

**Environment first
Profits second
Living within our means**

Ann Pettifor

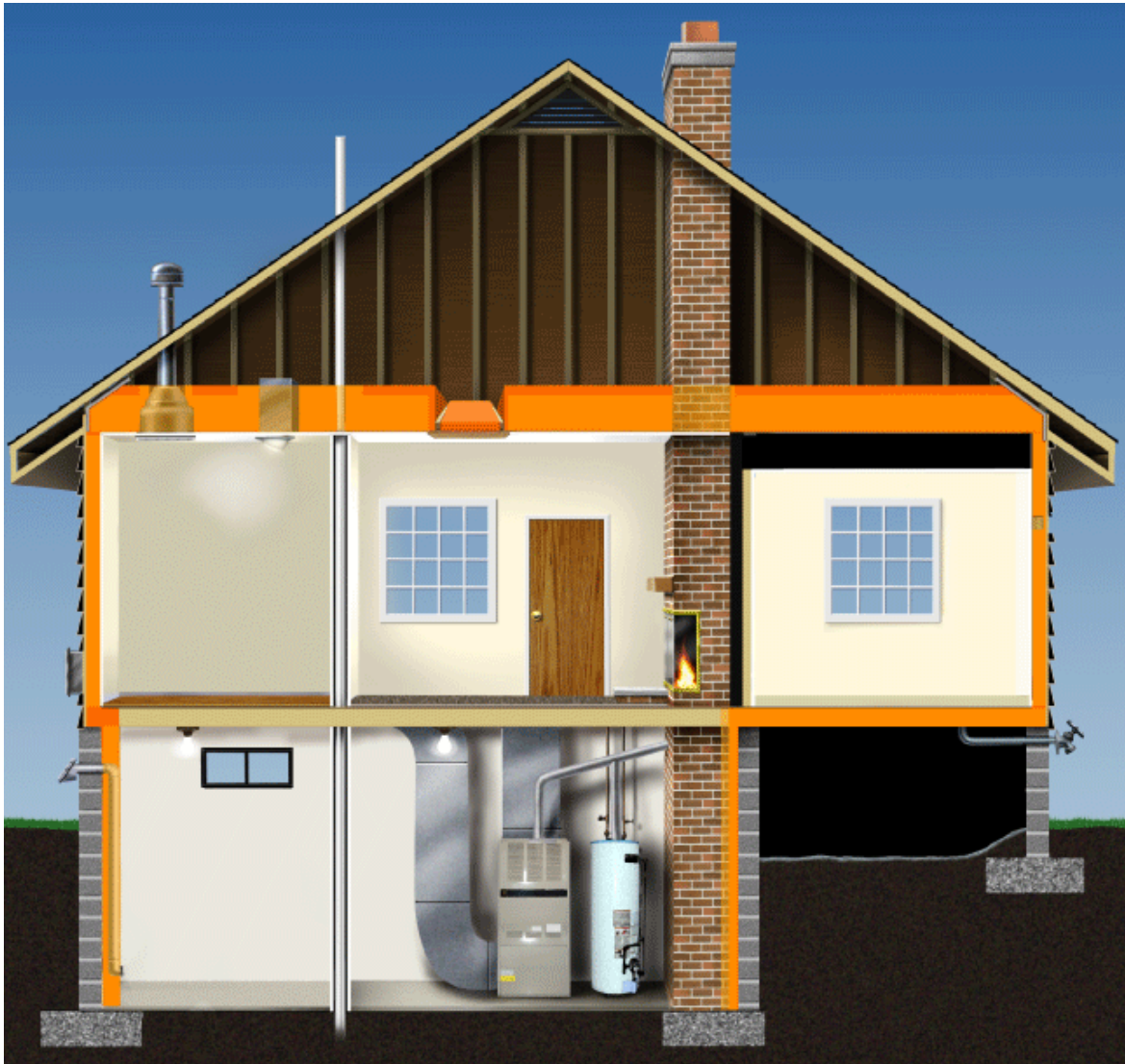
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ecobuild: 2 March 2010**

