

Impact case study (REF3)

Institution: University of Roehampton, London		
Unit of Assessment: 17 - Business and Management Studies		
Title of case study: Greening the Economy: Influencing International Policies and Public Discourse		
Period when the underpinning research was undertaken: 2012-2014		
Details of staff conducting the underpinning research from the submitting unit:		
Name(s): Molly Scott Cato	Role(s) (e.g. job title): Professor of Green Economics	Period(s) employed by submitting HEI: January 2012 - July 2017 August 2017 – November 2020 (0.2FTE teaching-only fractional contract at Roehampton Business School, whilst Member of the European Parliament for the South West England and Gibraltar for the Green Party) November 2020-present (0.6FTE fractional contract)
Period when the claimed impact occurred: August 2013–2020		
Is this case study continued from a case study submitted in 2014? Y		
1. Summary of the impact (indicative maximum 100 words)		
<p>Professor Molly Scott Cato's research has contributed to the conceptualisation of the 'green economy' through her political roles and activism. During her term as MEP for South West England (2014-2019) and economist in the Green Party, Cato has drawn on research conducted at the University of Roehampton to inform changes in UK and EU legislation, influencing significant advances in the sustainable finance agenda, that have global implications, including: the development of sustainability-focused benchmarks and mandatory disclosure; the limitation of the use of chemicals in food production; restrictions on the use of antibiotics in the agricultural sector; the transformation of the Green Group's trade policy; and, informing the Green Groups' opposition to the Mercosur trade agreement. More broadly, her practice-based research has contributed to, and shaped, public discourse on issues relating to the environmental crisis and the need for a revision of the global economic system.</p>		
2. Underpinning research (indicative maximum 500 words)		
<p>Professor Cato's research examines the fundamental conflict between the global economy and earth's ecological systems. During the last decade, the issue of climate change has moved from a peripheral concern of scientists and environmentalists to being a central issue in global policy-making. Today, climate change has been recognised as the defining crisis of our time, provoking a renewed sense of urgency which has prompted questions concerning the role of the existing form of economic organisation in driving the ecological crisis and the resultant need for fundamental restructuring. Cato's research has been central to the response to this crisis in European and Green Party policy. Her praxis-oriented work – as explored in the case study submitted to REF2014 – has focused on the processes and behaviours that make intensive use of energy and the planet's natural resources (R1, R2) and has since been further developed into an argument in favour of the transition to a post-capitalist, localised ecological economy geared to production for need instead of profit (R1, R2, R3).</p> <p>Green Economics takes a philosophical position characterised by a deep respect for nature and aimed at reducing environmental risks and achieving sustainable development. In R1, Cato articulated the four central issues to a green study of the economy, namely: the need to end economic growth; the importance of equality and the need to interrogate the distribution of resources; the requirement to consider appropriate scale in economic decision-making; and the</p>		

need to include multiple perspectives in the study of economics. These key issues underline the necessity of developing an ecological economic system that would enable sustainability, consequently becoming a viable solution to the global environmental crisis. Cato (**R2**) analysed how an economy could maximise well-being while minimising the use of energy, resources, and pollution and demonstrated that to achieve sustainability there is a need to reconceptualise the global economy as a system of largely self-sufficient local economies focused around the concept of a 'bioregion'. This is an area with a geographic, climatic, hydrological, and ecological character capable of supporting unique human and non-human living communities, resulting in much more limited environmental impact. The development of such an approach would force economic provisioning to begin at the local level – a behaviour that Cato defines as 'trade subsidiarity' – which would replace the energy-intensive supply chains of the global economy (**R2**).

Building on the findings of her research detailed in the REF2014 case study, Cato further developed the concept of 'the bioregional economy' (**R3**), through the application of the Marxist concept of accumulation to the environmental crisis. Cato demonstrated that it may not be possible to address the environmental crisis within a reformed capitalism. Instead, this goal may only be met within a post-capitalist ecological economy geared to production for need, not for profit. The goal of a sustainable economy demands a new ethic of consumption that prioritises locality, accountability and conviviality in the place of expansion and profit; a shift in the focus of the economy away from profits and towards provisioning; and a radical reorientation of work from employment towards livelihood (**R2**).

