From Stakeholders to Shareholders: 
Fostering Global Economic Democracy through Usufruct Rights

Ronnie D. Lipschutz 
Professor of Politics 
University of California, Santa Cruz 
Santa Cruz, CA  95064  USA 
rlipsch@ucsc.edu/1-831-459-3275

Abstract

Capitalism privileges property rights. Those who own property, whether in land, resources or intellectual goods, hold a form of power that, unless constrained, excludes the many “stakeholders” who, nonetheless, may have a vital stake in the sustainability of those aspects of the environment. Kant first wrote of the Earth as a commons in *Perpetual Peace*; the “common heritage of mankind” was codified as international law in the Outer Space Treaty of 1967, and operationalized (albeit not in practice) in the UN Law of the Seas Treaty of 1982. And, although a growing number of scholars and activists speak of enclosure of various forms of “commons”—less politely called “primitive accumulation”—there has been little discussion of turning stakeholders into shareholders in the process of Earth System Governance.

In this paper, I present a proposal to create 10 billion usufruct shares in the Earth Commons. Each person on Earth would receive one Earthshare® with a nominal face value of $5,000 (the number of shares is set in anticipation of the peaking of population around 10 billion). These shares are non-alienable for 100 years and cannot be bought and sold until then. Instead, they would function as the capital base for a new Earth Commons Bank, against which bonds could be issued and loans made. The revenue base for this capital fund would be a one percent usufruct tax on all recorded economic transactions, which could provide upward of $500 billion per year in revenues that would monetize shares and pay interest on Earth Bonds for allocation to necessary projects for environmental protection and social development.
From Stakeholders to Shareholders:
Fostering Global Economic Democracy through Usufruct Rights

Ronnie D. Lipschutz

The first man who, having fenced in a piece of land, said "This is mine," and found people naïve enough to believe him, that man was the true founder of civil society. From how many crimes, wars, and murders, from how many horrors and misfortunes might not any one have saved mankind by pulling up the stakes, or filling up the ditch, and crying to his fellows: Beware of listening to this impostor; you are undone if you once forget that the fruits of the earth belong to us all, and the earth itself to nobody.

— Jean-Jacques Rousseau, Discourse on Inequality, The Second Part, 1754-

0. Introduction

In his Discourse on Inequality, Jean-Jacques Rousseau posed a foundational challenge to the very organization of society and the power relations concealed by the concept of property. Whether private property is truly the source of all of Earth’s ills is obviously a debatable proposition; that the Earth has been divided countless times for the benefit of some and not others can hardly be disputed. I do not want, in this paper, to plumb either the ontological or historical origins of private property, except to note that it has become an ever-more dominant and powerful metaphor and practice, extending even to “saving the Earth” from humanity’s will and depredations. Indeed, the very mechanism envisioned by those who come to matters of conservation from a “pragmatic” standpoint is the full and complete privatization of nature, on the theory that open access resources are inevitably degraded through a “tragedy of the commons.” Is there any way to turn this tendency against itself, to

1 This paper has been prepared for presentation to the Lund Conference on Earth System Governance: Towards Just and Legitimate Earth System Governance - Addressing Inequalities, Lund University, 18-20 April 2012.
harness property to resist the parceling and commodification that threatens to overwhelm the Earth? I think so, and I outline a mechanism in this paper.

“Earth system governance,” the focus of this conference, is a tricky matter, especially in a time of ever-expanding global capitalism.\(^2\) In 1987, the Brundtland Commission told us that “the Earth is one, but the World is not,” referring to the fragmented sovereignty of the nation-state system.\(^3\) Today we know better: it is the fragmented market that stands between the World and the Earth, and it is claims to the highly-decentralized political authority inherent in private property rights that prevent nation-states from organizing effective global governance. Markets, left to themselves, lack the political authority and capacity to overcome this N-body collective action problem; only the authoritative allocation of regulated property rights by states can do so—and, even then, success is not at all guaranteed.

Driven by Garrett Hardin’s parable of “the tragedy of the commons”\(^4\)—a logically-coherent yet badly-misinformed tale—the supposed solution to humanity’s degradation of Nature is nonetheless said to be more private property, more fragmentation of an already-fractured civilization, because individuals are able to make rational decisions on the basis of self-interest, whereas collectives are not. What is usually missed in these discussions is the nature of “property rights”: they are not title to things possessed, they are regulations that govern relationships among people and things. Thus, what is

---

\(^2\) I regard the current economic difficulties as most probably temporary; more capitalism always seems to be the solution to the crises of capitalism.