Ai

MAKING THE COMPLEX POWERFULLY **SIMPLE**



The Green New Deal



1. Every British home insulated



2. Green Collar Jobs



3. Every building a power station



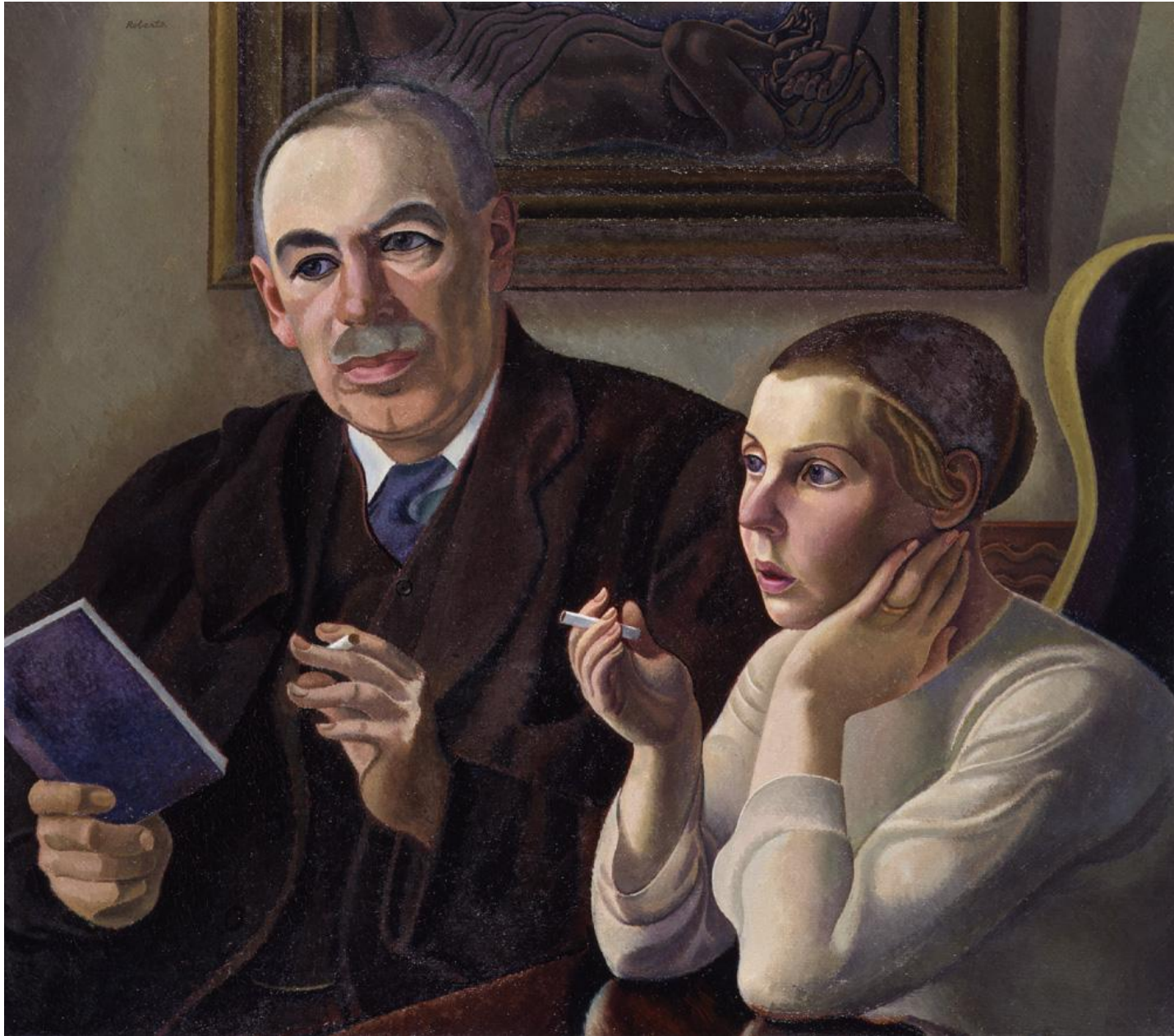
4. De-carbonise economy



5. Localise economy



6. Yes, we can afford the Green New Deal.



“We are capable of shutting off the sun and the stars because they do not pay a dividend.”

“The same rule of self-destructive financial calculation governs every walk of life.”

“Instead of using their vastly increased material and technical resources to build a wonder city the ..men of the 19th Century thought it right and advisable to build slums because slums, on the test of private enterprise, "paid"

“.....whereas the wonder city would, they thought, have been an act of foolish extravagance

.....in the imbecile idiom of the financial fashion, (it would) have "mortgaged the future"



Credit and the banking system



Ben Bernanke, Fed Reserve Governor, interviewed on CBS. 60 Minutes Show 15 March 2009, soon after Fed had made \$160 billion available to AIG. Was it tax money?

Bernanke: "It's not tax money. The banks have accounts with the Fed, much the same way that you have an account in a commercial bank."



Bernanke: “So, to lend to a bank, we simply **use the computer** to mark up the size of the account that they have with the Fed.”



