



# **A Viable Future?**

**Explorations in post-growth  
from Steady State Manchester.**



# **A Viable Future?**

## **Explorations in post-growth from Steady State Manchester.**

*by* Mark H Burton, Carolyn Kagan, James Scott  
Vandeventer and Mike Riddell,  
with other members of the Steady State Manchester  
Collective.

*Steady State Manchester, 2021*

*<https://steadystatemanchester.net>*

Some rights reserved: Licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License unless otherwise stated in the chapter.

ISBN: 978-1-9163858-2-5 ebook

ISBN: 978-1-9163858-3-2 paperback

A Viable Future? Explorations in post-growth from Steady State Manchester.  
by Mark H Burton, Carolyn Kagan, James Scott Vandeventer and Mike Riddell,  
with other members of the Steady State Manchester Collective.

Published, October, 2021, Manchester U.K. by Steady State Manchester.

<https://steadystatemanchester.net>  
[steadystatemanchester@gmail.com](mailto:steadystatemanchester@gmail.com)

*Rights statement:*

Some rights reserved: Licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License unless otherwise stated in the chapter.

ISBN: 978-1-9163858-2-5 ebook

ISBN: 978-1-9163858-3-2 paperback

## Endorsements of this book

*This book is unusual in combining a practical local perspective, grounded in the Greater Manchester region, with a conceptual understanding of the dimensions of the existential ecological and social crisis that we are living through. It will be a valuable resource for members of the degrowth movement and their allies, whether activists, scholars, or those working within existing systems such as government agencies.*

**Federico Demaria**, University of Barcelona, co-editor of *Degrowth* and *Pluriverse*, co-author of *The case for degrowth*.

*For the last 14 years Steady State Manchester has consistently produced critical and constructive writing that challenges not only the status quo extractive economy, but even some of the popular alternatives. They have done this from a real place and context, moving their work from purely theoretical, to deeply practical, even personal. The analysis is deep and clearly argued. Post Covid and in the midst of escalating climate disruption, we must rethink the very foundations of our economy, putting the wellbeing of people and place firmly in the centre of our designs. I recommend this collection of essays as invaluable reading for permaculture designers, degrowthers and climate activists, ecological and political economists, policy makers and indeed anyone serious about creating an economy that genuinely works for people and planet.*

**Andy Goldring**, Permaculture Association CEO, trainer, activist / Our Future Leeds City Hub Coordinator.

*Manchester has always played a central role in the world history. Manchester was at the heart of the growth of both industrial capitalism and the resulting strong and violently repressed social and emancipatory movements. So it is logical and fruitful to go back to Greater Manchester and explore the continuity of such movements questioning the pillars of our Western model of society based on capitalism, neoliberalism, productivism or consumerism. This book is an invitation to explore the rich experience of the Steady State Manchester collective fighting against our toxic addictions to economic growth and reflecting on their activism and intellectual and academic debates. This journey can provide meaningful thoughts but also feedback and examples on different levels and strategies to bring out the broad in-depth philosophy behind Post-Growth or degrowth in a practical and pragmatic ways.*

**Vincent Liegey**, co-author of *Exploring Degrowth: A Critical Guide* (Pluto Press, 2020).

*For the past 14 years, a plucky and fearless group of citizen-scholars has been taking the ideas of post-growth to the heartland of the industrial revolution: the city of Manchester. This book covers the wide-ranging contributions of Steady State Manchester, from local campaigns on urban planning to universal considerations on alternative economics. It stands as a testament to the fact that a small & dedicated group of people can achieve huge feats of civic creativity, and should serve as a basis of reflection and inspiration for many others around the world.*

**Professor Julia Steinberger**

Institute of Geography & Sustainability, Faculty of Geosciences & Environment,  
University of Lausanne.

