

Declaration of Purpose of the Independent Constitutionalists UK (ICUK)

(www.icuk.life)

Towards a

PEOPLE'S POLITICAL-ECONOMY OF INCLUSIVE TRUSTEESHIP

ICUK is a movement and political process to create a Constitution for the UK that instils integrity into Parliamentary debates, offers citizens participative representative democracy, voters a proportional electoral system and the people the means to build a just economy that reduces inequality and conserves and replenishes planetary resources.

This Declaration is intended to be used as a meta-narrative and source of inspiration for the preparation of individual Constituency Manifestos by Constitutionalist and other [Independent \(1\)](#) parliamentary candidates, who, sharing these principles, values and goals and by reason of their competence, integrity and civil experience shall stand in future elections.

PREAMBLE

*Democracy is the art of thinking independently together –
in the UK there is a way of making it achievable*

It is our belief that moral purpose, trust and belonging are the essence of social being, that the way we are governed is a matter of concern for every citizen and that entitlement to rights entails shared responsibility for the collective creation of the means for their enjoyment. We aim to use the system, to become the system, to change the system, to recover trust.

Our elective representative democracy in Westminster has ceased to represent the interests of the people adequately. Successive Acts of Parliament that have created our uncodified constitution have failed to ensure that the centralised decision-making power accorded to Parliament justly expresses the [will of the people \(2\)](#).

This democratic deficit is revealed in three ways. Many voters find it difficult to question the truthfulness of political claims in the mainstream and social media. The first-past-the-post electoral system can result in the votes cast bearing little resemblance to the party-political complexion of parliament and in MPs representing a minority of constituency residents. Winner-loser competition between political parties generates tribal loyalties which combine with lobbying pressures causing MPs to disregard the opinions and needs they hear from their constituents.

Voters thus feel powerless and angry. Governing the country in these confrontational and ritualized ways is not in keeping with the behaviour of the people around them. Most people are remarkably social and unselfish. They cooperate more often than create discord, and volunteer supporters of beneficial causes are not hard to find in streets and villages across the country.

Trust in politicians has thus been severely eroded by this stark contrast. But these negatives can be redeemed by groups of constituency citizens using the system, to become the system, to change the system, to recover trust, and by invoking [People Sovereignty \(3\)](#) underpinned by the notion of [Constitutional Supremacy \(3\)](#) entrenched in a **Written and Living Constitution**.

We therefore propose:

I. SYSTEMIC POLITICAL REFORM

1. That the prevailing "**elective**" representative democracy whereby citizen participation is confined to voting in local or general elections at distant intervals be replaced by "**participative**" representative democracy. This combines the ongoing involvement of citizens in the management of public affairs with genuine bottom-up representation, mandated and accountable.
2. That current adversarial, bipolar party-politics and the winner-loser point-scoring Westminster culture should now give way to agreement and consensus creation by independent MPs - **loyalty to constituents** must take precedence over party allegiance and compliance with party disciplines.
3. That in future elections constituents ask candidates if they accept [an ethical code \(4\)](#) for elected representatives.
4. That, in light of their comparative advantages, the processes whereby, at whatever level, representatives can be selected for or removed from office - election, sortition (selection by lots), combinations thereof, rotation, renewal and recall - be the subject of in-depth public debate and scrutiny. In this way, **functional structures**, mandated and accountable, based where possible on time-limited allocation of responsibilities, can be made to replace the **fixed hierarchies** that cause status-creation and corruption.
5. That the existing First-Past-the-Post electoral system be reformed as a matter of urgency and moved toward **proportionality**, thus to obtain greater correlation of votes cast with the resulting representation.
6. That henceforth in all elections and, where resorted to, in [referendums \(5\)](#), the people be **responsibly** prepared to make informed choices before voting.
7. That the franchise for all elections and referendums be a [settled residency \(6\)](#) period for citizens aged 16 years and over.
8. That, where decision by simple majority vote is stipulated, constitutional checks and balances combine with adequate citizen preparation to protect minority interests.
9. That a [fair political-funding \(7\)](#) system for the preparation of elections and referendums be established that upholds the « one person one vote » principle and prevents the unfair use of personal and/or institutional wealth to leverage political influence.

