# Peoples Sustainability Treaty on

# MONETARY TRANSFORMATION

Coordinator: **Frans C. Verhagen, M.Div., M.I.A., Ph.D., sustainability sociologist,**

**International Institute for Monetary Transformation**

[**www.timun.net**](http://www.timun.net)**;** [**gaia1@rcn.com**](mailto:gaia1@rcn.com)**;**

**New York City**

**22 May 2012**

**PREAMBLE**

1. Our present world is characterized by teetering economies, increasing inequalities and rising global temperatures. There is great distress, pain and angst during these times of great unease and high fluidity while at the same time, fortunately, there is a strong resurgence of people’s awareness of alternative futures as expressed in the Occupy movement, anti-austerity mobilizations throughout Europe, and budding springs such as the Arab spring.
2. Two important international statements have been used in analyzing this global situation in terms of the needs for an equitable, sustainable, and, therefore, stable international monetary system. They are: 1. The high-level Panel on Global Sustainability (GSP)’s January 30, 2012 Report entitled *Resilient People, Resilient Planet: A Future Worth Choosing* (RPRP); and 2. The 1992 NGO Treaty on “An Alternative Economics Model”. The May 2012 Zero Draft for the Rio Outcome Document is presently too preliminary to be included.
3. The GSP Report believes that “We are testing the capacity of the planet to sustain us" and points out that
   1. The number of people living in poverty is declining, but the number of hungry is rising.
   2. Inequality in wealth distribution is rising.
   3. Access to clean water is increasing, but 2.6 billion people still lack access to modern sanitation.
   4. By 2030, demand for food will rise by 50%, for energy by 45% and for water by 30%.
   5. Women are too often excluded from economic opportunities.
   6. The financial crisis was partly caused by market rules that encourage short-termism and do not reward sustainable investment.
   7. The current economic model is "pushing us inexorably towards the limits of natural resources and planetary life support systems.”
4. The GSP Report points to eight drivers of this mostly adverse global change: 1. impact of present production and consumption patterns and resource scarcity, 2. innovation, 3. demographic change, 4. changes in the global economy, 5. green growth, 6. increasing inequality, 7. changing political dynamics, and 8. urbanization.
5. Driver 4 dealing with changes in the global economy is of the greatest interest to signatories of this Treaty on Monetary Transformation because it could be expected to include a discussion of both global monetary and financial issues that are part of the global economic system. In paragraphs 38 and 39 the Report’s views on the global economy become apparent: “The interconnectedness of the global economy means that no country is immune to events in the larger global economy. At the same time, decision-making processes for managing the international economy are changing rapidly and now include new actors and dynamics (such as the creation of the Group of Twenty (G-20) and the Financial Stability Board, and IMF quota reform). Intense debate is re-emerging in many quarters about the balance between markets and regulation, and between citizens and the State. 39. The adverse effects of global economic crises did not end after 2008, but have instead become more multifaceted. Each of these crises has the potential to derail sustainable development through severe economic shock. They now encompass: (a) A sovereign debt crisis, rooted primarily in the Organization for Economic Cooperation and Development (OECD) economies but with far-reaching implications for every country because of foreign exchange holdings; (b) A financial crisis, seen in massively volatile asset prices and large unresolved accumulations of bad debts; (c) A growth crisis, seen in anemic growth in many countries and mounting concern about the possibility of what the International Monetary Fund (IMF) has described as a threatening downward spiral for the global economy; (d) A jobs crisis, with high unemployment across the world, especially among the young, and approximately 1.5 billion people in “vulnerable employment” with little job security and few, if any, employment rights; (e) A governance crisis, with national Governments often struggling to agree on collective action to manage economic risks, or on ways to improve regulation of the banking sector”.
6. Little attention in this global economic analysis is given to the systemic role of the inequitable, unsustainable and, therefore, unstable international monetary system with its expensive global reserve system, wide-spread currency disputes, manipulation and speculation, its volatile exchange rates and inadequate monetary and financial regulation.
7. However, the GSP Report points to the need “to integrate the economic, social and environmental dimensions of develop­ment so as to achieve sustainability”. It urges that though sustainability was clearly defined a quarter of a century ago, it “is time to make it happen. The opportunities for change are vast. We are not passive, helpless victims of the impersonal, determinist forces of history. And the exciting thing is that we can choose our future.”
8. To make this turnaround, the Report states: "We need to change dramatically, beginning with how we think about our relationship to each other, to future generations, and to the ecosystems that support us". It presents 56 recommendations that would, if implemented in full, have profound implications for societies, governments, and businesses. It points to the enormous challenge by observing that by “2030, the world will need at least 50 per cent more food, 45 per cent more energy and 30 per cent more water — all at a time when environmental boundaries are throwing up new limits to supply. This is true not least for climate change, which affects all aspects of human and planetary health.”