*This collection of reports, articles and new commentary from Steady State Manchester is a vital resource for anyone living in Greater Manchester who wants to see system change.*

*This book is for you if you've heard of Positive Money but aren't sure if their ideas map onto a de-growth agenda (they don't), or have wondered if in achieving the United Nations Sustainable Development Goals we would be living within planetary limits (sadly not). The authors' starting premise that the economy must be socially and ecologically viable provides a yardstick with which to judge a range of political economy, monetary and social policy approaches at different scales.*

*The book leaves you in no doubt about the enormity of the challenges but offers ways forward and highlights principles with which to align other work, proposing workable policies to inspire activists, academics and the Greater Manchester policy community as a whole. This anchoring of action at the Greater Manchester ('bioregional') level helps distract from paralysing gloom and creates a sense of potential to participate in the work of radical re-prioritisation.*

*Although they don't flinch from hard truths, Steady State Manchester encourage us to think that we all can contribute to building resilience and helping prefigure the kind of change that's needed at pace and at scale.*

**Hannah Berry**, Greater Manchester Housing Action.

*Steady State Manchester provide a welcome challenge to the continued drive for economic growth in the city. Better still, they hold an important space for the people of the city to deliberate and to design a viable alternative; an economy that works for people, place and planet, not just the pockets of a few. It is great to see the evolution of their collective thinking pulled together in one book. I urge you to read, pull apart, scribble on as you wish. Most importantly I urge you to join in the conversation, to help reimagine and to dig in as stewards of Manchester and earthlings of this planet, we are lucky to call home.*

**Eve Holt**, Councillor, Manchester City Council; Director Happen Together CIC and Manchester resident.

*This book is testament to the enduring influence, relevance and persistence of the ideas and energies of Steady State Manchester. "A Viable Future" is grounded in experience and practical knowledge within a clear intellectual framework that pushes forward understanding and action about the options and limits for post-growth. Greater Manchester provides the bedrock for testing and exploring far-reaching propositions that extend across economy, welfare, environment, planning and politics. A must-read for anyone committed to researching and enacting systemic transformations.*

**Professor Beth Perry**, Urban Institute, University of Sheffield

*An eye-opener that shows how the privatization of gains and socialization of pains - both social and environmental costs, can be reimaged, deliberated democratically and reversed! The most appealing aspect of this book is its engagement at the meso level. This is a book from the optimal 'halfway down the stairs' position, contrasting*

*with the fool's paradise of continuous economic growth, a bridge book that lays down the choices involved in our transitions to a sustainable and fair world. The bioregional conceptualization brings pragmatic social and economic opportunities and highlights the philosophical implications for science and policy, where the stocks, funds and flows of matter and energy as well as the information about multiple biophysical, social and economic interactions and exchanges are made visible, happy and fair.*

**Dr. Rajeswari S. Raina**, Professor: School of Humanities and Social Sciences, Shiv Nadar University, Uttar Pradesh, India. Co-editor, *Post-growth thinking in India* (2018).

*In this book Steady State Manchester powerfully shows that to bring about a Viable Future, it is crucial to think and act both locally and globally. Place, they argue, is fundamental for imagining alternatives, whilst inseparable from worldwide efforts to tackle crises of planetary scale. Taking the reader through local struggles and activism in Greater Manchester, politics and policy proposals in the region, the UK and beyond, this book debunks false solutions and inspires thinking.*

**Ekaterina Chertkovskaya**, Lund University, co-editor of *Towards a Political Economy of Degrowth* and member of the editorial collective of *ephemera* journal.



# **A Viable Future? Explorations in post-growth from Steady State Manchester.**

by Mark H Burton, Carolyn Kagan, James Scott Vandeventer and Mike Riddell, with other members of the Steady State Manchester Collective.