\(^3\) *Our Common Future* (Oxford: Oxford University Press).

legally mine is dependent on society’s recognition and my keeping or selling what is mine is dependent on society’s permission to do so. Commodification and alienability of so-called private property has alienated it, like money, from its social foundations, one result of which is that we treat property largely in terms of its exchange value, rather than its use value.

Most of the world’s “property” is not, in fact, private, but that does not mean that it is open access. It is mostly *usufruct*, which is to say, it is held in common and subject to various rules and regulations governing access and exploitation—this was the very nature of the English commons that Hardin so badly misunderstood. This point is acknowledged in concepts such as “common heritage of mankind” [sic] and in those endless international negotiations over innumerable environmental problems. I do not want here to engage in a philosophical debate over “who owns the Earth” or whether and how we might recognize the “rights” of other living things. Rather, I propose to take Rousseau’s warning and issue a declaration of resistance: the Earth is a commons and humans are the shareholders. As I shall explain in this paper, one key step in transforming material institutions is questioning not only their logic and effects but also their very existence.

In the books and articles I have published in the past,¹ I have inveighed strongly against allowing markets to do political work or to rely on corporate and consumer choice to move mountains. In this paper, I throw in the towel. Markets are, after all, political through and through; we simply choose to

---

ignore the critical role of political power and authority in their organization and operation. So, perhaps a better framing would be that I propose to wave a red towel, so to speak, in front of Mammon in an attempt to tame it. I will do this by arguing that, strictly speaking, there is no such thing as private property or private property rights, and that all of Earth’s children should hold a share in its bounty. This is not merely an ethical claim; I mean it to be a binding one, complete with the support of law and written title. I shall then describe how to utilize the existing global financial system to propose a scheme for raising and spending the resources necessary to “save the Earth.” This is, of course, a *gedankenexperiment*, although I see no reason it could not be turned into a really-existing institution.

I begin this paper with a brief discussion of the contradiction between the Earth as a “common heritage” and the practice of dividing it into discrete, privately-owned pieces, and next offer some words about the nature of property. I follow this with a discussion of the rise of “hybridized global governmental power,” which operates through the fusion of public and private, through states and markets.” I then describe a scheme for what might be called an “initial terrestrial offering,” the creation and distribution of individual shares in the Earth. In the fourth part of this paper, I describe the institutional scheme for raising, managing, dispensing and monitoring funds allocated to effective, environmentally-sound “development” projects and suggest some ways in which this plan could be made operational. Finally, I consider some of the philosophical and ethical aspects of my proposals.
I. The Earth as Commons

More than a thousand years ago, Catholic theologians puzzled over the existence of private property. The Earth, according to the Old Testament, had been given by God to man in common, to be used and shared by all. Clearly, something had gone amiss, since private possessions, and the wealth they brought, were well in evidence.\(^6\) I do not intend to explain here how the theologians and philosophers accounted for this problem, although most supported private property (with the exception of the early Franciscans) since they benefited from it. I will, however, point to the resuscitation of the Earth as commons during the 1970s, encoded in the concept “common heritage of mankind.”\(^7\) Whether or not the originators of that felicitous idea truly envisioned a return to some form of primitive communism among nation-states and humans is hard to say; certainly, the concept has rarely been regarded as more than a sentimental one. Moreover, it was restricted to those sites with little near-term prospect of being appropriated to anyone’s near term benefit: Antarctica, the deep seabed, the Moon.

Still, I see no reason not to take “common heritage” as a serious proposition—although whether it ought to be restricted to humans alone is an entirely valid question. Even John Rawls, good liberal philosopher that he was, suggested that individuals, under a Veil of Ignorance and unaware of their

---

\(^6\) For a detailed history, see Peter Garnsey, *Thinking about Property—From Antiquity to the Age of Revolution* (Cambridge: Cambridge University Press, 2007).

initial resource endowments, would almost certainly prefer to evenly divide the Earth’s resources rather than take a chance of being mired in deep poverty.\(^8\)

We can acknowledge that, as Garrett Hardin once put it, “we are all descendents of thieves”\(^9\) (he meant Americans) even as we also recognize that justice demands no less than equal division and benefit. More to the point, it should not escape our notice that privatization of commons spaces has more often led to near-term depletion rather than long-term conservation, as argued in the theories of those who believe devoutly in the superiority of private over public goods.