II. A WRITTEN CONSTITUTION FOR THE UK

10. That the principle of [Parliamentary Sovereignty \(8\)](#) (of undemocratic origin) by which we are currently governed be replaced by that of **People Sovereignty** underpinned by **Constitutional Supremacy** and entrenched in a **Written and Living Constitution**.
11. That the initial purpose of Constitutionalist and other Independent MPs when elected to Parliament, either through occupancy of a majority of seats or of a significant proportion thereof, shall be to work for:
 - (a) responsible preparation and holding of a referendum on whether the people of the United Kingdom wish to continue with parliamentary sovereignty or adopt people sovereignty underpinned by a new principle of constitutional supremacy; and
 - (b) if the latter, establishment of an **Advisory Constitutional Convention**, whose task shall be, through widespread citizen participation combined with expert opinion, to advise the Westminster Parliament and government on the drafting of a new Constitution.

12. That said Draft Constitution make provision *inter alia* for:

- (a) the existing Supreme Court to act henceforth as a **UK Constitutional Court or Council**, empowered with major new constitutional responsibilities, including power to declare unconstitutional and therefore invalid any laws that violate the Constitution ;
- (b) special procedures for amending the Constitution's provisions;
- (c) clear specification of the roles and functions of the branches of government and of civil society;
- (d) expression of the shared values of the people of the United Kingdom, and of the principles of true democratic self-governance, thus serving as a compass to guide the people in their moral aspiration and direction of political travel;
- (e) following public deliberation, the adoption of the said Draft Constitution by the people of United Kingdom in a responsibly prepared referendum and subsequently its enactment into UK law by Act of Parliament;
- (f) inclusion in the voting papers for said referendum of adoption of an option for continuation of the House of Windsor as titular head of the United Kingdom following its oath of allegiance to the Constitution.

III. SYSTEMIC RENEWAL OF THE POLITICAL ECONOMY

13. That Independent parliamentary candidates, supported by constitutional change and constitutionally established citizen participation, shall campaign for the creation of a **People's Political-Economy of Inclusive Trusteeship (9)** which upholds the values and principles set out in this Declaration. Further, said process of creation shall include democratic scrutiny and citizen deliberation of *inter alia* the policy options set out hereafter:

- (a) **Economic Sanity** Whereby the production and distribution of goods and services is organized according to planetary sustainable patterns (e.g. the **Circular Economy (10)**);
- (b) **Measuring Economic Efficiency** Replacement of GDP as a measure of the UK's wealth by the UN's Inequality-adjusted Human Development Index (IHDI), and other metrics such as the Inclusive Wealth Index (IWI);
- (c) **Economic Inclusion & Distributive Justice** Building social justice into the process of wealth and value creation through inclusion, thus enabling people to benefit directly from this process as opposed to having to rely on benefits downstream.

(d) Reform of the existing Monetary System (11) and renewal of Public Oversight of Finance

Convinced that the current financial and monetary “mess” is the result of almost 40 years of dominant economic thinking that (1) money, finance, and markets are neutral, and know best; that (2) banking and finance should be unconstrained, and (3) that central banks and governments should simply step out of the way, Constitutionalist propose:

- **Promotion of public understanding** of money, banking and finance and their uses, which releases the latter from the control of a supposedly “neutral” technocracy and exposes the poor understanding and misconceptions of classical and neoliberal economics;
- **Development of regulations** that make possible public control and oversight of finance so that finance serves people and the productive economy rather than the speculative interests of a minority;
- **Democratic deliberation towards consensus on**, among other issues: Money Creation • Credit/Debt • Interest • Central-Bank and Real Interest Rates • Monetary Financing (People’s Quantitative Easing) • a debt-free **Sovereign Money (12)** System •

Community Currencies • Credit Guidance and the respective roles of Public Finance Institutions and Private Banks • Government-supplied Safe Assets • and International Capital Controls.