## **Table of Contents**

|   |            |
|---|------------|
| Endorsements of this book.....  | iii        |
| <b>Introduction: A Viable Economy and Society as seen from Manchester.....</b>                                      | <b>1</b>   |
| <b>Section 1: The Viable Economy and Society.....</b>   | <b>6</b>   |
| The Viable Economy and Society.....   | 7          |
| <b>Section 2: Social analysis of present day realities.....</b>   | <b>54</b>  |
| After peak capitalism: the livelihood challenge.....  | 55         |
| Putting the ‘social’ into sustainability science.....   | 83         |
| Invisible workers, invisible systems.....   | 97         |
| <b>Section 3: What about a Green New Deal?.....</b>   | <b>101</b> |
| Six problems for Green Deals.....   | 103        |
| <b>Section 4: The decoupling question.....</b>  | <b>110</b> |
| Less levity Professor Stern! Economic growth, climate change and the decoupling question.....                       | 113        |
| Absolute decoupling in some economies?.....   | 118        |
| <b>Section 5: Money, exchange, credit and investment.....</b>   | <b>130</b> |
| The Viable Economy – and Viable Finance.....  | 131        |
| We need to end growth dependency, but how? Monetary reform would make at best a minor contribution to the task..... | 142        |
| The Political Economy of Economic Growth. An analysis and response to Positive Money's 2020 proposals.....          | 159        |
| <b>Section 6: Carbon emissions - Manchester as a case study.....</b>  | <b>181</b> |
| <b>Section 7: Another false solution: the “circular economy”.....</b>   | <b>194</b> |
| The circular economy: is it the solution to resource depletion and pollution?.....                                  | 195        |
| <b>Section 8: Plans and visions: the spatial dimension.....</b>   | <b>198</b> |
| Done deals: citizens and urban planning.....  | 199        |
| People's Spatial Framework: A Letter from the Future.....   | 221        |
| <b>Section 9: Policies.....</b>   | <b>229</b> |
| Viable Greater Manchester.....  | 231        |
| Does housing financialisation deliver a Viable Economy for Greater Manchester?.....                                 | 271        |



|  |     |
|--|-----|
| <b>Section 10: Economic development</b> .....  | 277 |
| Job creation after Covid-19: the participatory economy:.....   | 278 |
| Re-focussing the economy in times of climate emergency and economic exclusion.....                   | 281 |
| Could the Covid-19 pandemic be a portal to a Viable Society and Economy?.....                        | 285 |
| <b>Section 11: Social welfare</b> .....  | 293 |
| Women work at the heart of community solidarity: informal networking and universal basic income..... | 294 |
| Universal Basic Income: Is it the only cornerstone of a just society?.....                           | 307 |
| The social policy conundrum: An authentic third way?.....  | 320 |
| <b>Section 12: Strategy and politics</b> .....   | 329 |
| Sustainability: Utopian and Scientific.....  | 331 |
| Degrowth and the British Labour Party.....   | 345 |
| <b>Postscript: A Viable Future?</b> .....  | 361 |
| About the authors.....   | 373 |

# Introduction: A Viable Economy and Society as seen from Manchester

Nine years ago we formed Steady State Manchester (SSM)<sup>1</sup>. We had been arguing with the city council that their economic model, based on the assumption of more economic growth” as the answer to everything, was incompatible with their aspirations to reduce carbon emissions. We then realised that we needed to deepen and broaden our arguments and in particular to show how a steady state economy was feasible for the city. The result was our report *In Place of Growth: Practical Steps to a Manchester Where People Thrive without Harming the Planet*<sup>2</sup>. Since then we have produced many articles, pamphlets, reports and blog posts, exploring the post-growth alternative, practically and conceptually. Nine years on, degrowth has become more widely known about and discussed. It has yet to achieve hegemony but those who make reasoned arguments for the feasibility of continued economic expansion on a finite planet are increasingly embattled.

The body of work that we have produced has, as its main focus, the implications of a post-growth approach to economy and society at the meso-scale, that of the city region, or better, the bio or eco-region. What would it mean to adopt that approach and how feasible would it be, given that we are still inextricably linked with a global economic super-system? There is no simple answer and we have explored a number of dimensions to this question. Sometimes our work has extended beyond that meso-level, to more fundamental questions: Can growth be decoupled from environmental destruction? What is the role of money and could reforming it be part of the needed policy-mix? What social safety net is required in a shrinking economy and what policy instruments might help equitably constrain the expanding material economy?