3. References to the research (indicative maximum of six references)

R1 Cato, M. S. (2012), Green economics: Putting the planet and politics back into Economics, *Cambridge Journal of Economics*, 36(5): 1019-1032. <https://doi.org/10.1093/cje/bes022>. CABS 3 rate md journal. Submitted to REF2014.

R2 Cato, M. S. (2012), *The Bioregional Economy: Land, Liberty and the Pursuit of Happiness*, Earthscan, London. ISBN: 9780415500821. 62 citations in articles in academic journals, books and book chapters (GoogleScholar: 02-07-20). Submitted to REF2014. Can be supplied by the HEI on request.

R3 James, R. F. and Cato, M. S. (2014), A bioregional economy: A green and post-capitalist alternative to an economy of accumulation, *Local Economy*, 29(3), 173-180. <https://doi.org/10.1177/0269094214526542>. CABS 2 rated journal.

4. Details of the impact (indicative maximum 750 words)

The impact of Cato's research is entwined with her work as a politician since 2014, and her role as an academic-activist. Cato's work has drawn extensively on research undertaken at the University of Roehampton and has influenced Green Party policy in the UK, the policy of the Greens-EFA parliamentary group at a European level and the transition to a more sustainable trade and financial systems. During her time at the European Parliament (2014-20), Cato was the Parliament's rapporteur on sustainable finance and a member of the Economic & Monetary Affairs (ECON) and Agriculture & Rural Development (AGRI) committees. On a national level, as the Economics/Finance Speaker for the Green Party, Cato steered the party's position on issues relating to economics, finance and taxation. Her media profile, also informed by her research and fuelled by participation in political urgencies including Brexit and climate change, has influenced public opinion and debates on these subjects.

I. Contribution to the development of national and international legislation on key environmental issues

Cato's research on sustainability, preservation of natural resources and localised ecological economy geared to production (**R1**, **R2**, **R3**) has influenced her political intervention in key international debates and the development of legislation around issues that affect the planet's ecological balance. Cato's research is closely connected to many recent national and international debates concerning the agricultural model – which depends on the excessive use of chemicals and pharmaceuticals – and the need for a transition to sustainable food production, including the protection and natural nutrition of crops. Cato initiated a call at the European Parliament in June 2016 for a new model of a more sustainable and non-toxic agricultural system. As a result, Cato

and MEPs from the AGRI committee voted unanimously to safeguard bees from destructive neonics. The European Commission followed suit and implemented a total ban on the harmful pesticides that have been shown to destroy bees and other pollinating insects. The ban came into force in May 2018 and means that three harmful pesticides – imidacloprid, clothianidin and thiamethoxam – can now only be used in closed greenhouses (**IMP1**). Cato was also part of the negotiating team that agreed significant restrictions on the use of antibiotics in the agricultural sector, due to their contribution to anti-microbial resistance. Cato was the Green negotiator on a package to restrict the use of antibiotics for farm animals, following mounting evidence that this has led to anti-microbial resistance that threatens to radically undermine modern human health practices. She contributed to the interinstitutional negotiating team seeking agreement on a package coming into force across the EU from January 2022 that bans the routine use of antibiotics on farms, both for prophylactic and metaphylactic use (**IMP2**).

Cato's research has also been integral to the development of the **Green Trade for All** paper, adopted by the Green/European Free Alliance group in the European Parliament in June 2018 (**IMP3**). The overarching goal of a Green trade policy is to ensure that trade achieves the maximum human well-being for the minimum use of energy and resources (**R2, R3**). This entails the redesign of the global trade system so that it does not undermine the regeneration of ecosystems, while ensuring the possibility of high-quality employment and environmental protection at home and abroad. Section 2 of the document, entitled 'Trade Subsidiarity', builds on the concept coined by Cato in her book **The Bioregional Economy: Land, Liberty and the Pursuit of Happiness (R2)**. This suggests that consumption decisions should begin at the local level, replacing the energy-intensive supply chains of the global economy. Building on this concept, the Green/European Free Alliance group supported the policy of transition to a system of largely self-sufficient local economies, as articulated by Cato in her definition of bioregions (**R2**). The paper notes (2.6) *'Trade subsidiarity would change global biosphere trade patterns towards a fairer balance. Regions which so far have been net exporters would gain breathing-space for the regeneration of their ecosystems, if less biosphere were used for export. Regions such as the EU which so far have been net biosphere importers would need to accommodate new requirements for biosphere use and become much more innovative in finding appropriate solutions for minimizing such needs to the utmost minimum'* (**IMP3**).