9. The Panel’s Report concludes that there are two possible answers. “They are both correct, and they are interrelated. Sustainable development has undoubtedly suffered from a failure of political will. It is difficult to argue against the principle of sustainable development, but there are few incentives to put it into practice when our policies, politics and insti­tutions disproportionately reward the short term. In other words, the policy dividend is long-term, often intergenerational, but the political challenge is often immediate.” The second answer is based upon the fact that “the concept of sustainable development has not yet been incorporated into the mainstream national and international economic policy debate. Most economic decision makers still regard sustainable development as extraneous to their core responsibilities for macroeconomic management and other branches of economic policy. Yet integrating environmental and social issues into economic decisions is vital to success.”
10. That is why the Panel argues that the international community needs what some have called “a new political economy” for sustainable development. This means, for example: “radically improving the interface between environmental science and policy; recognizing that in certain environmental domains, such as climate change, there is “market failure”, which requires both regulation and what the economists would recognize as the pricing of “environmental externalities”, while making explicit the economic, social and envi­ronmental costs of action and inaction.”
11. However, as shown in paragraph 14 and elsewhere, the Panel’s view might still be tilted toward a neo-liberal market-orientation when its states: “The scale of investment, innovation, technological development and employment crea­tion required for sustainable development and poverty eradication is beyond the range of the public sector. The Panel therefore argues for using the power of the economy to forge inclusive and sustainable growth and create value beyond narrow concepts of wealth. It exhorts in paragraph 17l: “Governments, markets and people need to look beyond short-term transactional agendas and short-term political cycles. Incentives that currently favour short-termism in decision-making should be changed. Sustainable choices often have higher up-front costs than business as usual. They need to become more easily available, affordable and attractive to both poor consumers and low-income countries.”
12. Consideration of the role of the international monetary system in the Report is minimal. It only recommends in paragraph 27, sections c and d: “ c. Reform national fiscal and credit systems to provide long-term incentives for sustain­able practices, as well as disincentives for unsustainable behaviour; d. Develop and expand national and international schemes for payments for ecosystem services in such areas as water use, farming, fisheries and forestry systems.”
13. Consideration of the Climate crisis in the Report is not made central in the concept of sustainable development, let alone being conceived in terms of climate justice.
14. On the other hand, Treaty 11 of the Rio 1992 NGO Sustainability Treaties dealing with “An Alternative Economics Model” is more radical in its analysis of the 1992 world situation which in many ways is still similar to todays. Most of these 1992 Treaty Recommendations are still valid today and are updated in the next section of this Treaty. Note how it refers to the international monetary system, transnational corporations (TNCs) that are almost completely lacking in the GSP Report. Note also that its recommendation for an international carbon emission tax as a funding mechanism for development can be considered a precursor to the carbon-based international monetary system proposed in this Treaty. The 1992 Treaty states: “Today, the world is marked by an interrelated crisis of environment and development. This crisis is rooted in the dynamics of an economic model which is centered on the pursuit of profits rather than the promotion of the welfare of communities. This system assumes the consumption of infinite resources in a finite planet. This model of development is particularly manifested as follows:
    1. The free market/free trade model legitimizes an economic order in which unbelievable affluence is the privilege of a few and globalized poverty becomes the common condition of humanity. It has led to destructive consequences such as poverty, disease, the devastation of the environment and people's cultures, and spiritual misery.
    2. The social, cultural, political and economic injustices in the international system, support the elites of both North and the South, and widen the gaps among classes, races and sexes. 80% of the world's resources are consumed by 20% of the population and 80% of global environmental degradation is created by the same 20%. The disparity in wealth, power and resources is also increasing. The concentration of wealth within the richest 20% of the population has jumped from 70.2% in 1960 to 82.7% in 1989.
    3. The neo-liberal State uses its power and violence to enforce and expand this oppressive economic system under the coordination of the authoritarian Bretton Woods institutions, particularly the World Bank, International Monetary Fund (IMF) and the General Agreement on Tariffs and Trade (GATT) (Replace GATT by WTO for the World Trade Organization and add the Bank for International Settlements (BIS)—FV), for the benefit of transnational corporations' growing monopoly and their control over the world resources. The Brundtland model of sustainable development will perpetuate this situation.
    4. Present expansions of the free-market/free trade ideology undermine the power of the States to formulate policies for the protection of natural resources and human livelihoods and transforms social relationships and eco-cultural and grassroots communities into mere economic variables.
    5. The patriarchal nature of the dominant industrial system has the effect of increasing the gap in power and income between men, on the one hand, and women and children on the other. For example, domestic work is not valued in the computation of Gross Domestic Product and data show a marked difference in the compensations of women and men for the same work done.
15. The signatories of the 1992 Treaty commit themselves to “Work to establish a carbon emission tax in all nations where the average emission is one ton or more per person and apply the tax revenues to a fund for the development of alternative technologies to be shared worldwide.”
16. Like the 1992 Alternative Economics Treaty, the Monetary Transformation Treaty contains the following sections: a Preamble, Principles, Main Elements, Strategic and Tactical Action Plan, Implementation Mechanisms and Follow-up.