Our small group has become established as a serious voice in our city region and we have made many international contacts. Our work has been syndicated by other websites and media resources<sup>3</sup>. Some of it has been presented at conferences and events nationally and internationally and some has appeared in book chapters, journal articles and publications of other

- 
- 1 The original members (June, 2012) were Marc Hudson, Arwa Aburawa, Laura Williams, Judith Emanuel and Mark Burton. Current members (September, 2021) are Carolyn Kagan, Roger Bysouth, Richard Shirres, Mike Riddell, Rosie East and Mark Burton. Former members, who have made significant contributions include Judith Emanuel, Charlotte Allen, Sarah Spanton, Kirit Patel, Ben Irvine and Maurice Barnes.
  - 2 Burton, M. and Steady State Manchester. *In Place of Growth: Practical Steps to a Manchester Where People Thrive without Harming the Planet*. Steady State Manchester Reports. Manchester: Steady State Manchester, 2012.  
[https://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth\\_ipog\\_content\\_final.pdf](https://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth_ipog_content_final.pdf).
  - 3 Including [Resilience.org](https://resilience.org), [degrowth.info](https://degrowth.info), [olduvai.ca](https://olduvai.ca), [15-15-15](https://15-15-15.org), [revoprosper.org](https://revoprosper.org), and Monthly Review online [mronline.org](https://mronline.org).

campaigning organisations. However, it remains scattered. We therefore thought that it would be worth bringing together a selection of our work, possibly our “greatest hits”, as a resource for the wider movements in degrowth, post-growth, climate activism, ecological economics, political economy, community psychology, urban studies, social and public policy, and political activism more generally.

The organisation of the book will be fairly self-explanatory. It is divided into twelve sections. Each has an introduction to its chapters, contextualising and, where necessary, bringing the topic up to date. I (MHB) have written most of the material but there are also pieces contributed by Carolyn Kagan, James Vandeventer and Mike Riddle, as sole authors or jointly with me.

## **Reading the book**

You can read the book in various ways, from cover to cover or by dipping in and out of the bits that interest you. If you are new to our work, then it would make sense to first read “The Viable Economy and Society”, as this gives broad introduction to our thinking and might suggest other chapters to find out more. The following summary and those at the head of each section will also help you to decide what to read. Do also look into the books and writings of our various endorsers and of course do (selectively!) follow up on concepts and research by following the various references in the footnotes, most of which are open access sources.

### ***Section 1: The Viable Economy and Society.***

This comprises our key pamphlet, now in its second edition, *The Viable Economy and Society*. It is the successor to *In Place of Growth*, and it sets out the basic ideas of the post-growth approach in accessible terms. The first edition was reviewed and revised collectively with a number of SSM collective members and interested supporters. The choice of “Viable” in the title is distinctive in that while offering a critique of the extractivist, expansionist, ecocidal growth model, we present the parameters of the alternative for a future that is viable in economic, social and ecological terms.

### ***Section 2: Social analysis of present day realities.***

In this section, some dimensions of the rather compressed analysis in *The Viable Economy and Society* are developed further. In the essay, *After peak capitalism: the livelihood challenge*, the particular problems of post-industrial settlements of the global North are analysed, in the wider context of the evolution of capitalism and the ecological crisis. The previously published book chapter, *Putting the ‘social’ into sustainability science*, develops our analytical framework of “Ideology-Action-Structure Complexes” to demonstrate how a social scientific analysis can inform the emerging discipline of sustainability science. We use a critical discussion of the contradictory United Nations’ *Sustainable Development Goals* as a case study for our argument. These two chapters are complemented by a short piece, *Invisible Workers, Invisible*

*Systems*, based on an invited contribution to a seminar organised by Manchester Art Gallery on what the pandemic has revealed about the nature of work. I take the question further, to consider the hidden workers and systems that underpin the globalised provisioning systems that enable prosperity and relative safety for some.