I distinguish here between open access commons and common property resources (CPR)—although I have my doubts that the former has ever truly existed, being more of an instigation to the expropriation and division of resources (or “primitive capital accumulation”) than its ostensible protection. A large body of research by Elinor Ostrom and others has documented the care with which common property is treated when managed by a user group, and the threat to such resources when CPR is regarded as “open access” by late arrivals and powerful parties.\(^10\) As a rule, CPRs are regulated through accepted and normalized group practices rather than textually-inscribed laws and rights, and those who deliberately and repeatedly violate such informal regulations are shunned or even ostracized from their livelihoods and the community of users. Knowing this fate keeps community members faithful, for the most part,


to those normalized practices. Such peer pressure and self-discipline are, in fact, much more important in maintaining social order than are laws and punishments; it is the high individualism of contemporary liberal society—in effect, the anarchy of market and civil society\(^\text{11}\)—that makes necessary legal texts, police and courts.\(^\text{12}\)

What if the Earth were treated as a common heritage, as a CPR in which every human being were no longer merely a “stakeholder” but truly a shareholder?\(^\text{13}\) What if the “use” of the Earth’s ecological resources and services were treated not as private entitlement or subject to unpaid externalities but rather as a common holding to which any use and damage required compensation to the Earth and its shareholders?\(^\text{14}\) What if such compensation was utilized, in turn, to ameliorate the desperate poverty of so many of the world’s people and the protection and restoration of environments systematically-degraded in the pursuit of both survival and accumulation?

What if, in effect, we had to pay interest on loans from so-called Natural Capital? Karl Marx pointed out that capitalism would be hard put to survive were it not for the subsidies to workers’ wages provided through the


\(^{12}\) And let us not forget Anatole France’s dictum in *Le Lys Rouge* (1894, ch. 7): “Another reason to be proud, this being a citizen! For the poor it consists in sustaining and preserving the wealthy in their power and their laziness. The poor must work for this, *in presence of the majestic quality of the law which prohibits the wealthy as well as the poor from sleeping under the bridges, from begging in the streets, and from stealing bread.*”


household. By the same token, could capitalism survive if not subsidized by “free” ecosystem goods and services? This is not necessarily an argument for full internalization of negative externalities into the costs of everyday life; it is, however, a proposition that, in a globalized CPR, there would no longer be free lunches from Mother Earth.

The creation of an Earth CPR might seem like a radical, if not impossible, proposal. What would become of private property, of national sovereignty, of rights? Who in the Global North, secure on their little half-acre, would agree to share ownership with billions of people half a world away? And why would anyone pay “rent” to humanity on things legally and fully paid for? Would not such a project actually commodify the Earth in full, turning it into the object of ever-greater speculation and concentration of wealth? Would this not deny workers the fruits of their labor and capital the benefits of its investments? Yet, at the end of the day, an Earth CPR is no more radical or outlandish than the dividing up of the planet into private property. Think about that.

2. The nature of property rights

Before addressing how such a scheme might be organized and operationalized, a few words about property rights might be helpful. So, what are they? Commonly, we think of property as material or intellectual stuff to which some legal entity holds written, lawful title. The entity, whether person or not, must be recognized as qualified to hold title, and the title itself must be

---

written, verified and (re)producible on demand. Thus, to demonstrate legal ownership of a good purchased in a market, one must have a valid receipt—which testifies to the transfer of property from one legal owner to another. To sell a car, one must produce a state-validated pink slip. To sell a house—or, we must presume—a corporation or a kingdom—a title search is necessary to demonstrate that the owner is free and clear to do so.

This is our conventional understanding of private property: not only does the title-holder possess a legally-enforceable claim to a specific thing—whether land, labor, thoughts, stuff—that claim also excludes anyone else from interfering with the owner’s use of that which is property. Such a conception of private property is, however, too circumscribed, too idealized and too libertarian. Nor does it comport with practice or tell us much, if anything, about its origins. To be sure, there are innumerable laws that define, legitimate, and legalize various forms of (mostly private) property and that seem to be, somehow, abstract, absolute and inviolable. Yet, through recognized title, a property “right” also conveys society’s acceptance of (or acquiescence to) the owner’s claim to control over and use of a specific thing. Absent society’s recognition, property has no social significance and, as Thomas Hobbes was wont to point out, where property has no social significance, it also is insecure. For Hobbes, and others, the troubling matter was how men came to agree on the protection of their possessions, especially

---

when one’s possessions could be taken away by force. He was not the first to worry about this problem, and he was certainly not the last.

