among society as a whole, such a process is more likely to secure basic human needs for all people and therefore aligns closely with the concepts of social and economic justice.

Economic sharing already underpins a huge variety of familiar practices, institutions and policies that operate at the local and national level. For example, agricultural land was traditionally managed as a commons and sharing seeds has always been integral to farming practices. More recently, the 'sharing economy', which encompasses everything from collaborative consumption to food banks and gift economies, has been rapidly growing in popularity throughout Western Europe, North America and other regions. But economic sharing is even more fundamental to how we organise our societies than even these examples demonstrate.

For instance, participatory democracy can embody the principle of sharing as it seeks to share political power more equitably with citizens. And arguably the most advanced form of economic sharing that exists in the modern world is the pooling of a nation's financial resources to ensure that everyone has access to healthcare, education, social security and other essential public services. All these and many more examples demonstrate how economic sharing has long been central to human civilisation by promoting social equity, strengthening the social fabric of communities and improving levels of wellbeing across society.

### **The need for global sharing**

We live in a globalised world where the crises we face, whether we refer to wealth disparities or climate change, affect all nations to a greater or lesser extent. Globalised systems of communication, trade and finance mean that people in different countries live highly interconnected and interdependent lives. Given these realities, we really need to start thinking about and actively applying a process of economic sharing on a planetary scale.

From a worldwide perspective, sharing the world's resources means ensuring that people in all countries, including future generations, can access what they need without transgressing planetary limits. And global economic sharing is surely impossible without extending the concepts of justice, socio-economic rights and environmental sustainability to include the entire community of nations and the planet as a whole. Of course, this requires governments - and individuals - to accept that all people are part of an extended human family with the same basic rights and needs, and then to establish policies and institutions at the global level that embody this recognition and ensure that these rights are fulfilled.

In reality, systems of economic sharing at the global level are still very much in their infancy. Unlike the practice of sharing within countries, there is no equivalent system of taxation or public spending at the international level that can provide the level of support that developing countries urgently need. The main exception is the international aid provided by developed countries each year, but aid donations today remain grossly insufficient, ineffective and often problematic for recipient countries.

Similarly, global governance institutions such as the World Trade Organisation, World Bank and International Monetary Fund fail to embody any process of global economic sharing as they could and should. As campaigners have long argued, these global bodies are undemocratic in their administration and highly biased in their ideology as they pursue free market solutions over the need for social and economic justice. Even the United Nations is in need of considerable reform to render it more democratic, inclusive and effective.

Clearly, the principle of sharing is still not sufficiently expressed in the governance systems and economic structures that underpin the global economy. And in many ways, it is this failure to share resources globally that is ultimately responsible for many of the interrelated global crises that we face today.

### **The global emergency**

It takes little imagination to see how economic sharing could be applied as a solution to many of the most urgent crises humanity currently faces as yet is largely failing to address within the current economic paradigm. For example, the media regularly reports on the high numbers of people who now live in poverty in the so-called developed world, especially as social spending cuts continue to amplify the effects of the economic crisis. Almost 1 in 4 children in the United States grow up in a poor household, and in the EU over 115 million people – 23% of the entire EU population – officially live below the poverty line.

But the need for international economic sharing is arguably most crucial in relation to poverty in the Global South which remains far more severe than in Northern Countries. According to the World Bank's figures on global poverty, 95% of people who live in developing countries survive on the equivalent of less than \$10 a day, which is comparable to what \$10 would buy in the United States. Overall, an analysis of the World Health Organisation's mortality statistics reveal that at least 15 million people die each year mainly in the developing world as a consequence of a lack of access to

sufficient food, clean water, adequate shelter and medical assistance - the basic essentials that most of us in affluent countries have long taken for granted.

Yet any meaningful level of international sharing is far from the radar screens of world leaders today. The best commitment the international community currently has to end life-threatening deprivation is the first Millennium Development Goal which, even if it's met, will still leave around a billion people living in extreme poverty in 2015. Similarly, the recently agreed post-2015 development agenda is also extremely unambitious in relation to ending poverty. Although it contains a commitment to completely eradicate extreme poverty by 2030, the poverty threshold they refer to is unacceptably low at \$1.25 a day, which will leave billions of people still living on less than \$2.50 a day in 2030.

Another illustration of the need for economic sharing is the growing gap between the rich and poor. According to statistics on global inequality, the world as a whole is far more unequal than even the most unequal country, and currently the richest 300 people on earth have more wealth than the poorest 3 billion. Indeed the rich nations hold 90% of the world's wealth and account for just 18% of its population. Such vast levels of global inequality highlights the need for a massive transfer of finance from North to South as a correction to existing unjust economic arrangements.

### **Sharing the world's resources sustainably**

It is also increasingly clear that a socially just solution to the world's escalating environmental crisis necessitates a far greater sharing of resources on a global scale. The immediate challenge is how to drastically reduce global carbon emissions and manage consumption levels within environmental constraints. As calculations by the World Wildlife Fund demonstrate, humanity is currently consuming natural resources at a rate 50% faster than the planet can replenish them, which means we already require the equivalent of one and a half planets to support our consumption levels.

And the challenge of sharing the planet's finite resources sustainably is further complicated by the huge imbalances in consumption patterns across the world. Currently, the wealthiest 20% of the world's population consume 80% of global resources and are therefore responsible for the vast majority of global warming and environmental destruction. Meanwhile, the poorest 20% of the population lack sufficient access to essentials such as food, clean water and energy, and account for just 1.3% of global resource consumption.

Of course, most governments have little interest in the wholesale reorganisation of the economy needed in order to address these imbalances and share the world's resources more equitably and sustainably - especially those governments who are determined to continue competing for the world's remaining fossil fuel reserves and other energy sources, rather than finding ways of sharing them globally. Furthermore, if the planet has finite resources, and nation states are continuing to compete for control of them, then there are clearly grave implications for peace and security – especially in a world that's awash with nuclear weapons.

Resource wars are perhaps the most dangerous consequence of our failure to share in economic terms, even if they are nothing new; historically the powerful have always

waged war to gain control over land and resources. Between 1965 and 1990, 73 civil wars over resources occurred in which more than a thousand people a year died, and at least 18 international conflicts have been triggered by competition for resources since then, including the invasion of Iraq in 2003. The possibility of future conflict is ever growing as nations race to control oil and gas reserves in the Arctic, in the East and South China Seas, around the Falkland Islands and elsewhere.

A number of factors all but guarantee a further escalation of resource wars in the near future. These include a rising world population, soaring global consumption rates, rapidly disappearing energy supplies, and climate change that is already constraining access to food, water, land and other vital resources. What this means in the 21st Century is that any viable security strategy for ensuring sustainable and universal access to resources for all nations must be based on governance systems that facilitate economic sharing on a global scale. Such an epic transformation in geopolitics can only happen if nations overcome their competitive and nationalistic tendencies and put the needs and rights of all people before the interests of any one nation.

But a discourse on economic sharing as a solution to the world's pressing social, environmental and security crises is slowly gaining ground - particularly within a national context as the growing number of public protests for social and economic justice illustrates. While a new global framework for sharing the world's wealth, power and resources more equitably might seem extremely idealistic within the current paradigm, it is also inevitable if humanity is ever to end centuries of warfare over access to resources and create a more peaceful and sustainable future world.