### **Section 3: What about a Green New Deal?**

One policy framework that has become widely promoted in recent years is the “Green New Deal”. It has a certain attraction, putting together social, economic and environmental goals and policies. However, we have been critical of its Keynesian assumptions, which are generally close to the “Green Growth” ideology. “*Six problems for Green Deals*” constructively and critically analyses the Green New Deal”.

### **Section 4: The decoupling question.**

Several pieces have appeared over the years on the “decoupling thesis” which seeks to show that economic growth<sup>4</sup> can be squared with decreasing or stable material and energy flows. Typically it is carbon emissions (green house gases) that is the focus. In two pieces we critically examine the arguments. *Less levity Professor Stern! Economic growth, climate change and the decoupling question*, was our response to the launch report of the New Climate Economy (NCE) think tank. It showed that when key bibliographical citations were tracked down, they did not provide the evidence that the report claimed. The challenge made in our critique was never answered by NCE, although we know that they were aware of it. A more recent study demonstrated some absolute decoupling of carbon emissions in a number of national economies. The piece, *New evidence shows absolute decoupling in some economies, but is it enough and will it last?*, examined that closely, raising a number of methodological problems, especially with the reported measures of consumption emissions, and also questioned the scale and permanence of the cuts.

### **Section 5: Money, exchange, credit and investment.**

*The Viable Economy – and Viable Finance* reviews a number of possibilities for financial arrangements for the post-growth economy, including alternative currencies and banking arrangements. The other two pieces in this section, *We need to end growth dependency, but how?* and *The Political Economy of Economic Growth*, take issue with the British NGO, Positive Money’s forays into post-growth policy. We use a Marxist analysis of money and the motor for economic expansion, together with ecological impact analyses of the policy prescriptions.

---

4 Usually expressed as increases in Gross Domestic Product or GDP.

## **Section 6: Carbon emissions - Manchester as a case study.**

This section is an edited composite of pieces that have appeared assessing Manchester's policies and performance in mitigating climate-damaging emissions. While the analysis is local, the overall approach and conclusions have a wider relevance.

## **Section 7: Another false solution: the "circular economy".**

Dubious "solutions" are a recurring theme in this collection. Green New Deals, Green Growth and decoupling, or monetary reform, have already been covered. *The circular economy: is it the solution to resource depletion and pollution?* takes on another popular approach, often little more than a feel-good slogan.

## **Section 8: Plans and visions: the spatial dimension.**

Our regional focus means that questions of the structure of human settlements, land use, and the role of urban planning are central questions for our struggle for a viable city region. *Done deals: citizens and urban planning*, is an empirical study, conducted as part of a project on competing knowledges with the Urban Institute at the University of Sheffield. It is concerned with local citizen knowledge and its marginalisation in the formal planning process but it goes beyond epistemology, or questions of knowledge, to consider the ideological and structural determinants of planning decisions. What would we actually want to aim for in spatial terms for a post-growth city and region? *People's Spatial Framework: A Letter from the Future* is part of our answer, written on the basis of a participative workshop with community-based campaigners and concerned citizens.

## **Section 9: Policies.**

Much of our work consists of the critique of policy and the formulation of alternative policy approaches. *Viable Greater Manchester* was produced as an intervention for the Greater Manchester Mayoral elections, first in 2017 and updated for 2021. Its origins were in a challenge from one of our supporters along the lines of "we know what you are against but what would you actually do if you were in power in the city region?". In contrast, *Does housing financialisation deliver a Viable Economy for Greater Manchester?*, produced for a local housing campaign, focusses on the ecological and liveability dimensions of the building boom in Manchester's "urban core" which has been fuelled by the kind of speculative inward capital investment whose seeking by our city leaders we have consistently criticised as a sensible economic strategy.

