

A CLEAN AND CARING ECONOMY IN A WARMING WORLD

Towards a Green Philosophy of Government

WHY THIS PAPER?

Every generation inherits a world shaped by those before it. Most experience gradual change. Ours does not.

Within a single lifetime, the physical climate, the structure of the economy and the stability of democratic politics have all begun changing in ways unprecedented in history. Yet much of our political debate still assumes that little has changed. We argue separately about housing, affordability, health care, energy, infrastructure and economic growth, as though they were independent problems rather than different expressions of a changing world.

This paper begins with a simple proposition.

Before deciding what governments should do, we must first understand the world they now govern.

Political parties are understood through the policies they support. Yet policies alone seldom explain what a party believes or why those policies belong together. The Ontario Greens support climate action, clean water, affordable housing, universal health care, public education, biodiversity, democratic reform and Indigenous reconciliation. Yet voters often encounter these as separate campaigns. A party fighting one day for an aquifer, the next for renters and the next against health privatization can appear to be pursuing an endless series of worthwhile but disconnected causes.

The problem may not be our policies. It may be that we have failed to explain the philosophy connecting them.

The first responsibility of democratic government is to provide people and communities with sufficient security to plan their lives with confidence. But security is not an end in itself. Its purpose is to make freedom possible.

People should have a fair chance to live good lives, make meaningful choices and shape the future of their communities. Freedom therefore depends upon the security and conditions in which people live. It requires a liveable planet, an economy that does not concentrate power in too few hands, and democratic institutions strong enough to defend the public interest.

From this follow three propositions.

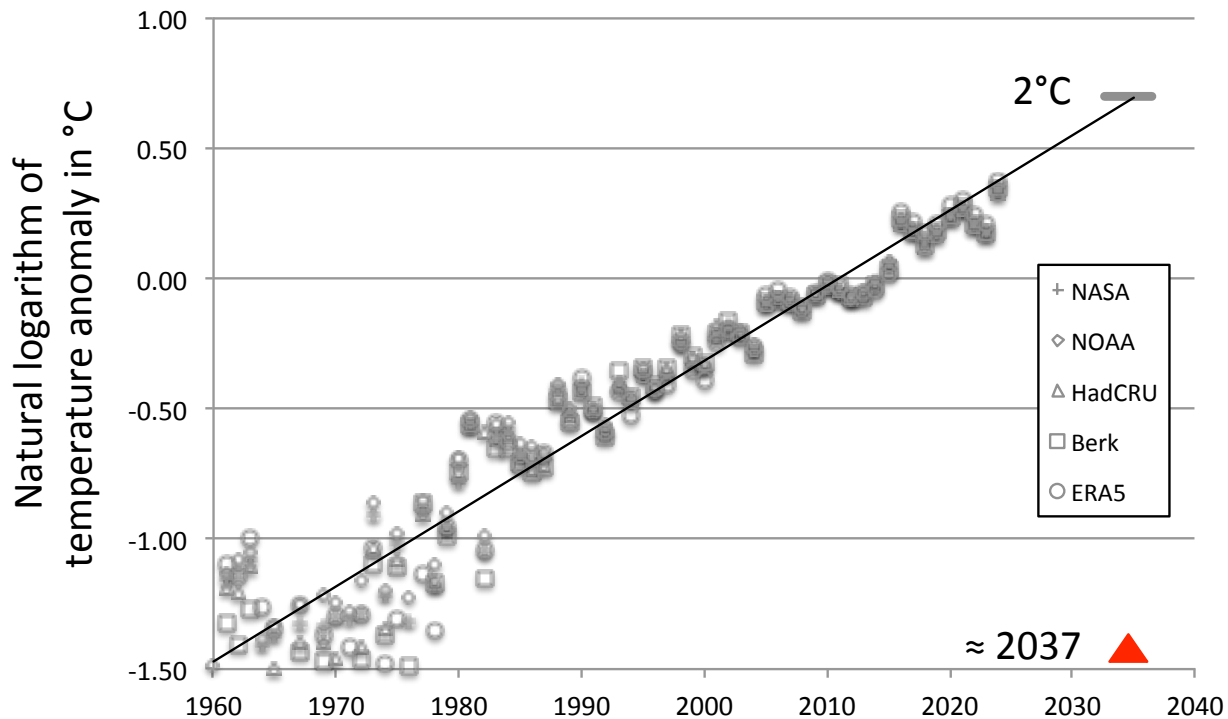
- 1) We must live within the physical limits of the planet.
- 2) We must ensure that economic power operates within the boundaries set by democracy and the public interest.
- 3) We must use democratic government to help build a clean and caring economy.