**PRINCIPLES**

1. The 1992 Treaty’s vision of the alternatives to the current economic model is grounded on the following principles:
   1. “9. The fundamental purpose of economic organization is to provide for the basic needs of a community, in terms of food, shelter, education, health, the enjoyment of culture, as opposed to a concentration on the generation of profit and on the growth of production for its own sake. Economic life must also be organized in such a way that it enhances rather than destroys the environment and safeguards natural resources for the use of future generations.
   2. 10. An alternative to the current system must be based on indigenous, community-based, people-empowering models that are rooted in peoples' experiences, history and eco-cultural reality. This implies incorporating diversity of alternative production systems, decision-making processes and technologies, especially those drawn from indigenous peoples and peasant communities.
   3. 11. An alternative economic model must recognize and institutionalize a central and equal role for women in shaping economic life.
   4. 12. An alternative economic model should be based on the relative self-sufficiency of communities, regions and nations, rather than on free trade, the world market and large domestic and transnational corporations as the central institutions that determine production and distribution.
   5. 13. Economic life must be informed by bottom-up development strategies, in which people and communities have the power to make economic decisions that affect their lives, in contrast with the dominant model which marginalizes grassroots communities and fosters international economic relations in which the center subjugates the periphery.
   6. 14. One of the central ethical foundations of an alternative economic model is the interdependence of all peoples and the interdependence of peoples and communities and the non-human material world. This interdependence demands a system of sharing resources based on autonomy, equality, participatory democracy and solidarity. As members of a community, individuals must also take responsibility for living within the limits of the earth's resources, in contrast with the Northern model of excessive consumption.
   7. 15. Human and economic development indicators should no longer exclusively or principally reflect material growth and technological advance but must take into account individual, social and environmental well-being. Such indicators would include health, gender equalities, unpaid family work, equalization in the distribution of income, better care of children and the maximization of human happiness with minimal use of resources and minimal generation of waste.
   8. 16. In an alternative economic system, the state will be transformed from being chiefly a facilitating agent of the present economic system that is dominated by domestic and transnational corporations, into a mechanism that genuinely represents and serves the people's will and promotes a strategy of relatively self-reliant, community-centered development.
2. Though the principles of the 1992 Treaty can be readily accepted by NGOs and social movements, they do not include monetary principles because a focus on the international monetary system in 1992 was absent and therefore not expressed in the Treaty. Thus, the value of monetary justice will be introduced as part of a carbon-based international monetary system, presented below, will be an additional principle to the 1992 Treaty principles.
3. It is also the emphasis on equity, though not of the monetary justice sort, that is at the core of the GSP RPRP Report such as expressed in paragraph 17(e). “Equity needs to be at the forefront. Developing countries need time, as well as finan­cial and technological support, to transition to sustainable development. We must empower all of society — especially women, young people, the unemployed and the most vulnerable and weakest sections of society. Properly reaping the demographic dividend calls on us to include young people in society, in politics, in the labour market and in business development.”
4. A second principle emphasized in the RPRP Report is the need for global coherence, particularly in the financial sector. “229. While sustainable development is fundamentally about recognizing and acting on interconnections, its three so-called pillars — economy, society and environment — have too often become silos themselves, with a lack of coherence even within them.230. In terms of economic policy, effective collaboration between finance- and economy-related ministries, central banks and international institutions cannot be taken for granted. The global financial crisis may have a positive effect in this regard, with the Financial Stability Board playing an important role in fostering cooperation and reforming the financial sector in order to make it more resilient. The reforms needed include ensuring greater transparency in the financial markets, filling gaps in the regulation and supervision of some financial products and activities, and ensuring that banks hold capital reserves appropriate to the risk to which they expose themselves.”
5. A third principle in the GSP Report that signers of the Treaty can agree with, is the Report’s emphasis on transparency. “243. The sustainable development goals will have to be agreed upon by Governments, and their elaboration, along with the formulation of the necessary targets and indicators, will require an open, transparent and inclusive process drawing on diverse expertise, experience and geographic representation, as well as on the experience of the Millennium Development Goals.”