(e) **Ecological Transition** Promotion of a healthy environment and of public awareness through inclusion, (e.g. **Democratisation of renewable energy production (13)**); **This provision is currently under discussion in the Strategy Forum .**

(f) **Reform of the existing Fiscal System (14) and Funding of Public Investment:** Knowing that one of the principal functions of government is the funding of public services through, among other sources of income, taxation, and convinced that governments must take the lead in developing effective tax regulation rather than relying on self-regulation and negotiation, Constitutionalists propose:

- **Promotion of public understanding** of location value, of land use and ownership, and of the concepts of “good” and “bad” sources of public revenue;

- **Democratic deliberation towards consensus on:**

- **An Annual Ground Rent or Land Value Charge** - a rental, that is, on all private land use (1) as a significant means of financing the public services to which that land gives access and (2) as a disincentive to property ownership for purely speculative purposes, in particular “land-banking” (the holding of land “out of use”);

- **Measures to ensure** the fair levying of “good” revenue raisers, and effective regulations to prevent global tax avoidance by individuals and multi-national corporations.

- **Public Investment** in the localisation and balanced regionalisation of public services: education, social care (including family support and services for older people), health, and social housing;

(g) **Social Responsibility** A requirement that companies, as co-creators of the country's wealth, declare their public benefit purpose and ownership obligations, and abide by them, thus diminishing their financial commitment to disconnected shareholding that limits their research, development and innovative capabilities;

(h) **Subsidiarity** Decisions affecting the lives and management of communities shall, where and whenever possible, be taken by those more directly concerned by the consequences of such decisions;

(i) **Regionalisation** In which over time capital cities, subregions and districts are granted statutory powers within boundaries that are formalised through participative referendums;

(j) **Accountability** All public institutions to be endowed each with its own charter, including **Trust Status** for public utilities such as the NHS and the BBC, the latter being required to support citizen deliberation prior to elections and referendums;

(k) **Equality** To the equal political and legal status of all citizens be added their right to equality of opportunity, irrespective of gender, sexual orientation, race, belief or other arbitrary form of discrimination;

(l) **Citizens' Rights** Extension of the International Bill of Human Rights (accompanied by a Citizen Code of Responsibilities), to include a commitment to life-long learning and quality of work. Democratic scrutiny of the idea of a **Citizen's Dividend (15)**;

(m) **The Commons** Prevention of all further sequestration and expropriation of public space and amenities, whereby to preserve existing commons as expressed in land and rights;

(n) **Education** In constitutional literacy, democratic practice and civics in all schools and places of education.

(o) **Big-Data, Technological Innovation and the Political Economy** The current rising-tide of digital and technological innovation is seen by some as a source of unbounded

opportunity, generative of new forms of political organization, as something upon which the survival of our species will ultimately depend. Others see it as immersive, intrusive, disruptive, inscrutable, beyond democratic oversight and ultimately destructive of what is valued in human society and even of human kind itself.

For Constitutionalist, however, three things are important:

(1) Technology is never deterministic, and can be used to create very different kinds of society. Deciding which of these to realise may well be the most important moral challenge humankind will have to face in the coming decades. Humanity has become a major agent in shaping the circumstances of its own existence, and for this reason if for no other, the decisions it makes in devising a future for itself within its planetary habitat will be matters of *political choice* and not of engineering or scientific inevitability.

(2) The survival of our species will depend not on *palliative* technological fixes but on *curative* systemic and mindset change, on our being able to move away from our current unsustainable, growth-based system that generates inequality and has humans competing with each other for increasingly scarce resources. It will depend, ultimately, on our ability to subject accelerating technological change to democratic control and oversight. An “ought” cannot be got from an “is” and just because something becomes possible does not mean that it is desirable. In other words, the grasp of our moral imagination must catch up with our technological reach.

(3) It is unlikely that of and in themselves digital eco-systems with their virtual connectivity will offer a new global civic space - a viable real-world structure of political organisation - capable of driving co-creative activism. Algorithm-based digital and robotic technologies will doubtless prove valuable tools in creating a better world, but only real-world participative deliberation can define and confer legitimacy on the ends that will make that world better.

IV. ADDITIONAL NOTE

Guidelines for consideration in creating the new constitution

The range of national constitutions around the world shows each one is crafted to suit the country's geography, history, population distribution, cultural traditions and political aspirations, normally with provision for amending its clauses over time. And they vary in forms of government and political systems on a scale from confederation through federation to regional integration, and even more decentralised devolution.