Nonetheless, a property right is not so much title to a the thing possessed as it recognition of possession of the thing by others.17 Property is a social relation among people in society.18 For private property to exist, therefore, the members of society must acknowledge that the possessor holds some essential and legitimate relationship to the thing that is “owned,”19 and that such a recognized relationship also permits the possessor to engage in certain actions with respect to that thing (albeit actions not unlimited in scope). Consequently, property rights exist only by virtue of the willingness of society to accept both the relationship between owner and the thing owned and the relationship between owner and society that legitimates possession. Or, to put the point another way, property is a social construct subject to recognition, intervention and modification by recognized authority as well as through custom. As such, although a property right is defined by law and inscribed through title, it is never finally fixed and its boundaries are a focus of perennial social struggle and contestation.

In this sense, property relations are ubiquitous in human societies but, for the most part and with only a few exceptions, those relations are not and

---

17 This point elides, of course, how possession was acquired and whether that did violence to those who might have previously had access. See Jesse C. Ribot & Nancy Lee Peluso, “A Theory of Access,” Rural Sociology 68, #2 (2003):153-81; Pranab Kanti Basu, “Political Economy of Land Grab,” Economic & Political Weekly (India) 42, #14 (April 7-13, 2007): 1281-87.
have not been historically privatized in the sense we understand the term today. Various forms of recognized access and possession, frequently rooted in kin relations, have existed for millennia. In many places around the world, such relations have proved very difficult to square with “modern” capitalist practices. Even today, there are myriad forms of what are we call “property rights” but which are better understood as *usufruct*, having to do with social relations to various resources and things without written title of ownership. This can include customary permission of access, extraction or gleaning, often involving reciprocal obligations among users and between users and owners. As a rule, and unlike capitalist property rights, usufruct rights are customary and oral and neither fixed nor inscribed in any kind of written form. This often makes it difficult to determine precisely what “rights” of use or extraction are held by those with access.

Calling private property a relation (or a legal abstraction) does not deny its materiality or role in *practice* and *practices*. Nor, as suggested above, does this put such relations outside the sphere of social power. To put these points another way, repeated practice creates custom and custom may, eventually become law (at this point, in particular, property is also a clear expression of social power and domination). Historically, therefore, use-based property rights were defined, recognized and sustained through everyday

---

21 Ribot & Peluso, op. cit.
action, both individual and social. The villein trudging out every morning to work his strips of land did not possess an official piece of paper testifying to his use rights; that came about only by trudging out and working the land every year as required to produce the crops that paid the rent.\textsuperscript{23} Similarly, if the possessor of title to a property does not use or occupy it for a specified period of time, that property may be declared “abandoned” and revert to the sovereign or state.\textsuperscript{24} Practices create property, just as property creates practices. Quite clearly, I have left a great deal out of this discussion; my goal in this chapter is analytical and not to explore the endless labyrinth of property law, which occupies the waking and probably sleeping hours of millions of lawyers, judges, bureaucrats, academics and others.\textsuperscript{25} Here, I am content to make three points here: property is relational; property is historical; and property is practice.\textsuperscript{26}

\textsuperscript{23} This begins to sound suspiciously like John Locke’s theory of private ownership of land, but it is not. Notwithstanding many decades of labor put into the land, the villein did not “own” it; he was the servant whose labor was owned by his “employer,” the lord, and whose produce “paid” for the usufruct right on the land. Note how little sense this phrasing makes when labor is not alienable. See Cary J. Nederman, “Property and Protest: Political Theory and Subjective Rights in Fourteenth-Century England,” \textit{The Review of Politics} 58, #2 (Spring 1996):323-44.


\textsuperscript{25} A simple search for “property” on Google Scholar yields more than 1.9 million hits (March 7, 2012).