Together, these answer three questions every government must confront:

- *What has changed?*
- How should economic power be organized?
- What is government for?

THE PHYSICAL WORLD HAS CHANGED

**From Grant Foster and Stefan Rahmstorf, 'Global Warming has Accelerated Significantly',
Geophysical Research Letters, 53-5, 16 March 2026**



Five independent global temperature datasets plotted on a logarithmic scale.

Perhaps the defining change of our time is that the physical world is no longer changing gradually. After accounting for short-term influences such as El Niño, volcanic eruptions and changes in solar output, five independent measurements of the Earth's temperature anomaly show that the physical conditions within which governments are operating are changing far more rapidly than government institutions were designed to manage. The precise date at which we will reach 2°C (in the late 2030s) matters less than the direction and speed of change.

This graph illustrates why climate change can no longer be treated simply as a future environmental concern. Its significance is not the precise year in which 2°C might be reached. It is that the physical conditions within which governments make decisions are now changing on timescales comparable to the lives of major infrastructure, housing, forests and public institutions.

We need to ask what agriculture, insurance, infrastructure, migration, public health, municipal water systems and food prices will look like in a rapidly warming world. We do not know the answers, and that uncertainty is itself a reason for urgency.

Climate change is not one policy issue among many. It is changing the physical conditions within which housing, health care, agriculture, infrastructure and the economy must operate. A

philosophy of government that treats climate as a departmental responsibility or one spending priority competing with others begins with the wrong understanding of the problem.

The economy must operate within the physical limits of where we live. Those limits are not ideological and cannot be negotiated with financial markets.

Climate science is not alone in pointing to accelerating change. Economists describe financialization and widening inequality. Political scientists identify rising polarization and institutional stress. Insurance companies report rapidly increasing catastrophe losses, while military planners increasingly regard climate as a multiplying source of instability. These are different disciplines asking different questions, yet together they suggest democratic governments face a world changing more rapidly than the institutions designed to govern it.

THE ECONOMY HAS CHANGED AS WELL

The conventional story of competitive markets producing prosperity, with government intervening occasionally to correct market failures, bears decreasing resemblance to the economy many Ontarians experience. Major sectors are increasingly dominated by a small number of corporations. Housing has increasingly become a financial asset, infrastructure an investment vehicle, and private capital increasingly seeks returns from health services and other public needs.

People whose income comes primarily from their work experience the economy very differently. Income is taxed directly from every paycheck, wages have failed to keep pace with housing and other essentials, and household debt increasingly substitutes for inadequate income. Meanwhile, accumulated financial wealth compounds and flows into housing, land and other financial assets, disproportionately rewarding those who already own them.

The result is more than inequality. Economic power has become sufficiently concentrated to influence what is built, what is funded and even what governments consider possible.

We instinctively know that a financialized economy asks different questions. Rather than asking what needs to be made, built or provided, it increasingly asks how an existing asset or human need can generate a reliable financial return. Housing increasingly becomes an asset class, health services increasingly become an investment opportunity, infrastructure a revenue stream, farmland a speculative asset and natural resources future cash flows.

The economy may not be malfunctioning. It may be responding quite rationally to the incentives we have created. The question is whether those incentives continue to serve us. Financialization is not simply an economic development. It represents another way in which the world governments inherited forty years ago differs fundamentally from the one they govern today.