**MAIN ELEMENTS OF A CARBON-BASED INTERNATIONAL MONETARY SYSTEM**

1. The monetary components of carbon-based international monetary system called the Tierra Fee & Dividend (TFD) system, or the Tierra Solution, are fully presented in the second part of the publication entitled *The Tierra Solution: Resolving the climate crisis thorugh monetary transformation .*  A very brief description of its monetary architecture is presented here.
   1. A 21st century *monetary standard* is needed to deal with the international monetary mess and with this century’s greatest challenge of climate change, so that this carbon-based monetary standard presents a monetary system way to deal with the climate crisis and provides stronger motivation by governments and civil society to pursue climate stability. A gold standard, be it a pure or flexible one, is not feasible due to the limited supply and fluctuating prices of gold. On the other hand, a carbon standard to address climate crisis and advance sustainable development is not only possible, but feasible as it can be based on a very specific tonnage of CO2e per person derived from a nation’s carbon footprint which can be determined by the use of a proximity formula consisting of an integrated set of several global environmental indexes;
   2. The acceptance of a carbon standard leads to carbon-based *currencies* with its two options: (1) national convertible currencies based upon the standard with the Tierra as unit of account, or (2) a carbon-based international currency, the Tierra, that by definition is convertible. Either currency option would negate the need for the expensive and unjust *global reserve system* that costs some $100 billion annually paid by non-hard currency, or mostly developing countries. Following the 2009 UN Stiglitz Commission’s recommendation, the *U.S. dollar*  would be replaced by Special Drawing Rights (SDRs), but as proposed here ultimately by carbon-based national currencies or the international currency of the Tierra;
   3. The acceptance of the carbon-based national currencies or the Tierra global currency would drastically diminish fluctuations in *exchange rates* and also drastically reduce currency speculation given that those national currencies only fluctuate minimally within a certain preset band;
   4. Both financial and ecological credits and debts are settled using the *Tierra Balance of Payments*, providing ample room for negotiated settlements of debts and credits between countries, given that, generally speaking, the financial debtor nations in the South are at the same timethe ecological creditor nations to the nations in the North;
   5. The above monetary architecture would be administered by the *Global Central Bank* which would also monitor and regulate financial flows of TNCs and the fiscal policies of its membership and, most importantly, spend money or credit into the global economic system based upon the needs of its member states, maintaining its sole right of creating money and thus reclaiming the money creation function from privately-owned banking systems;
   6. The establishment of a *Global Monetary Court* would provide access to government, business and civil society if other institutions were unable to settle monetary, financial, economic or commercial disputes.
2. The *importance* of such a carbon-based international monetary system can been deducted by considering its presumed impacts, for instance, on the following five global systems:
   1. Monetarily: it presents a monetary standard which makes the international monetary system more equitable, sustainable and, therefore, more stable;
   2. Financially: humanity does not have to suffer anymore from the strains of a financial system that is based on debt and scarcity, but can be amply provided by liquidity in an international financing system that is based on money/credit and plenitude;
   3. Climatologically: by having the level of decarbonization of a society determine the health of a nation’s economy and currency the climate crisis is positioned as the central challenge of the 21st century;
   4. Commercially: gone are the needs for forward currency contracts and their billions of costs, because stable currencies and fixed exchange rates make them unnecessary;
   5. Institutionally: because of the basic nature of the international monetary system as glue and lubricant of the monetary, financial, economic and commercial systems, a transformed international monetary system such as the TFD is able to function as a framework for global governance or for a sustainable development framework that is being pursued by the Rio 2012 Earth Summit and that was first presented at the UNITAR/Yale Conference on Global Governance in September 2010; such global governance can now be guided by a carbon-based international monetary system that is based upon the central value of monetary justice described in article 29 below.