The Union of Great Britain and Northern Ireland is exceptional because it does not have a single codified constitutional document. But its rich tradition of incremental amendment by successive Acts of Parliament provides a base on which to build a codified constitution that offers moral progress, trust, and a sense of belonging.

Confederation - the functional coming together of sovereign equals - might well prove the desired future extension of this constitutional initiative, three of the four nations already having their own assemblies and cultural identities.

But account needs to be taken of emerging demands for more devolution - for instance from Greater London and Greater Manchester, Liverpool, Birmingham, etc., and from Cornwall (Mebyon Kernow), Yorkshire, the Northern region, the Channel Islands and the Isle of Man - whose constitutional integration may best be served through a federal, confederal or regional system of governance.

In short, the range of options is plentiful. But so also is the documentation available to inform future debates on constitutional change: not only from other countries but also from previous parliamentary debates in Westminster, particularly those from the 1960s onwards.

Editors' note: without being overly stipulative, the purpose of this Declaration, together with its Explanatory Notes, is to provide a clear and comprehensive statement of ICUK values and proposals. It is designed essentially for use by collaborating activist individuals and agencies and by Constitutionalist and other Independent parliamentary candidates in preparing their manifestos in future elections. It remains work in progress.

Explanatory Notes to the Declaration of Purpose

(1) Independent Non-adversarial Politics While mindful of their ongoing duty and commitment to promoting the values and principles enshrined in their country's Constitution, the first loyalty of Constitutionalist and other Independent parliamentary candidates would be to their constituencies whose interests they defend. Their function is essentially a representative one: they are mandated by their constituencies, to whom they remain accountable and by whom they can be recalled. This in essence is what Constitutionlists mean by *participative representative democracy* (ideas that are born of citizen participation and carried forward by representation to regional and national assemblies). It is the anchor of the independent non-party politics that ICUK is attempting to promote.

The advent of independent candidates in significant numbers, Constitutionlists are aware, would constitute a major departure from what exists. It would be a new way of doing politics that replaces party politics with what might be termed "issue-based" politics moved by real-world ideas and issues rather than by ideology. Independent representatives come to the parliamentary table (necessarily hemispherical in shape) with agendas and concerns as defined by their constituency committees and the like. Essentially thereafter, parliamentary business becomes, *first* the discovery or identification of common ground and shared purpose, and *second* the negotiation of consensus and compromise (a process that would include voting as a last resort) regarding what exactly is to be done and how. Groups and alliances of representatives with their spokespersons (necessary for practical purposes) would inevitably emerge from this process, but, in stark contrast to political parties thus far, such groups and alliances would be functional, flexible and time-limited.

What must unite Independent Candidates of whatever origin is a commitment to genuine democratic practice. Martin Bell's *10 Principles*, ICUK's *Guidelines for Collaboration* and Flatpack Democracy's *Ways of Working* all provide suggestions as to how this genuine practice can be achieved. All these methods basically involve reaching inclusive and consensual decisions by encouraging members of a group to keep objecting to a proposal until, between them, they produce an answer all of them can live with. Locally it's not hard to see it producing better decisions than the average local authority meeting. Scaling it up to regional and national assembly levels presents a formidable challenge, but one that Constitutionlists believe is well worth taking up.

(2) The "Will of the people" is the term frequently employed to describe the shared values and collective purposes of a community. The all-important question is however: how is the will of the people to be determined?

The "will of the people" is clearly not what, for example in Germany, the Soviet Union and Communist China, a series of dictatorial and totalitarian ideologues imposed upon their respective populaces during World War Two and subsequently. Nor was it what Mrs Thatcher, over the heads of many of her ministers and Parliament, said she was convinced she heard through her special ear, and even less what Tony Blair was reflecting when he took his country to war in Iraq. Indeed, the will of the people, that collective aggregate of individual reason, is not even what audimats, box-ticking opinion polls and market surveys - those trackers of individual preference - claim to inform us about.

For Constitutionlists, the "will of the people", *not being a discoverable given*, cannot by definition exist prior to the painstaking democratic process of collective enquiry, debate, discourse, deliberation and consensus-building that brings that "will" into existence. In other words, the "will of the people" is an act of purposive collective creation. Unless and until that ongoing articulative act begins to be accomplished, and the processes by which it is achieved enshrined in a written and living constitution and perpetuated by constant democratic practice, we risk being left with a political void. History has repeatedly shown how this void can all too easily be filled by the lies and manipulation of unscrupulous individuals and groups who, driven by self-interest, seek to divide, control and exploit, especially when the communities concerned are cowed by scarcity, deprivation and fear.