\textsuperscript{26} Theorists of property like to think of it as consisting of a “bundle” of rights, rather than a single, fixed entitlement, which allows certain elements to be added or removed without eliminating ownership, see, e.g., J.E. Penner, “The ‘Bundle of Rights’ Picture of Property,” \textit{UCLA Law Review} 43 (1995-96): 711-820.
3. Hybridized global governmental power

“Hybridized global governmental power” denotes a particular fusion between state and market, and public and private, by which international policies, actions and practices are articulated through private market mechanisms. This is not the same as private entities acting in the name or on behalf of states and governments (as, for example, privateers, defense contractors, private diplomacy). Hybrid power differs from these earlier exercises, if only because it is no longer possible to distinguish between the political and the economic or the public and private; the two have become mutually constituted because it is only through political economy that political power can be exercised on a global scale. It is that form of government (in the Foucauldian sense) that comprises something akin to a world state; it might even reflect a return of a type of sovereignty, rather than, as is often claimed, the “privatization of public authority.” More to the point, not only does economy become, in Michel Foucault’s words, “the principle form of knowledge,” and “apparatuses of security” the “essential technical means” of government, they become integral to each other: knowledge of the economy is an essential technical means through which the apparatuses of security operate (and vice versa).

---

30 Id., p. 244.
Even today, after the apparent rise and influence of “non-state actors,” we are reminded repeatedly that there is no world government—the preferred term of art is “global governance”—and that individual countries have yet to yield fully their sovereignty to the “international community” (or whatever it is called). It was with this caution in mind that “international regimes” were discovered and named during the 1970s and then recognized as the most authoritative mechanism of global governance.\(^{31}\) What was elided or little-recognized at the time was an accompanying shift in the mode of international government from diplomacy to economy. To be sure, economic considerations had long been important to interstate relations but, as Paul Kennedy pointed out during his pre-pundit academic career as a British naval historian, economy was not everything.\(^{32}\)

The pushing and hauling that takes place in international summits, gatherings, conferences, conventions and so on thus resembles nothing so much as the bargaining and negotiations that go on in a flea market or *souk*: buy cheap, sell dear.\(^{33}\) Businesses develop programs in “corporate social responsibility” and take on the role of protecting workers’ rights and the environment both within and without their home countries (if they even have one). International agencies use the market to dispense various forms of aid and assistance, and non-governmental organizations contract with them, as well as states, to dispense social goods and services in otherwise disorganized

---


\(^{33}\) It should not escape the perceptive reader that, for the most part, this is also what goes on in legislatures such as the U.S. Congress.
spaces where government fear, or are reluctant, to tread. The very same NGOs may also be commissioned to teach locals about democracy, human rights and voter participation, in the hope that these beliefs and practices might take root and disseminate a kind of naturalized market culture.

Today, in other words, the market has become a primary means of pursuing international and global political goals because of the weakness or absence of effective political tools and levers. The market, as anarchic and decentralized as it might be, becomes the critical institutional framework through which government becomes possible. To be sure, really-existing markets are highly-politicized institutions require government in order to function properly. In the current dispositif, as a result, politics and markets are fused in government(ality), and distinctions between public and private have largely vanished. I do not like this change, but I see no reason not to apply it as a form of ju jitsu, so to speak, to utilize the tools of global capitalism and markets to counter their effects and to re-embed economy into society.34

4. “The fruits of the earth belong to us all, and the earth itself to nobody”

Modern capitalism is based on title to property; only if title is unequivocally held can property be transferred or sold. Indeed, in the face of uncertainty about ownership, sale and transfer are illegal and possible only through gray and black markets. In other words, no title, no markets, no profits. In the

34 Karl Polanyi, The Great Transformation (Boston: Beacon, 2001, 2nd ed.).
case of the common heritage—spaces defined under international law as *res nullis*, subject to no state’s sovereignty—much of the struggle to assign ownership takes place over creation of “fair” rules of division (Rawl’s thought experiment, except with power and wealth added). This was evident in the lengthy negotiations (1973-82) over the UN Convention on the Law of the Sea, which allocated ownership of mineral nodules on the deep seabed. Even though developing countries lacked the capacity to conduct such mining, the Global South demanded an equitable share of the returns, because all countries were ostensibly “owners.” The Global North demurred on this point, preferring to apply John Locke’s formula defining property as that developed through labor and arguing that those possessing the technological capability to mine should reap all the benefits. In the end, the Seabed Authority, which has never come into being, was proposed as a public-private hybrid, through which minerals tracts would be allocated and exploited.