Markets remain powerful tools for organizing production, exchange and innovation. We should all be concerned when earning income by creating goods and services gives way increasingly to extracting returns from existing assets, essential needs and positions of market power.

WHAT DO WE MEAN BY ECONOMIC GROWTH?

A question Greens often avoid.

Our principal measure of growth, Gross Domestic Product, makes almost no distinction between activity that improves our future and activity that destroys it. Cutting a forest adds to

GDP. Trucking the timber adds to GDP. Repairing roads damaged by heavy trucks adds to GDP. Treating illnesses associated with pollution adds to GDP. If a climate disaster destroys a community, the subsequent reconstruction can produce an impressive increase in measured economic activity.

GDP can often become Gross Destructive Product.

Yet, at the same time, some of the work most important to human wellbeing and ecological survival is treated principally as a cost. Caring for an elderly person, teaching a child, restoring a wetland, maintaining a public park, preparing a community for extreme heat or helping someone remain housed all require real people, skills and resources. They are economic activity in every meaningful sense.

The Green question should therefore not be whether the economy grows, but what grows.

This distinction matters physically as well as economically. Economic activity uses energy and materials, and much of it produces greenhouse gas emissions and waste. An economy organized around continually expanding extraction, construction and consumption will place increasing pressure on the physical systems upon which it depends, even when that activity is recorded as economic progress. But not all useful work has the same physical cost. Teaching, caring, research, repairing communities and restoring natural systems can improve people's lives and provide meaningful employment without requiring ever-increasing material consumption.

We need less economic activity based on extraction, pollution, speculation and the endless appreciation of existing assets. We need far more activity devoted to caring for people, restoring natural systems, improving public infrastructure and adapting to the physical world now emerging.

That is a clean and caring economy. Not a slogan or a philosophy in itself, but an economy directed towards expanding human possibilities while restoring the natural systems upon which those possibilities depend.

WHAT IS OUR GOVERNMENT FOR?

Once we recognize that both the physical world and the economy have changed, the central political question is no longer whether governments should act. Government has never been absent from markets. The question is not whether governments intervene, but whose purposes that intervention serves.

For forty years, governments have increasingly accepted the proposition that economic growth originates primarily in the private sector. Government's role is to attract investment, reduce taxes, remove regulatory barriers and, where necessary, subsidize private activity until it becomes commercially attractive.

This is a remarkably narrow and destructive view of economic life.

It also encourages governments to confuse economic development with physical development. New infrastructure has an important place, but ports, roads, pipelines, industrial facilities and major construction projects are not the only ways to strengthen an economy. Government can also invest directly in people and communities. A teacher, researcher, home-care worker, conservation officer or community mental-health worker contributes to society's productive capacity just as surely as someone building a highway or industrial plant.

Public investment employs people, develops skills and expands society's productive capacity. Its contribution does not become more real because the work produces a large physical asset, nor because a private corporation performs it under contract.

There is an enormous amount of necessary work waiting to be done. Ontario needs to care for an ageing population, improve education, retrofit buildings, expand public transit, restore forests and wetlands, rebuild infrastructure and prepare communities for heat, flooding and other climate impacts. The needs are visible and the work is real.

Yet discussions of public investment almost invariably begin with the question, "Where will the money come from?" That question reflects one of the most persistent confusions in economics: treating money and wealth as though they were the same thing.

They are not.

Money is one of the institutions through which society organizes claims on real resources. Wealth lies in the productive capacity, skills, knowledge, infrastructure and natural systems that allow people to live well. A society becomes wealthier because it educates its people, develops knowledge, builds useful infrastructure, restores ecosystems and strengthens its capacity to produce what people need—not because it accumulates money.

The first question is therefore not simply where the money will come from, but whether the people, skills, materials, energy and productive capacity exist to do the work.

Where those real resources are available, public investment can put them to productive use. Where the economy is already operating close to full capacity, additional spending may generate inflation and government must instead make choices, redirect resources or expand productive capacity. The fundamental constraint is physical and economic, not that useful public work can only be undertaken when it first promises a private financial return.