3. Its *relationship to the financial system*: though central banks often deal with monetary and financial matters simultaneously, the monetary policies of the Global Central Bank, which is the central bank of national central banks, is to be distinguished from its financial policies which to a far greater extent would be determined by the financial needs of its member states.
4. Its *relationship to the banking system*: the privately-owned banking systems become utilities with 100% reserve requirements, i.e. they cannot engage in money creation.
5. The above carbon-based international monetary system:
   1. Was *initiated* by the International Institute for Monetary Transformation following the financial catastrophe of the fall of 2008 and the increasing climate change threat during the last two decades;
   2. Was *supported* by Maurice Strong of Earth Summit fame in 1972 and 1992 who believes that a monetary system based upon carbon is “innovative” and possibly can function as an alternative framework for a post-Kyoto Protocol (October 2009); by author Bill McKibben of 350.org who considers the Tierra Solution “one of the few remaining alternatives” (Fall 2010) and the Declaration of the DPI/NGO Bonn Conference of September 2011 which advises governments in line 265 “To Rethink the international monetary system to be based upon a carbon standard”; by the Stakeholder Forum who accepted the Tierra Fee & Dividend System as one of its ten “thinkpieces” as part of preparation for Rio 2012 Earth Summit; by the CoNGO Sustainable Development Committee’s recommendation to the Rio Summit, stating “Have nations consider making monetary justice in its transformational sense the guiding principle for their deliberations in respect to sustainable communities development.
   3. Is to be considered as a *monetary transformation* rather than a reform at the fringes of the international monetary system;
   4. Is to be considered as the *Great Monetary Transformation* that is part of humanity’s third revolution of sustainability after the earlier agricultural and industrial revolutions.
6. The *prospects* of monetary transformation as proposed in the Tierra Fee & Dividend System are difficult to assess given its transformational nature and the global economic and financial condition: the greater the worsening of the latter the stronger the prospects of the former.
7. *Values and value-based planning* are increasingly emphasized in the formation of normative frameworks for global systems. Thus, a transformed international monetary system needs a value-base that is realistic, coherent and inspiring. The suggested central value or guiding principle for the TFD or the Tierra Solution is one of monetary justice.
8. Due to the unjust nature of the present international monetary system, called criminal by Robert Mundell, a Nobel Economics Prize Winning professor at Columbia University, a future international monetary system is to be based upon a type of *monetary justice* that also includes the other more commonly understood types of justice: social, ecological, procedural, intergenerational. It is this integrated notion of monetary justice that can function as a guiding principle of Global Governance or of an Institutional Framework for Sustainable Development that is being pursued by Rio 2012 Earth Summit process. It is this guiding principle of monetary justice that underlies the international petition at <http://www.change.org/petitions/g20-and-rio-summitteers-make-monetary-justice-the-basis-of-your-negotiations>, the recommendation presented in [www.RioDialogues.org](http://www.RioDialogues.org) and is fully discussed in Chapter six of the Tierra Solution book, published by Cosimo Books in May 2012.
9. The GSP report observes: “44. While the principle of equity remains fundamental to sustainable development, disputes about how to apply it in practice mean that it has often been a stumbling block in international relations rather than a core principle for sustainable institutional design in an interdependent world.” Perhaps, one of the reasons for equity as a stumbling block is due to unclear, disjointed notions of justice on account of the lack of integration of its various modalities.
10. One of documents that integrates the social and ecological values of justice is the Earth Charter. It is one of the foundational documents of the monetary justice principle that forms part of the contextual sustainability framework (CSF) that underlies the Tierra system as explained in the aforementioned Chapter 6.