(3) People Sovereignty and Constitutional Supremacy People (or Popular) Sovereignty is the theory embracing the notion that all political power resides in the people but that the people *delegate* a defined measure of that power to a government to avoid the practical impossibility of making and enforcing laws themselves. This theory goes hand in hand with that of **Constitutional Supremacy** whereby the Constitution becomes the supreme law of the land and cannot, at least in its fundamental features, be altered save by wide popular consent. Constitutional Supremacy embodies the notions of (1) a constitution, written and accessible, that in principle *invalidates* any laws that are inconsistent with it, and (2) of *entrenchment* whereby the latter's provisions cannot, for example, be repealed by Parliament as at present under the principle of Parliamentary Sovereignty. Neither should the provisions of a constitution be altered by plebiscitary consent through majority vote without controls in the form of constitutional checks and balances. Such checks and balances, in turn, should be so designed that minority interests are protected and the enduring moral and ethical dimension of the settlement that the constitution sets forth be secure. For Constitutionalists, this includes "the shared values of the people of the United Kingdom and the principles of democratic self-government, so that the Constitution should serve as a compass to guide people in their moral aspiration and direction of political travel" (see Clause 12 (d) of our Declaration of Purpose). Finally, any such Constitution would need to recognize an enhanced role for public participation, for, as we have already suggested, under a reformed system, rather than government simply imposing its authority on the people, power will be delegated by the people to government with a remit, however broad or narrow, which reflects their "will". These, then, are the principles (which, incidentally, have been adopted by almost all other *democratic* states) underlying the constitutional settlement that our movement believes should now be established in the United Kingdom.

(4) An ethical code

Martin Bell's 10 Principles We will:

- abide wholeheartedly by the spirit and letter of the Seven Principles of Public Life set out by Lord Nolan in 1995: *selflessness, integrity, objectivity, accountability, openness, honesty and leadership*;
- be guided by considered evidence, our real world experience and expertise, our constituencies and our consciences;
- be non-discriminatory, ethical and committed to pluralism;
- be free from the control of any political party, pressure group or whip;
- make decisions transparently and openly at every stage and level of the political process, enabling people to see how decisions are made and the evidence on which they are based;
- listen, consulting our communities constantly and innovatively;
- treat political opponents with courtesy and respect, challenging them when we believe they are wrong, and agreeing with them when we believe they are right;
- resist abuses of power and patronage and promote democracy at every level;
- work with other elected independents as a Group with a chosen spokesperson;
- claim expenses, salaries and compensation openly so the public can judge the value for money of our activities.

These principles apply to personal integrity. Our strap-line reads: *We aim to use the system, to become the system, to change the system, to recover Trust*. Its reference to Trust extends these principles into the broader and more complex contexts of societal and global relations. Hence our insistence on articulation by companies of a Declaration of Public Benefit Purpose and on Charters for all public institutions (Provisions III. 13 (g) and (j) respectively of this Declaration).

(5) Referendums Constitutionalists believe that referendums have a place in participative representative democracy but their role is to complement it, not replace it. Their link to democratic legitimacy is tenuous and heavily conditioned. Far more than primary legislation, the outcome of a yes/no referendum leaves the content of the decision underdetermined, particularly when the question put to the people, as in the case of the EU referendum, affects an array of interconnected issues of law and policy. In most liberal democracies the use of referendums is strictly regulated by a written constitution that restricts the types of question that can be asked and the conditions under which they have a binding legal effect. The UK's

unwritten constitution lacks this robust constitutional architecture. The experience of the EU referendum is another blow to the argument that the UK has no need for a written constitution.

(6) Settled residency This note is under discussion in the Strategy Forum.

(7) Fair political-funding Constitutionalists believe that if one person's vote is not to count more than any other, then no one's money should either, and dethroning the billionaires and corporate and union funders would help to restore political power to where it properly belongs: with the people. This is the principle underlying a fair political-funding system. One example of such a system might be: every party would be allowed to charge the same membership fee (say £20). The state would then match it with a fixed multiple. All other funding would be illegal. If a party or movement wanted more money, it would need to attract more members. With Referendums, the state would provide an equal amount for campaigns on either side.