This does not mean governments face no financial constraints. They do—but those constraints differ according to the level of government. Ontario is a currency user within a sovereign Canada and therefore faces genuine fiscal and borrowing constraints. Canada, as the issuer of the Canadian dollar, has much greater monetary capacity, although it too remains constrained by available productive resources, inflation and its place within an international trading system.

These distinctions matter. But none requires governments to assume that private investment creates wealth while public activity consumes it.

At every level, the more useful questions are:

- What work needs doing?
- Do we have, or can we develop, the real resources to do it?
- Which level of government is best placed to act?

A society should not have to wait for a human or ecological need to become profitable before it is allowed to address it.

CLIMATE AND FINANCIALIZATION ARE IN CONFLICT

Climate destabilization and financialization are usually discussed separately, yet there is a fundamental conflict between them. Climate change requires decisions measured over decades and generations, while financial markets increasingly reward returns measured over

quarters and years. Climate policy sometimes requires resources to remain undeveloped, while the financial system rewards their monetization. Climate resilience requires sustained investment in physical and social capacity, while financialization rewards the appreciation and trading of existing assets.

Most importantly, an effective response to climate change requires governments capable of establishing and enforcing limits. A gas company can reasonably be expected to sell gas, a developer to develop land and a mining company to exploit commercially valuable minerals. The responsibility for considering the long-term public interest does not belong to those companies. It belongs to democratic government.

The danger arises when dominant economic interests acquire sufficient influence that government begins to see its own role primarily as removing barriers to investment. Institutions intended to protect the public interest are then described as red tape, delay or obstacles to growth.

In a stable physical environment this would be troubling. In a rapidly warming world it may be catastrophic.

ONTARIO: A PATTERN RATHER THAN A SERIES OF CONTROVERSIES

Taken individually, many decisions of the current Ontario government appear unrelated. Expanded gas infrastructure is discussed as energy policy; public support for new nuclear technology as industrial policy; private health delivery as health policy; Ministerial Zoning Orders and planning changes as housing policy; aggregate extraction as resource policy; gambling as entertainment; and Bill 5 as economic development.

Taken together, however, these decisions suggest a consistent governing instinct: identify and remove barriers to private investment and weaken or bypass institutions capable of asking whether a proposed investment serves the broader public interest. Conservation Authorities have lost powers, municipal councils can be overridden, planning authority has become more centralized and environmental processes can be shortened or bypassed.

These institutions are imperfect, and regulation can certainly become cumbersome. But they perform an essential democratic function. They allow society to ask who benefits, who bears the risk, what happens in thirty years, what cannot be replaced and, occasionally, whether something should be done at all.

Our concern is therefore broader than any particular decision. One part of government policy creates opportunities for powerful economic interests while another reduces the democratic and environmental capacity to protect the broader public interest.

THE HIDDEN COST OF PRIVATIZING PUBLIC SERVICES

The case for privatization is usually framed around efficiency. Private providers, it is argued, can deliver a specified service more cheaply and meet measurable performance targets more reliably than public bureaucracies.

This argument overlooks a fundamental characteristic of public services: human needs do not remain conveniently within the terms of a contract.

Contracting requires government to define the service in advance. Deliverables are specified, metrics established and prices negotiated. The private provider then has every incentive to

organize its operation around the contracted outputs. The service becomes highly efficient at meeting its metrics while becoming less effective at meeting the changing needs of the people it serves.

A homelessness program may be funded and measured by bed-nights when the people arriving increasingly need mental health or addiction services. A home-care contract may specify visits and tasks while workers discover that food insecurity or social isolation is the more immediate threat to their clients. A private surgical clinic may efficiently complete routine procedures while complex patients, emergency coverage, professional training and continuity of care remain with the public system.

In each case, the metric may improve while the system deteriorates.

Public services are more than delivery mechanisms. At their best, they are part of society's capacity to observe changing needs, retain institutional knowledge, learn and adapt. When services are fragmented among contracts, government may retain political responsibility for outcomes while progressively losing the operational knowledge and capacity required to achieve them.