**STRATEGIC PLAN OF ACTION**

1. Two main approaches have been identified to have the TFD accepted: a bottom-up grassroots approach by Civil Society and the top-down approach by focusing on the various entry points of the United Nations system. In both approaches *The Tierra Solution book* will be used as a main organizational tool.
2. The final outcome of the UN approach is the passing of a General Assembly (GA) Resolution that would establish the UN Commission of Experts on Monetary Transformation, Climate Change and Sustainable Development. Preliminary steps in accomplishing this is by illustrating the various inputs that can be made into the Rio 2012 Earth Summit process:
   1. In the discussion of Sustainable Development Goals (SDGs) where the Monetary Transformation goals can be phrased as: “Rethink the international monetary system to be based upon a carbon standard” as suggested in line 265 of the DPI/NGO 2011 September Conference in Bonn, Germany;
   2. In the discussion of the integrated framework for global governance or the institutional framework for sustainable development which is supposed to be comprehensive, reflecting equally the economic, social and environmental dimensions of sustainable development and the interconnections between them;
   3. In the discussion of the green economy where a carbon-based international monetary system would be most potent motivator for green economies, given its emphasis on decarbonization and the introduction of renewable energy technologies;
   4. In the many discussions dealing with the financing for development (FfD), for the Climate Fund and for many other UN programs, showing the opportunity for ample funding as opposed to the scarce financial resources that are now available;
   5. In the efforts of the 40+ nations that make up the Global Governance Group to have the Summit decide about convening a UN Conference on Global Governance in 2013 where proposals such the Tierra Solution could be evaluated;
   6. In the discussion of the GSP Report’s Recommendations 52 and 53 dealing with the Global SD Council. “263. Governments should consider creating a global sustainable development council to improve the integration of the three dimensions of sustainable development, address emerging issues and review sustainability progress, with meetings held on a regular basis throughout the year. This body could be a subsidiary organ of the General Assembly and would replace the Commission on Sustainable Development. It would need to have a broad geographical and political membership and to fully engage relevant international institutions — including United Nations agencies and the international financial institutions — and non-State actors from civil society, the private sector and science. 264. Such a council would develop a peer review mechanism that would encourage States, in a constructive spirit, to explain their policies, to share experiences and lessons learned, and to fulfill their commitments.” Once such a Global SD Council were to be established, its cooperative and substantive nature could evolve into the next phase of a Global Central Bank with its carbon-based monetary architecture**.**
3. The *bottom-up approach* to have the Tierra System accepted is the challenge of Civil Society in at least six different areas:
   1. Other NGO sustainability treaties are to include the monetary dimension any time financial and economic issues are discussed in their treaties;
   2. In the discussions and negotiations of the NGOs and social movements after the completion of the official Rio 2012 Earth Summit the Tierra system could become part of a general comprehensive framework that would underlie the planned Widening Circle Movement proposed by Tellus and other CSOs;
   3. National Tierra Solution Working Groups are to be established in order to engage in research, education and action, particularly the activity of having their national governments support the above GA resolution;
   4. Given that many global and national civil society organizations and movements are breaking out of single-issue portfolios and searching for more cross-cutting agendas, they would be well positioned to incorporate the objectives of the transformed international monetary system of the TFD;
   5. Take the opportunity proffered in the GSP Report which considers in article 226 the “critical new governance challenge” to bring non-State actors, including the private sector and civil society organizations, closer to the heart of decision-making at the international level. “Giving them a place at the table in consultation and decision-making processes is especially important in the area of sustainable development, where successful solutions depend on harnessing the commitment and resources of a wider set of players. These organizations have crucial roles to play in influencing and implementing sustainable development at both the national and global levels, as well as the potential to open up more political space for sustainable development.”
   6. Develop a media strategy, particularly by the wide use of social media.