The inclusion of the concept of trade subsidiarity (**R2**) in the Green Trade Deal, provides a theoretical underpinning for this area of the Green/European Free Alliance group's policy, including supporting their lobbying against a Mercosur trade deal that does not meet minimum climate standards, such as that agreed 'in principle' in June 2019 (**IMP4**). This deal predicts an annual quota of 99,000 tons of Mercosur beef to be exported to the EU at a low tariff rate, which would directly benefit the economy of Brazil, the largest producer of beef in the world. The agreement faced opposition from the Green party - an action led by Cato – due to the impact it would have on the Amazon rainforest. Cato, heading the UK delegation of Green MEPs, wrote a letter to the leading supermarkets in the UK pushing for greater auditing of supply chains, and identifying any products that have come from the Amazon region in Brazil which have resulted from illegal destruction of the forest (**IMP5**). This letter contributed to the decision made by the largest food providers in the UK to tackle this issue. In December 2019, 87 major companies including Tesco, Sainsbury's and Asda wrote to Brazil's president Bolsonaro urging his government to stop the deforestation of the Amazon.

This push by the Green MEPs is aligned with increased UK governmental action to tackle deforestation. In 2019, an independent taskforce – the Global Resource Initiative (GRI) – was appointed to develop a set of recommendations on how to address the problem. Following the publication of the recommendations (March 2020), the Department for Environment Food & Rural Affairs launched a consultation on new legislation to tackle deforestation. The consultation closed on 5 October 2020, the same day that 20 big UK food companies including Asda, Sainsburys and Tesco wrote an open letter to the Secretary of State for Environment, Food and Rural Affairs, urging the government to draw up new legislation to force the sector to implement tighter control of their supply chains. In November 2020, the UK government announced its decision to *'go further than ever before to clamp down on illegal deforestation and protect rainforests'* with the

introduction of the Environment Bill <https://www.gov.uk/government/news/government-sets-out-world-leading-new-measures-to-protect-rainforests>. This bill includes a new provision that requires greater due diligence from businesses, making it illegal for UK businesses to use key commodities if they have not been produced in line with legislation designed to protect forests and other natural ecosystems.

II. Influencing the change to sustainable trade and financial systems

Cato's research on green economic sustainability (**R1, R2, R3**) has been crucial for the development of initiatives aiming to embed greater sustainability into global trade and financial systems. Drawing on her research on common ownership and sustainability (**R2, R3**), Cato produced an initiative report in November 2017 in which she suggested that reform of the Common Agricultural Policy (CAP) is necessary for a redistribution of EU funds away from mega-farmers towards small farmers who are at risk of disappearing. In May 2018, the European Parliament voted in favour of this initiative report. Under the new CAP (point 9) *'Member States may adopt a simplified scheme benefiting small farmers if an annual payment of up to EUR 1,250 is made, irrespective of farm size. Participants are subject to less stringent cross-compliance requirements and do not have to meet greening requirements. The total cost of the small farmers' scheme may not account for more than 10% of the national funding allocation, except when Member States decide to ensure that small farmers receive what they would have been paid without the scheme'* (**IMP6**).