This loss of adaptability is particularly dangerous in a period of rapid climate and demographic change. We cannot predict precisely what communities will need twenty years from now. Government therefore needs institutions capable not simply of delivering today's specified service efficiently, but of recognizing tomorrow's problem and responding to it.

INEQUALITY IS NOT A SEPARATE PROBLEM

Governments commonly treat homelessness, food insecurity, household debt and housing unaffordability as separate social problems requiring separate interventions.

Many share a common economic root: many people whose work keeps the economy and our communities functioning increasingly receive too little income to share securely in the prosperity they help create.

Ontario unquestionably needs more of the right housing in the right places. But homelessness cannot be understood solely as a shortage of housing units if people working full time cannot afford shelter. Household debt cannot be understood solely as poor financial management if ordinary incomes are insufficient to maintain ordinary living standards. Expanding food banks should cause us to question an economy in which corporate profits and asset values can rise while working households cannot afford food.

Ontario does not suffer from a shortage of wealth. It suffers from an increasing concentration of wealth and economic influence.

Climate change will magnify this divide because wealth provides the capacity to move, insure, adapt and rebuild, while those without it will absorb a disproportionate share of the consequences. Climate and inequality are not separate Green causes. They are mutually reinforcing threats to the stability of our communities.

THE PURPOSE OF GOVERNMENT

Meeting society's challenges requires a broader understanding of government than either traditional conservatism or the managerial politics that has dominated recent decades.

The first responsibility of government is to understand the world it governs. The second is to establish the boundaries within which economic activity occurs. The economy must remain within the physical limits of the planet, and economic power must operate within the boundaries set by democracy and the public interest.

But government also has a legitimate and necessary economic role. It can identify work that society needs, put available people and resources to work and build capacity for the future. It can employ people to care, teach, restore, build and adapt. It can undertake activities whose benefits are too diffuse, too long-term or too important to depend upon a private financial gain.

Properly understood, this is not the opposite of freedom. It is one of the ways democratic societies create the security upon which genuine freedom depends. Public education expands choices. Public health care protects people from risks they cannot individually control. Infrastructure connects communities and enables economic activity. Democratic planning gives communities some power over their own future. Environmental protection preserves choices for generations that cannot yet speak for themselves.

The discipline is not whether a project can be made profitable. Nor should it be an arbitrary financial target detached from economic conditions. The discipline is whether we have the real resources to do the work, whether it serves the public interest and whether the level of spending can be sustained without creating inflation.

A COHERENT GREEN STORY

Climate policy, housing, public health, democratic reform and inequality are not separate political questions. They are different responses to the same historical transition.

The Green Party is often described as a party of many causes. We suggest the opposite. The many causes are expressions of a single philosophy of government.

Climate action protects the physical conditions upon which every other public purpose depends. Groundwater protection defends an irreplaceable resource from short-term extraction. Housing policy should ensure that homes serve primarily as places to live rather than financial assets. Public health care and public services allow society to respond to human needs rather than to the requirements of a contract or investment return. Democratic institutions protect public decisions from disproportionate economic influence.

A Green philosophy is more than a critique. It is also a practical program for building a better society.

There is useful work everywhere we look—not only building infrastructure, but caring for people, restoring ecosystems, and preparing our communities for a very different climate. Doing that work creates employment, develops skills, strengthens society's productive capacity and improves people's lives.

For us in the Bay of Quinte, it comes down to something quite simple:

A good life. A place to belong. A real say.

A good life means an economy that gives people a fair chance to live well, make meaningful choices and shape their own future.

A place to belong means communities rooted in a physical world—land, water and climate—that we share, depend upon and have a responsibility to care for.

A real say means democratic government strong enough to serve the public interest and ensure that concentrated economic power does not make our most important choices for us.