As we know, entitlements of this sort have, at least until recent years, tended to favor the states of the Global North, who dominate the global economy. The Global South, of course, dominates in terms of absolute numbers of people, but remain largely also-rans in terms of relative power and wealth.35 A per capita allocation of title in the common heritage would favor the Global South but this is feared by the Global North, who comprise a much smaller fraction of the world’s population. As long as states are the basis for such titling, these sorts of inequities and conflicts will follow. Why not, then,

construct institutions whose basis is the individual rather than the sovereign state, whose subjects of law, so to speak, are people rather than governments? Instead of states laying disputable claims to *res nullis*, people should be the holders of claims to the common heritage.

I suggest, therefore, something like an “independent public offering” on behalf of the Earth. Instead of selling shares to the highest bidder in open auction, however, I propose to issue ten billion Earthshares® each with a nominal face value of $5,000. One Earthshare® shall be awarded to every person alive on Earth now through 2050 (I assume here that the Earth’s human population will level out at around 10 billion in 2050-2100). Thereafter, a share will be transferred to a newborn following a shareholder’s death (shares are not inheritable). Unlike common and preferred stock and other similar instruments, Earthshares® are not alienable in equity markets; instead, they are to be held in a 100-year trust by an “Earth Commons Bank” (ECB). On the basis of its $50 trillion shareholdings, the ECB will issue 10-year bonds for environmental preservation and restoration and social development loans. Below, I say more about the ECB and its operation; first, I briefly describe the way bonds work.

A bond is a promissory note or contract to repay a loan principal with interest at specified intervals. Payment of interest rate and principal are underwritten by the notional flow of future revenues from some reliable source to the bond issuer, whether public authority (taxes) or corporation (profits).

---

36 These are not really “registered”; the ® just looks more authoritative.
The interest rate depends on both the cost of money over the length of the loan (maturity) and the long-term reliability of the revenue flow. Hence, a bond considered to be absolutely risk-free, such as a U.S. Treasury bond, may offer an effectively negative interest rate—lenders will pay issuers to ensure the security of their funds—while a junk bond will have a high interest rate, reflecting the possibility of default.  

During the first 100 years, there will be no active market for trading in Earthshares®, although they will act as collateral for the bonds issued by the ECB. Revenues to repay bonds and monetize shares will be generated through a one percent “user fee” on all recorded economic transactions (in effect, global GDP). This fee is similar in some ways to a fee on ecosystem services, here to be imposed in recognition of the implicit negative social and environmental externalities generated by anthropogenic activities (thus, transactions committed explicitly to effective environmental protection and human development will be exempt). Given a global GDP on the order of $60-70 trillion dollars, and the likely difficulty of collection on low value transactions (say, less than $100), this “Earth fee” could generate something on the order of $500 billion annually. Based on this revenue flow, and in the

---

37 The interest rate paid on a bond depends on the degree of risk associated with it, which is why junk bonds tend to have much higher interest rates than sovereign bonds issued by states (although current markets in Greek sovereign debt illustrate how risky they are considered to be). Current rates on short-term U.S. Treasury Bonds are very close to zero, since they are certain to be redeemed at face value; rates on 30-year Treasury Bonds are around 3%, reflecting a long-term risk premium.

38 Note that total overseas development assistance is on the order of $125 billion a year, while estimates of the cost of restoring and protecting Earth’s environment are in the range of $200-500 billion per year. Annual global military spending is about two trillion dollars. See: Ronnie D. Lipschutz & Sarah T. Romano, “The Cupboard is Full: Public Finance for Public Services in
interest of minimizing risks to lenders, the ECB could issue some $1 trillion in 10-year Earthshare® Bonds annually (auction price $800 billion). One portion of the incoming revenues would service the bonds (at a 2% interest rate), the remainder to monetize the Earthshares® over the 100-year trust period, at which time they would become fully-negotiable and alienable. Finally, in parallel, each individual’s Earthshare® could be used as collateral for individual micro-loans to those with annual incomes below a certain local limit (say, $5,000/year), set so as to represent substantial capital for many in the Global South. The ECB, in turn, would make available grants as well as loans at a range of interest rates, which would also be used to service bonds and monetize the bank’s capital base.

Although there exist any number of international development banks and financial institutions who might manage the ECB and Earthshares® project, they lack credibility, tend to be disposed toward large and costly projects that favor powerful interests, and are often not very effective in monitoring how disbursed funds are being used. Elsewhere, Sarah Romano and I have proposed the creation of a “Public Service and Infrastructure Development Bank” (GapServe), an independent, non-profit, public-private institution. GapServe might be affiliated with the United Nations or one of its programs—or not—funded through capital invested by public pension and sovereign wealth funds and disbursed to support local service delivery projects and systems so desperately needed by the world’s poor. GapServe would work with, but not

the Global South,” Municipal Services Project, Queens University, Kingston, Ontario, Occasional Paper 16, March 2012, Table 7.
be controlled or dominated by, existing public development banks, international organizations and international financial institutions. The Earth Commons Bank would be a similar—or it could even be the same—institution.

