

Pay to pollute

The Earth has just 50 years before it is overwhelmed by catastrophic ecological disaster, warns environmental charity WWF UK. Here **Peter Gibb** argues for new social institutions to save the planet, and investigates an inspired proposal to make industrial polluters pay for the damage they cause. **Ciaran Jennings** reveals the disturbing extent of the problem facing people in the UK

WE LIVE IN a time of unparalleled change. The familiar social institutions within which we grew up, and in which we now participate as adults, are not what once they were.

It has always been the case that our institutions shift and change shape, develop and decline, supplant and finally are supplanted. As the American poet James Russell Lowell once wrote:

*When the travail of the Ages wrings
earth's systems to and fro;
New occasions teach new duties; Time
makes ancient good uncouth;
They must upward still, and onward,
who would keep abreast of Truth.*

The 'truth' and the 'good' of an age must manifest themselves in its social institutions. Today our 'earth's systems', in terms of both

natural and human ecology, are being 'wringed' to the point of imminent rupture.

Society's institutions are now changing to a degree and at a rate that is unprecedented. It seems that much of our social landscape will become unrecognisable in our lifetime. What might the new landscape look like?

Surely it must be: leaving behind the time of statist control, and entering the time of

participatory governance; leaving the time of authority and knowledge controlled by cabal, and entering the time of popular enlightenment, empowerment and knowledge accessed by information and technology; leaving the time of work as an inadequate commercial bargain, and entering the time of work as a gift; leaving the time of community as a fiscal burden to be borne, and entering the time of community as rewarding covenant.

New institutions are emerging and coming to serve us to these ends. Some provide us with new social places, like the internet and worldwide web. Some give us new social structures, like the global jurisdiction to be exercised by the International Criminal Court. Some provide new social mechanisms, like local and multiple currencies and other systems of exchange. Some provide new social functions, like the collection and divvying of the rental value of our common resources. The process of change is evolutionary. The potential for reform to the ends of justice is revolutionary.

Consider our individual participation in the common inheritance of nature and

community. We are beginning to understand again that the earth is the common property of all life. As this becomes more widely seen to be the truth, there will be popular demand for practical reform and we might wonder what is the best means of achieving equity.

The co-opting of the state to the task of instituting that equity in our enjoyment of our birthright may not necessarily be the right solution. It is by no means certain that 'government' is the proper clearing house of the common dividend of life.

It seems possible that new and dedicated social institutions will emerge for the purpose of manifesting that new understanding and popular demand, and for realising the necessary new social functions. The Sky Trust (right) is one such proposal.

The Sky Trust

PROPOSED BY ENTREPRENEUR Peter Barnes, the Sky Trust is a new institution for social, economic and environmental purposes.

Neither a private nor governmental entity, it would sit within our social structure's civil sector. The Trust would be made up of an international board of trustees, with a minimal supporting secretariat and access to scientific and economic advice.

The Trust's purpose would be to ensure that a certain benefit of nature was shared equally among all. And at the same time reduce the greenhouse gas emissions currently threatening the world's climate.

The Trust would work as a 'cap-and-trade system' of pollution licensing, seeking to 'cap' pollution – by limiting the issue of pollution permits and allowing for the free 'trade' of those permits. Those who pollute less could gain by selling to those who pollute more. Permits are fixed term and the Trust collects their value set by the market through periodic reissues.

The Trust's operation would reduce climate-threatening atmospheric pollution through 'internalising' pollution's cost to the industry generating the damage – a cost presently 'externalised' from its balance sheets. Thus the sky's ability to absorb carbon emissions could be regulated. Pollution would never exceed that level from which the atmosphere could recover.

"Initial emission rights are given to a trust, which periodically sells them to polluters and distributes the revenue to all citizens equally," says Barnes. He views the Trust as "a scarcity rent recycling machine".

"We, the users, pay scarcity rent for the sky because it's scarce. We, the owners, then get back our share of the scarcity rent because we're the owners.

"The Sky Trust's mission would be to preserve the mix of gases in the sky [upon which life depends]. Its trustees would be accountable not only to citizens alive today, but also to citizens yet unborn. They'd have three legal responsibilities: to issue carbon burning permits up to a limit established [democratically]; to receive market prices for those permits; and to distribute the income equally [among all citizens].

"These responsibilities are consistent to a remarkable degree. In the event there were a conflict between the trustees' responsibilities, preservation of the sky would take precedence."

The Trust would offer an economic solution to a vast environmental problem. www.SkyOwners.org