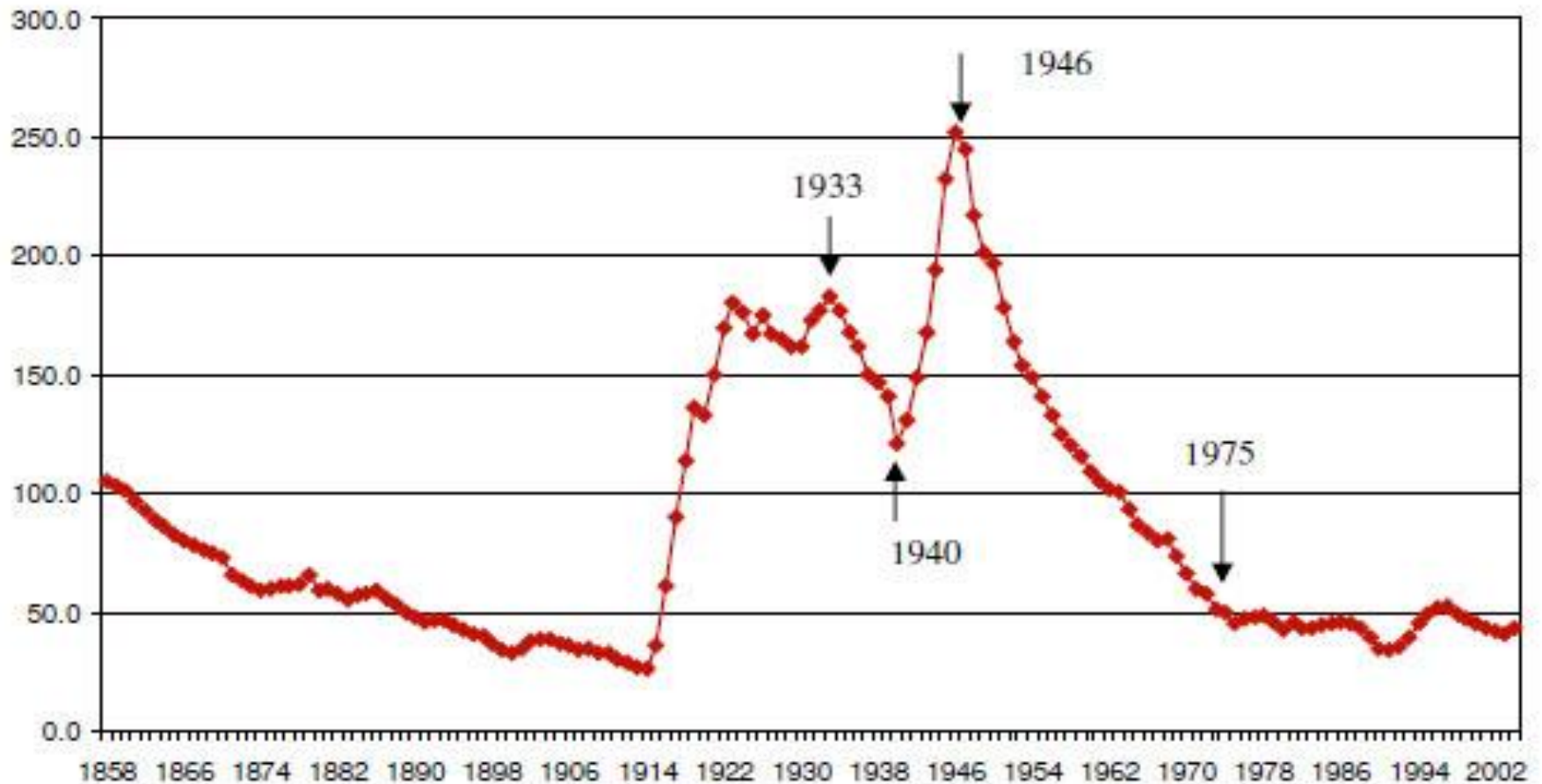
“Queasing” - since 1694

Queasing - “like buying a bigger belt in the hope of getting fat.”

Must be complemented with:

Demand - in the form of fiscal stimulus

Figure 6A: Public sector debt, UK, % GDP



UK Public Sector Debt % of GDP

Source: HM Treasury; public finances databank, Table A10
http://www.hm-treasury.gov.uk/d/public_finances_databank.xls

1946: Labour Govt Spending



NHS



Public Housing

Butler Education Act 1944



We need not shut off the sun....



***We can* afford the Green New Deal**