While there would be some advantage to obtaining a bank charter, either a symbolic one from the United Nations, or legal ones from national authorities, the ECB could also be established initially as an NGO-sponsored project, to which voluntary contributions and payment remittances could be made until such time as other sources of assistance and capital become available. Undoubtedly, many years will be required to see the ECB from birth to full operation, but the relative success of micro-loan enterprises, such as the Grameen Bank, and other non-public project financing projects, suggests that something like the ECB is quite feasible.  

The ECB architecture would include a “home office,” preferably located somewhere in the Global South, plus local offices in cities and other locations around the world. The home office will operate along the lines of a conventional development bank, with a staff that includes not only financial analysts and practitioners but also people with social, technological and organizational experience and expertise in successful implementation of environment protection and social development projects, who would also be able and willing to spend time in the field vetting those projects. The home office will be the central depository for revenue flows and other funds, and the disbursing agent to the local offices. Local offices, in turn, will have staff to

---

40 Id., pp. 36-38.
monitor project performance and provide such technical and fiscal assistance as is necessary.

Undoubtedly, there are numerous technicalities, both financial and institutional, unaddressed and elided in this brief paper. Moreover, the Earthshares® project challenges the very basis of state power: the authoritative power to allocate and guarantee private property rights and to deny access to unauthorized users. It presumes the existence of a global polity (or even a *demos*) willing to constitute such an authority and exercise it in defiance of recognized states, governments, regimes and financial institutions. The Earthshares® project calls into question the existing allocation and distribution of private property and state sovereignty. It is, at its base, a profoundly *political* project, even though it is exercised through economic mechanisms, because it requires active participation of the world’s people and their active intervention in the global political economy. That is not something likely to be welcomed by the rich and powerful.

4. Can the Earth be “saved?” From whom and by whom?

Many will, no doubt, object to the very premise of my proposal: does not such shareholding expose the earth to total commodification?\(^{41}\) I believe not, inasmuch as the Earthshares® project does not create a market in which putative shares can be bought and sold for speculative purposes, and restricts any sale for 100 years. This is nothing like markets in carbon emission permits.

\(^{41}\) At a trial presentation of this paper, the very idea of issuing such shares was described by several as “disgusting.” Better to be attacked than ignored!
which are, already, subject to speculation and corruption. Rather, what I propose here is the materialization of “the common heritage of mankind,” using currently-available market-based instruments, in a way that ultimately normalizes the concept and associated practices. Each human being on the planet will hold title to a non-negotiable share in the Earth, whose function is, on the one hand, generation of the necessary resources needed to restore and protect global ecosystems and improve the lot of the world’s poor and, on the other hand, make available capital to fund micro-enterprises. But there is more here than merely material opportunity or gain.

Property is, as G.W.F. Hegel\(^{42}\) and others\(^{43}\) have noted, not merely stuff, nor does it only legalize relationships within society, as I argued above. It is also constitutive of identity and one’s sense of self. Nor is property simply an object of consumption and use; especially in the early modern sense, it also involved stewardship and protection of both people and landscapes. The lords of the manor had obligations to their tenants, who were not merely sources of accumulation, and the same lords were committed to the maintenance of their lands, if only so that they could be passed on to future generations. We have forgotten these features of property-holding, as the urge to make ever-higher returns on investment have come to dominate the central role of property in the sustainable organization of societies.

---

Earthshares® ought to be regarded, therefore, as a project that gives everyone a concrete stake in the well-being and future of the Earth as well as a means of creating identification with the Earth and all it encompasses. In this sense, over time, each person’s Earthshare® will come to represent more than just title to a piece of the planet; it will become a sign of right membership in the Earth’s many ecological communities and a commitment to the thriving and well-being of those communities as well as our own long into the future. To be sure, this is an idealistic, blue sky proposal. Not every idealistic, blue-sky proposal meets with success, but many human activities and institutions that we take for granted today had their origins as idealist, blue-sky proposals (e.g., abolition of slavery). An Earthshares® project might not work, but that should not be for lack of our trying to make it work.