# TACTICAL PLAN OF ACTION

1. Based on the above strategic vision, we the under-signed in our own capacities or as representatives of NGOs and social movements at the NGO Forum of the June Rio 2012 Earth Summit commit ourselves as did our 1992 colleagues to:
   1. Return to and identify ourselves with our grassroots communities in order to realize community collective self-reliance and establish alternative community-based economic ( add: financial and monetary) models.
   2. Build mutually empowering mechanisms and institutions to establish the alternative economic (add: financial and monetary) order.
   3. Participate in building a people's environment and development movement, starting from an alliance of bio-regional networks to a global solidarity.

**COMMITMENTS**

1. Specifically, we will
   1. Commit to the activities and timeline of the Sustainability Treaties Movement as expressed in the Appended Table below
   2. Advocate that *UNEP establish a Technical Committee* of Experts in Monetary Transformation, Climate Change and Sustainable Development who would evaluate carbon-based international monetary systems such as proposed by the International Institute for Monetary Transformation’s Tierra Solution.
   3. Advocate to have the transformed international monetary system dimension become part of the agenda of the *technical committee proposed in the GSP report* which is tasked “To measure progress on sustainable development, a Sustainable Development Index or set of indicators should be developed by 2014. To this end, the Secretary-General should appoint a technical task force, including relevant stakeholders.”
   4. Advocate the adoption of the Sustainable Development Goal of “Rethinking the International Monetary System to be based upon a carbon standard” as expressed in line 265 of the DPI/NGO Bonn Declaration of September 2011and to have monetary justice be included, preferably as a guiding principle, in the *2015 Global Framework* proposed in paragraph 48 of the GSP Report where “Governments should agree to develop a set of key universal sustainable development goals, covering all three dimensions of sustainable development as well as their intercon­nections. Such goals should galvanize individual and collective action and complement the Millennium Development Goals, while allowing for a post-2015 framework. An expert mechanism should be established by the Secretary-General to elaborate and refine the goals before their adoption by United Nations Member States.”
   5. Advocate a similar inclusion of a transformed international monetary system and its guiding principle of monetary justice in the mission statement of the Sustainable Development Council, proposed in the Report’s paragraphs 52 and 53 as mentioned in article 33, d;
   6. Commit to have members of our networks become signatories of the international petition to G20 and Earth Summit negotiators on monetary justice as a guiding principle as expressed in paragraph 29;
   7. Collaborate and network with NGOs that are engaged in activities that promote
      1. *environmental sustainability,* such as The Stockholm Resilience Center which has proposed a framework of “planetary boundaries” designed to define a “safe operating space for humanity”. Its total of nine boundaries—climate change, rate of biodiversity loss, biogeochemical flows (both nitrogen and phosphorus), stratospheric ozone depletion, ocean acidification, global freshwater use, change in land use, atmospheric aerosol loading and chemical pollution—are areas where a carbon-based international monetary system can make a major contribution, particularly the financing of their related programs.
      2. Accountability of the *Bretton Woods institutions* and the critical assessment of the so-called 'economic development models' dominated by *transnational corporations.*
      3. The elimination of *international debt* and to dismantle the unjust system that perpetuates international debt creation, emphasizing that financial and ecological debts can be settled in a modified balance of payments system that is an essential part of the Tierra carbon-based international monetary system.
      4. Support the 1992 NGO Alternative Economics Treaty when it stated: “We demand the payment of the *environmental debt* which the rich countries have incurred with the poor countries. This payment will ensure that all society benefits from clean, environmentally sound technologies, to support ecological industrial transition policies for both the north and south, readdressing the existing industrial economic model.”
      5. The restructure and redirection of the World Trade Organization to work toward creating a *global trading system* that is fair, free and frugal and that serves the interests of all people, as well as promoting local self reliance and community-based enterprises.
      6. The reduction of *military budgets* in all countries, and the abolition of the international sale of military weapons, transferring these budgetary resources into socially and environmentally appropriate purposes in both the North and the South.
      7. Drastic reductions in energy consumption and excessive consumer lifestyles, while encouraging local-regional maintenance economies, centered on *sufficiency and frugality*.
      8. The development of *new socio-economic relationships* that are non-exploitative and that regenerate cooperative customs which protect communities and their environments. These customs and institutions will be supported by the mobilization of voluntary exchange programs at all levels.
      9. The *development of alliances* that build and strengthen solidarity with and among workers (e.g. for better salaries and working conditions), urban poor (e.g. for drinking water and sewage facilities), rural laborers (e.g. land reform), women (e.g. equity and political participation) and indigenous communities which are threatened with displacement.
      10. Advocating a *development fund for the South* in which Southern nations and people play a central role and in which all information about development projects and decision making processes that select and evaluate technologies is made transparent.