## **Section 10: Economic development.**

Three chapters consider alternative approaches to developing (a problematic word which here means designing and delivering) a post-growth economy that provides for citizens. They all situate the discussion in relation to two dimensions of the global eco-social crisis, Covid-19 and climate change. The



first, *Job creation after Covid-19: the participatory economy*, as the title indicates, considers participatory methods for community-led economic development. *Re-focussing the economy in times of climate emergency and economic exclusion* reviews the most promising approaches for meeting the dual goals of climate safety and social justice, and *Could the Covid-19 pandemic be a portal to a Viable Society and Economy?* builds on this with an emphasis on transformational partnerships such as sectoral green deals for local economies.

### **Section 11: Social welfare.**

Two pieces consider options for income provision in the post-growth context, both with an emphasis on equality and social justice: *Women work at the heart of community solidarity: informal networking and universal basis income* and *Universal Basic Income: Is it the only cornerstone of a just society?*. A third chapter is an overview of an alternative, convivial, social policy approach, *The social policy conundrum: An authentic third way?*.

### **Section 12: Strategy and politics**

The oldest text in the book introduces a short section on post-growth politics. *Sustainability: Utopian and Scientific* predates SSM by four years but we think its analysis and conclusions are still relevant to the movement today. The second chapter on politics, *Degrowth and the British Labour Party*, is more recent but actually seems more dated now. In the context of a recovery of an alternative anti-commodification, environmentalist tradition in British socialism, it considered the prospects for post-growth policy and politics after what turned out to be a temporary leftward turn in the British Labour Party under the leadership of Jeremy Corbyn. We think it is worth including for its historical material and the suggestions on how to handle left objections to degrowth.

The book finishes with a postscript, rhetorically asking if there is a Viable Future. It also considers our impact as a group, questions of scale and issues that got insufficient attention in the previous selections.

### **A note on references and links.**

Because the chapters are lightly unedited reproductions of previously published work, there is some inconsistency in referencing style. Generally references are in footnotes using either APA or Chicago referencing style. However, in some cases they are at the end of the piece.

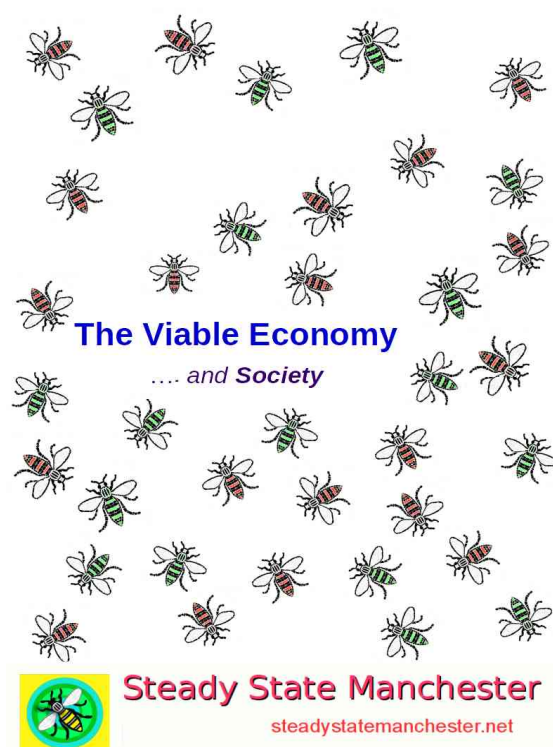
Most internet links have been checked recently but they can disappear. In a few cases we have substituted a link to an archived copy at the Internet Archive (the Wayback machine). This is a useful resource that will often yield a usable copy of a former link: <https://web.archive.org/>

## **Section 1: The Viable Economy and Society**

There is just one chapter in this section, The Viable Economy ... and Society. It is the overall conceptual approach that Steady State Manchester uses to explain its thinking. Rather than writing about degrowth, post-growth or the steady state economy, we frame the piece in terms of what we are aiming for, *viability*, in the economic, social and ecological sense of the word.