Drawing on her research on the relationship between economic activity and climate impact and on the nature of incentives to encourage lower-intensity business models (**R2**), Cato played a key role in the redevelopment of the EU Sustainability Benchmarks. These benchmarks operate as investment indexes where the underlying assets are selected in such a manner that the resulting benchmark portfolio's GHG emissions are aligned with the long-term global warming target of the Paris Climate Agreement. In May 2018, the Commission put forward a proposal for a regulation creating two types of low carbon benchmarks and environmental, social and governance (ESG) disclosure requirements for the benchmarks. The original proposal was for a 'low carbon benchmark' and a 'positive carbon impact' benchmark. These were weakly defined and the second implied that the production of CO₂ might have a positive impact. Cato was able to influence the redesign of the benchmarks so that the EU Climate Transition Benchmark exerted pressure for companies to progress towards alignment with the Paris Agreement while the second, the Paris-aligned Benchmark, required clearer and more scientifically grounded evidence of alignment to a 1.5 degree climate warming target. The Low Carbon Benchmark Regulation came into force on 10 December 2019. From 31 December 2021, every benchmark statement (not just sustainability benchmarks) will need to explain how the financial product aligns with the target of carbon emission reductions of the Paris Agreement. The Commission is currently drawing up secondary legislation in preparation for the launch of the low-carbon benchmarks (**IMP7**).

Based on her work on sustainable finance and her research into the nature of the impact of financial activity on climate change (**R2**), Cato has also lobbied for the ECB's Quantitative Easing programme to eschew fossil fuels purchases. She co-ordinated a letter to the President of European Investment Bank (EIB) from MEPs from the Green/EFA group calling for an end to investment in fossil fuels. The EIB announced in November 2019 that they would stop financing fossil fuel energy projects from the end of 2021 (**IMP8**).

III. Raising public awareness and influencing public discourses on environmental issues

Cato has developed a powerful presence in print and social media, steering the public debate on issues relating to the environmental crisis (**R1, R2**) and the need for a revision of the global economic system (**R1, R2, R3**), particularly within the UK in the wider context of Brexit. Since 2014, Cato has written 47 pieces for high-profile outlets such as the *Ecologist*, *The Independent*, *New Statesman*, *Metro UK* and *The Guardian*, with an estimated reach of 85,943,312 readers. For *The Guardian* alone, Cato authored 28 opinion articles since 2014, which were shared 24,801 times and generated 24,593 comments on their online platform (**IMP9**). The thousands of

comments across these articles are a testament to raised public awareness of the 'green economy' and Cato's influence on public discourse.

5. Sources to corroborate the impact (indicative maximum of 10 references)

IMP1 Document compiling the Commission Implementing Regulation (EU) 2018/783, 2918/784 and 2018/785, which stipulate the ban of the neotonic substances imidacloprid, clothianidin and thiamethoxam. 29/05/2018. The documents are available at https://ec.europa.eu/food/plant/pesticides/approval_active_substances/approval_renewal/neonicotinoids_en.

IMP2 Regulation (EU) 2019/6 of the European Parliament and of the council of 11 December 2018 on veterinary medicinal products and repealing Directive 2001/82/EC. The summary can be found at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=LEGISSUM%3A4381220>.

IMP3 *Green Trade for All* paper, adopted by the Greens/EFA on 12 June 2018.

IMP4 Testimonial from Ska Keller, Co-Chair Greens/EFA Group in the European Parliament. 29/10/2020.

IMP5 Letter from the Green Party delegation to Sainsbury's former CEO Mike Coupe. 27/08/2019.

IMP6 First pillar of the common agricultural policy (CAP): II - Direct payments to farmers. Available online at: <https://www.europarl.europa.eu/factsheets/en/sheet/109/first-pillar-of-the-common-agricultural-policy-cap-ii-direct-payments-to-farmers>

IMP7 Document compiling the May 2018 proposal on low carbon benchmarks (2018/0180), the 29/10/2018 proposed amendments drawing on Cato's research (particularly the 55, 90, 123 and 240 amendments) and the 27/11/2019 regulation 2019/2089 amending Regulation (EU) 2016/1011 as regards EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks and sustainability-related disclosures for benchmarks.

IMP8 EU Bank launches ambitious new climate strategy and Energy Lending Policy. Information about the EIB's new climate strategy and energy strategy made available on their website. 14/11/2019 <https://www.eib.org/en/press/all/2019-313-eu-bank-launches-ambitious-new-climate-strategy-and-energy-lending-policy>

IMP9 Press pack composed of 47 articles written by Cato, including comments.