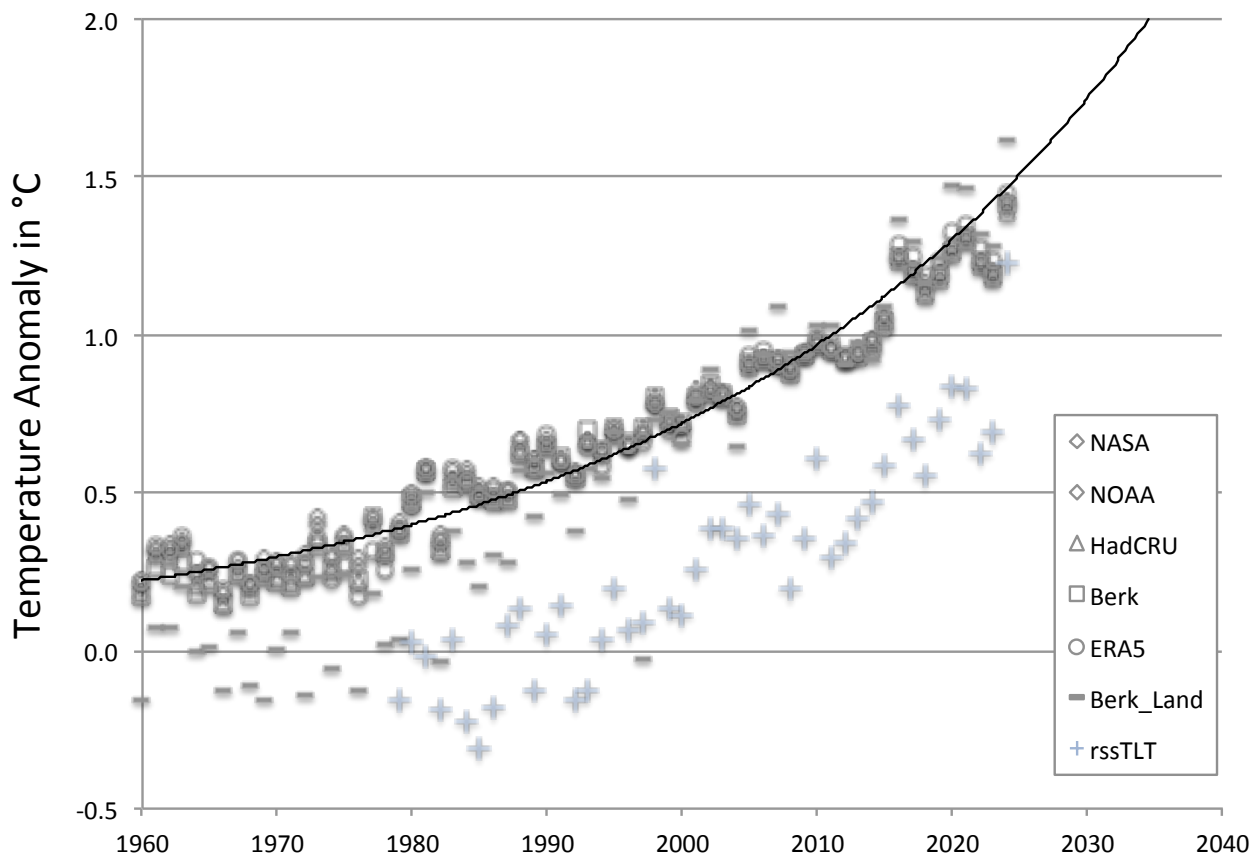
These are not three separate ambitions. They are a simple expression of the Green philosophy: people should have the freedom to live good lives, in places worth belonging to, with a genuine voice in shaping their future.

Reasonable people will disagree with parts of this philosophy, and democratic politics depends upon that disagreement. We do not present this philosophy because it is uniquely Green. We present it because we believe democratic government must begin with an honest description of the world it now governs.

Every civilization develops a philosophy of government suited to the world it believes it inhabits. If the world changes, that philosophy must change with it.

For us, that's what being Green means.