# The Viable Economy and Society

SSM collective, 2021



This chapter is based on the, *The Viable Economy ... and Society* (second edition)<sup>5</sup>. It was written by Mark Burton with input from those who came to a series of three reading group sessions in 2019. Special thanks are due to Carolyn Kagan (who also wrote the section on care and caring), Peter Somerville, Roger Bysouth and James S Vandeventer.

The Viable Economy and Society is an introduction to a different way of organising society and its economy so that it provides for everyone's needs without storing up problems for the future and undermining the very basis for the viability of the ecosystem, society and economy. The Viable Economy and Society would meet human need without overstepping the limits imposed by the planetary and ecological systems<sup>6</sup>. The framework sets out the key themes, making contrasts with the way that existing society and economy are organised. As such it is primarily conceptual in nature. It contains a fair amount of theory with some indications of practical reforms. It is not a political

---

5 The first edition, *The Viable Economy* (2014) was by Mark H Burton, Benjamin Irvine and Judith Emanuel, with input from Maurice Barnes.

6 See Hickel, J. (2018). Is it possible to achieve a good life for all within planetary boundaries? *Third World Quarterly*, 1–17. <https://doi.org/10.1080/01436597.2018.1535895> Raworth, K. (2012). *A Safe and Just Space for Humanity: Can We Live Within the Doughnut?* (Oxfam Discussion Papers). Oxfam. <http://www.oxfam.org/sites/www.oxfam.org/files/dp-a-safe-and-just-space-for-humanity-130212-en.pdf>

strategy, nor a road map or economic plan. There is a need for such things: the reader is invited to consider what they would look like. A partial answer is given in the chapter on policies for the City Region, *Viable Greater Manchester*. Pragmatically, *The Viable Economy and Society* sets out the premises of the post-growth/degrowth perspective in a constructive way by specifying the problem of the current pancrisis-beset economy and society, and the nature of the alternative.

## 1) Introduction: Why the Viable Economy?

We want to live in a world that is viable, rather than one that risks tipping into decline or crisis: that means an economy that is resilient and dynamic, providing enough for all, while supporting social well-being. And it must be ecologically viable, not causing further damage to the earth's fragile systems without which life is not possible.

We are using this title, *Viable Economy ... and Society*, both to give a positive message (rather than the negative, but necessary steady-state one) and to emphasise the need to align the economic, the social and the ecological. No economy can survive that is not viable in all three domains. In Section 2, *What is the Viable Economy*, we explain that our analysis and concern is not solely with “the economy”. Indeed we are critical of approaches that reduce everything to the economic.