(8) Parliamentary Sovereignty Our current system of government is one where Parliament enjoys an absolute and unfettered right to make and unmake laws. It is based on an uncodified and largely informal "constitutional" settlement in which, following power struggles between a monarchy claiming absolute power and Parliament, all the spoils of victory went to Parliament. The people were left with little or no part to play. That situation has prevailed to this day, in spite of the advent of universal suffrage and the post-war establishment of the welfare state when the interests of the people began to be represented and taken seriously into account. In recent decades, however, citizen participation in governance has become increasingly confined to voting in local and general elections at distant intervals. The simple truth is that Parliamentary Sovereignty is of undemocratic origin in that the people of Britain have never been invited to vote on whether we should be ruled by a parliament which claims absolute sovereignty, let alone by a parliament which has become an arena where two major parties are engaged not in *representative* politics but in an adversarial *power* struggle, leaving the minority parties squeezed out and deprived of any representative influence. Electoral reform, which enjoys the overwhelming support of the people of the UK and which might be a step towards addressing this state of affairs, is one of its more obvious casualties. The choice at general elections has long ceased to be between the "pluralism" of two or more different sets of policy options. It has now become a choice between electing a party that wants to *retain* power and a party that wants to *gain* it. But power, since all other considerations appear to be irrelevant, to what end? The people, the only "estate" with a legitimate and democratic right to answer that question, has seen its voice and vote progressively confined to participating in what, not without reason, has been dubbed an "elective dictatorship". The Brexit referendum and its muddled aftermath illustrate the depth of our current constitutional crisis and just how confused people are about the *sovereignty* issue. Constitutionalists believe that a paradigm shift is now necessary and clarification long overdue: the unfinished business of wresting sovereignty from an absolute Monarch and transferring it to what has become an increasingly unrepresentative and backward-looking Parliament of undemocratic origin must now be completed. A forward-looking principle of People Sovereignty must now be constitutionally established and Parliament restored to its proper representative function.

(9) People's Political-Economy of Inclusive Trusteeship

People's because people will begin to hope and recover trust in society and in the political system only when they feel included in the latter, when it belongs to them, and when they have a meaningful part to play. For example, widespread participation in the framing and writing of a comprehensive Constitution will help people to recover commitment and understand how important are the themes of Trust, Solidarity, Devolution and Confederation. The antagonisms, mounting personal insecurities and abrogation of personal responsibility generated by the current system, must give way to mutual trust and cooperation. This change of attitude across society will be possible only if meaningful livelihoods are available to all, and if all are encouraged to '***use the system, to become the system, to change the system***'.

Political-economy because moral and social purpose must precede the economic means of their achievement. People are ends in themselves, not means to an end. They and the Planet they share with all other living species must be put before profit and mindless growth. Principled pragmatism must become the watchword of economic management.

Inclusive Trusteeship because, even though *Homo sapiens* has become a major agent in shaping the circumstances of its own existence, the future of our species depends on the survival of other living species and on our sustainable use and replenishment of finite planetary resources. Recognising this truth, Constitutionalists believe that a viable political-economy for the future must be symbiotic with Planet Earth enabling us as its custodian*-stewards to hold it in trust for future generations.

*a person who has responsibility for taking care of or protecting something

(10) Circular Economy Decoupling human well-being from resource consumption (i.e. more resource consumption does NOT mean more human welfare) is at the heart of the Circular Economy. It takes essentially two forms: the **fostering of reuse and extending service life** through repair, remanufacture, upgrades and retrofits; and **turning old goods into as-new resources by recycling atoms and molecules**. People - of all ages and skills - are central to the model. Ownership gives way to stewardship and caring; consumers become users and creators. The remanufacturing and repair of old goods, buildings and infrastructure create skilled jobs in local workshops, and, with "outmoded" technologies (for example, electro-mechanical) disappearing from vocational training courses, value is restored to the skills and experience of workers from the past.

