

Building the new economy: action guide



Take action for fair finance

Quakers have a long history of involvement in banking in Britain, going back to the founding of Barclays and Lloyds banks in the 18th century. Today, many Quakers are working on reforming financial services to make them fairer. But how?

This short guide outlines how Quakers are contributing to the creation of a finance system with integrity – and how you and your meeting can help.

“Think carefully how you invest any surplus funds not immediately needed. Whilst these funds are being invested, someone else is making use of them. Is that use something you would approve of?”

Quakers & Business Group, Ethics at Work



Photo: Dan Smedley on Unsplash

Where to start: move your money

Is your Quaker meeting one of the many to have already switched to an ethical bank? If not, asking your meeting to switch is a great way to generate discussion and support ethical banking in a practical way.

Banks don't just manage your cash – they invest in all kinds of things. All of the 'big four' banks in England and Wales have huge investments in fossil fuels, and most invest in arms companies. Look up your bank's ethical investment policy and compare it with others. Comparison websites like www.thegoodshoppingguide.com can help. If your bank's ethics disappoint, there are two approaches to take:

1. **Raise your concerns with the bank**, and encourage others to do the same.
2. **Move your money**. Research the different banks and building societies. Those with strong ethical policies include Ecology Building Society, the Co-operative Bank, and Triodos.

For information on using your money in ways that match your values, visit www.yourfaithyourfinance.org – a joint initiative between Quaker Peace & Social Witness and the Ecumenical Council for Corporate Responsibility.

Join the regional banking resurgence

In many European countries, regional banks play a key role in the economy. They are often publicly or cooperatively owned, are much more likely than large banks to lend to small businesses, and are less likely to engage in risky activity.

In Germany, 18.6 million people are shareholders of a local cooperative bank; the three large commercial banks control only 15% of the retail banking market.

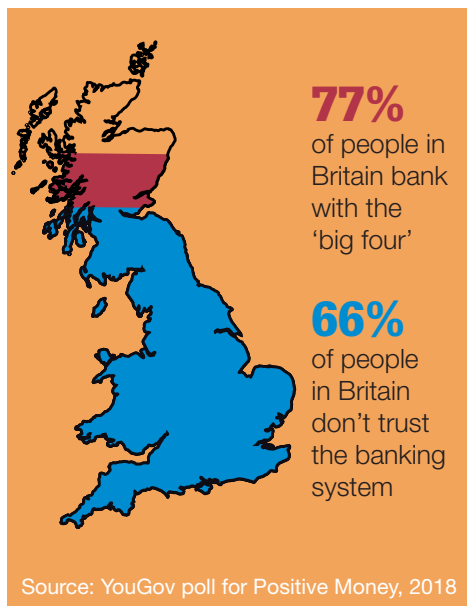
In the UK, by contrast, 77% of people bank with the 'big four' – Barclays, HSBC, Lloyds Banking Group and the Royal Bank of Scotland group – but 66% of us don't trust the banking system (YouGov poll for Positive Money, 2018).



18.6 million

number of people in Germany who are shareholders of a local co-operative bank

The Community Savings Bank Association (CSBA) is working to create a network of regional banks in Britain. These will be owned by their members, on the principle of 'one member, one vote'.



Only people resident in the region will be able to become members of a bank. There will be local branches, and all loans will be approved by the branch manager. Through these measures, the CSBA aims to help restore trust between banks and customers.

There are currently three regions in the process of setting up banks: London, Avon and the South West. Other parts of the UK also expressing interest include Merseyside & Lancashire and Wales.

Setting up a bank takes time, people, and money – ultimately about £20m. If you or your Quaker

meeting are interested in supporting the development of mutually-owned regional banks, you could share your skills, contacts or meeting house with an existing group. Or, you could start a project in a region where there isn't one yet. You don't need banking expertise to be involved in the early stages – it's more about managing the project and getting people on board.

What can I do?

- Visit www.csba.co.uk and click on 'I'd use a bank like this' to show there is interest from your region. Or, click on 'I'd like to setup a local bank in my area' to find out more about how you can help.
- Ask your local or area meeting: are there local Friends with banking experience? Useful local contacts? People who can organise or chair meetings?

Hold an event to make new connections

Organising an event is a great way to connect with people in your area who are interested in ethical banking. Try contacting local groups involved in running Transition Town projects or cooperatively owned shops – you may find common ground.



The New Economy Now! conference. Photo: Jim Paterson

London Quakers organised local day-long conferences in 2016 and 2018, bringing together Friends with ethical banking campaigners and experts.

Such events can inspire new projects. The North London New Economy Reading Group, established in 2017, has been working to bring banking reform into the remit of All Party Parliamentary

Groups (APPGs). After meeting with the chair of the APPG on Inclusive Growth, the group has been invited to participate in the APPG's 2019 conference on the purpose of finance. They will take their work forward with the help of QPSW staff.

What can I do?

- Link up with your nearest Positive Money group – Positive Money was set up after the 2008 financial crisis to start a debate about money creation and the role of banks. It now has a network of local groups and holds events around the country. Go to www.positivemoney.org to join the campaign for a fair money system.
- Organise an event about the future of banking – email neueconomy@quaker.org.uk if you'd like some help!
- Email neueconomy@quaker.org.uk to be put in touch with the London group working on banking reform.

Support credit unions

Credit unions are non-profit financial organisations embedded in their local area that offer savings accounts and affordable loans to their members. In 2018, around 305 credit unions served 1.3 million members in Britain.



305

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Credit unions play an important role in a fair banking system; for example, they lend to people who cannot get bank loans and might otherwise turn to 'payday' loans with extremely high interest rates.

Friends from North Wales Area Meeting have researched credit unions and encourage Quakers to open savings accounts, volunteer with their local credit union, or offer their meeting house as a paying-in facility.

“Quaker meetings can uphold the testimonies by supporting their local credit union. They make a difference on a community level, within an economic system that can seem exclusive, harsh and remote to many people.”

Friends from North Wales
Area Meeting

What can I do?

- Read the North Wales Area Meeting credit union briefing at www.northwalesquakers.org
- Find and join your local credit union at www.findyourcreditunion.co.uk
- Ask your local credit union how your Quaker meeting can support them.

Become an AGM activist

Annual General Meetings (AGMs) allow investors to hold companies to account. They are a great opportunity to ask questions in front of a company's shareholders.

You can question a bank's ethics by investing in a small number of shares in the company and attending the AGM yourself, or you can team up with the charity ShareAction. They connect concerned shareholders with people willing to attend the AGMs of big companies – including banks – to quiz them on issues such as their links to fossil fuels.

For more information, visit <https://shareaction.org/agm-activism>.



Photo: Antenna on Unsplash

Get in touch! Send updates on current projects, requests for support, or feedback to our Economics and Sustainability team on 020 7663 1055 or at neweconomy@quaker.org.uk.

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