**FOLLOW-UP MECHANISMS**

1. Subscribe to email of International Institute for Monetary Transformation which is coordinating the effort for refining, developing and implementing the Tierra System and other coordinating organizations such as <http://globaltransition2012.org/2011/12/the-great-monetary-transition> /
2. The NGOs and Social Movements will organize in a decentralized, horizontal and democratic way at all levels: local, national, regional and international, where coordination should develop in the context of actions.
3. Although the alternative models will be autonomous and self regulating at all levels, networking structures as suggested below are imperative to insure accountability and transformative impact and coordination with other treaty networks.
4. Because the Alternative Economic Models Treaty process incorporates the alternative development model as does the Tierra system for an alternative international monetary system, it is important that the treaty be given a central place in the entire Global Forum alternative treaties follow-up process.
5. The follow-up process for alternative economic models, and for this transformed international monetary system will be an open and porous networking which will:
   1. identify innovative experiences of developing alternative economic, financial and monetary models, networks and networks of networks
   2. convene, in cooperation with these existing networks, working groups that pursue alternative experiential and theoretical models that can be diffused to and evaluated by community based groups sponsor, in cooperation with any interested group, national, regional and international forums, which promote, refine and actualize the Alternative Monetary, Financial and Economic Models Treaty.
   3. In order to continuously represent the evolving alternative economic model treaty process at the international inter-treaty level, we need to develop mechanisms that *keep this model before all of the other treaties*. We therefore propose as a possible governance mechanism that:
      1. Each treaty team will designate six representatives one for each of the following regions: America Latina, Africa, Asia, North America, Europe and Australia and Pacific Isles to a new NGO and Social Movements Assembly.
      2. This assembly will elect from its membership an international coordinating committee, with representation from all regions.
      3. A parallel interlocking network structure will be established at all levels.
6. In paragraph 18 the GSP Report expressed a belief that also underlies this Monetary Transformation Treaty. The Panel “believes it is within the wit and will of our common humanity to choose for the future. This Panel therefore is on the side of hope. All great achievements in human history began as a vision before becoming a reality. The vision for global sustainability, producing both a resilient people and a resilient planet, is no different. ”