A BIT OF SCIENCE



The opening figure presents the Foster and Rahmstorf data on a logarithmic scale. The graph above shows exactly the same information plotted conventionally, as annual global temperature anomaly versus year. We obtained the original monthly datasets used by Foster and Rahmstorf, calculated annual averages for each of the five independent surface temperature records (NASA, NOAA, HadCRU, Berkeley Earth and ERA5), and rebased them to a common pre-industrial reference.

The smooth curve is the exponential relationship corresponding to the straight line in the opening graph. The two figures therefore contain exactly the same information; they differ only in how the data are displayed. On a logarithmic plot an exponential appears as a straight line, making short-term extrapolation relatively objective. On a conventional plot the same extrapolation requires estimating the continuation of a curve and is therefore more subjective.

Like all exponential relationships, the fitted curve has a doubling time. The calculated doubling time depends on the period chosen for the fit because including more of the earlier, gently curving data produces a steeper exponential. For example, fitting the data from 1980 onwards produced a doubling time of about 29 years, while extending the fit back to 1960 reduced it to about 24 years. Yet the projected year at which global warming reaches 2°C changed by only a few years. The precise doubling time therefore depends on the fitting period, but the central conclusion does not: continuation of the observed trend places 2°C well within the lifetime of today's infrastructure and public policy decisions.

The five independent surface-temperature datasets agree remarkably well despite being produced by different scientific groups using different observations and analytical methods. Their close agreement gives confidence that the observed warming is not an artefact of any one measurement system. Two additional datasets are included for comparison. Berkeley Earth Land begins below the global average but ends above it, illustrating that land warms more rapidly than the Earth as a whole because the oceans absorb much of the excess heat. RSS TLT, a satellite measurement of the lower atmosphere, records a different part of the climate system but shows the same overall accelerating trend.

These are global average temperatures. Many regions—notably the Arctic and northern Canada—are warming much faster than the global average. Likewise, the consequences of warming are not proportional to the increase in average temperature. A warmer atmosphere holds more water vapour, increasing the likelihood of heavier rainfall and more intense storms, while higher temperatures also increase evaporation, drought and wildfire risk. The global average therefore understates the changes many communities will actually experience.

Climate science rarely frames its results in terms of exponential growth. Nevertheless, exponential behaviour appears repeatedly throughout the Earth system. Atmospheric temperature, greenhouse-gas concentrations, radiative forcing, sea-level rise and many measures of climate damage—including catastrophic insurance losses and wildfire activity—have, over recent decades, been well described by exponential trends.

Whether this similarity reflects coincidence or a common underlying driver is an important question. Climate science rarely asks what kind of economy would be expected to generate exponential environmental change. That question lies at the intersection of economics, physics and Earth-system science rather than within any one discipline. Modern economies are expected to deliver continual GDP growth. Constant percentage growth is, mathematically, exponential growth. If energy use, material throughput and greenhouse-gas emissions remain coupled to that process—as they largely have been for the past century—it is not unreasonable to expect exponential responses throughout the Earth system.

This analysis does not prove that exponential economic growth is the cause of exponential environmental change. It does, however, suggest a hypothesis worthy of much closer attention: that climate change may be understood not simply as an environmental problem but as the physical consequence of an economic system whose central objective has been sustained exponential growth. If that is broadly correct, the challenge before us is not merely to reduce emissions. It is to build an economy that enables people to live good lives while remaining within the finite limits of the Earth.

One final observation follows naturally from the logarithmic representation. An exponential relationship does not merely imply continued warming; it implies that the rate of warming itself continues to increase. If the empirical relationship observed over the past six decades continues, global warming will not simply reach approximately 2°C within the next 10–15 years. It will continue to accelerate thereafter. Whether the Earth system ultimately departs from this trend or new feedbacks emerge remains uncertain. But the simplest interpretation of the observations is not a climate that suddenly began accelerating in recent years. It is one that has been accelerating continuously for decades. It is now time to take notice.

ACKNOWLEDGEMENT

The author acknowledges the use of AI-assisted editing and ‘discussion’ during the preparation of this manuscript. Responsibility for the analysis, interpretations and any remaining errors rests entirely with the author.