Yet lack of familiarity and fear of the unknown mean that the circular-economy idea has been slow to gain traction. As a **holistic concept**, it collides with the **silo structures** of academia, companies and administrations. For economists used to working with GDP, wealth creation by making things last is the opposite of what they learned in school. GDP measures a financial flow over a period of time; while the circular economy, by measuring quality as well as quantity, preserves physical stocks. Increasingly, however, concern over resource security, ethics and safety as well as green-house gas reductions are shifting our approach to seeing materials as assets to be **preserved**, rather than continually consumed and disposed of.

(11) Monetary reform For Constitutionalists what is at stake here is the nature of money itself as a vital social good. Money facilitates commercial exchange, it provides the basis for social investment, and it has the power to stabilise or destabilise society. They firmly believe that handing the power of money creation over to commercial interests is a recipe for financial instability, social inequality and political impotence. Constitutionalists are convinced that reclaiming that right in the national interest from the wealth elite of the City of London would prove a powerful tool in the struggle for lasting and inclusive prosperity,

(12) Sovereign Money Some 24 national campaigns argue that taking the power to create money out of the hands of banks would end the instability and boom-and-bust cycles that are caused when banks create too much money in a short period of time. In this way, banks could be allowed to fail without bailouts from taxpayers. It would also ensure that, rather than being lent into existence as currently happens and frequently for speculative rather than productive purposes, newly created money is spent into the real economy, thus reducing the overall public debt burden.

Only one campaign has official endorsement -- Iceland -- on which one review has commented: "Under the proposed sovereign money system, the Central Bank of Iceland would increase the money supply in proportion to growth and consistent with the mandated inflation target. Direct control of the money supply would remove the need for traditional policy instruments designed to manipulate commercial banks' incentive to create money, such as policy interest rates and regulatory lending limits. The government would then put the money into circulation via sovereign bond purchases, and/or fiscal measures. To avoid conflicts of interests leading to the oversupply of money, decisions over allocation would be made by a committee independent of the government." For Constitutionalists, however, whatever system of money management is opted for, by government or independent thereof, it is crucial that the overall process remain at all times subject to public oversight thereby ensuring that money is deployed as a "social good" in the interest of the many rather than, as at present, of the few.

(13) Democratization of the renewable economy The provision of the country's energy supply is currently controlled by corporations and consortia. Under democratization, individual citizens and small and medium enterprises could be enabled through subsidies, tax reductions or other incentives to feed electricity from solar energy or other renewable resources into the

national grid and, as voters in local council elections or as local councilors, to participate in establishing priority zones when national incentives were allocated geographically.

(14) Fiscal reform Constitutionalists remember that land is not a manufactured good but a birthright, a free gift of nature. They are fully aware of the paramount impact of land and property ownership regimes on the entire economy and are mindful that housing policy needs to acknowledge that land-banking (the hoarding of land out of use) and the ownership of property for speculative rather than residential or home-making purposes are the underlying cause of inequality and the direct cause of the high cost of homes. They are confident that an annual land-value charge or ground rent would help to end land and property speculation and provide government with the funds to build more homes.

(15) A Citizens' Dividend The concept of a Universal Basic Income - a regular and unconditional cash transfer from the state received by all individual citizens in acknowledgement of the part they play in generating the wealth currently enjoyed by only a few - needs no introduction. It is an idea that, in varying shapes, political parties across the world are now adopting as official policy.

Constitutionalists are well aware of the many issues, positive and negative, raised by this idea: its alleged effect on work incentives, its affordability and funding, its transparency, its administrative efficiency, its potential for contributing to sustainable consumption and "values growth", its relevance to mounting automation and to freeing people from a life reduced to "shopping between shifts at work"; its role, finally, as a first and tentative step in creating a new economic and social order.

Constitutionalists believe that the list of issues raised by the idea of a Universal Basic Income should now be the focus of democratic deliberation. They prefer, however, to speak of a **Citizens' Dividend (CD)**. Why? Because, unlike most redistributive benefits which are funded from taxes that penalize productive effort, CD is neither benefit nor tax, nor even redistributive. It is a **dividend** paid to all citizens out of the rents (i.e. the income) from the land-value they all help to create. And its payment out of the public's finances becomes possible once the fiscal system has been restructured to include an Annual Ground Rent that honours the principles of both fairness and economic efficiency.