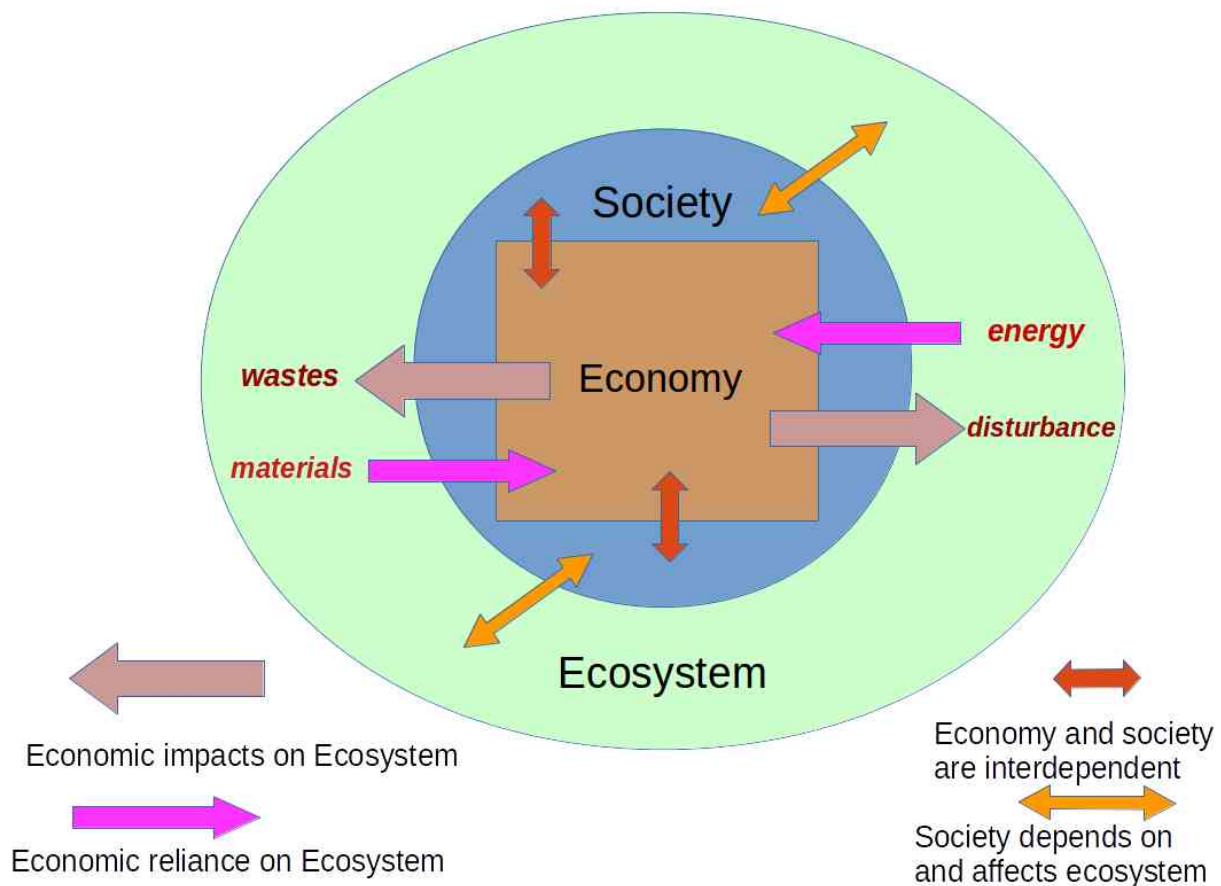
As we will see, the economy and society we have are not viable in any sense, and so we set out the principles for a viable local and regional economy and society and suggest some positive policies that could be implemented to take us in the right direction.

In what follows our focus moves from level to level, from the local to the global. This is inevitable given the issues we are discussing, that have local manifestations and global interconnections and causes. However, we have written from the perspective of the Greater Manchester region – often described as a City Region. The economy, society, and indeed ecology of this region are, as elsewhere, a historical product of human activity. It has changed over the years from a largely rural one, to an industrial urban one, and then to a de-industrialised and still urban one. Just as our city and region have changed over the years, they need to change again to secure a viable economy, society and ecology. And again they can change as a result of human activity, consciously directed to ecological, social and economic well-being, not just for our people, but for the whole planet.

Finally, it should be clear that unlike standard approaches that emphasise competition in the global economy, we are not pursuing regional self interest, forgetting people in other regions and lands. All regions need to adopt a relatively more self reliant approach, collaborating with each other to achieve that, to reduce the unhealthy type of interdependence that comes with globalisation.

This pamphlet is not the end of the story. Steady State Manchester continues to work on the implications of the model we present for various sectors of our society and economy, collaborating with others in that ambitious task.





*The economy is part of society, which itself can only exist within the ecosystems of the natural world. However, the economy also directly impacts on, and depends on, the ecosystem<sup>7</sup>.*

### **The mess we're in**

We really are in an economic, social and ecological mess. Some aspects of this are particularly bad in our city and in the UK, but many of the dimensions are found worldwide, a result of the domination – the colonisation – of people and planet by the capitalist system.

### **The ecological mess**

Most fundamental is the state of extreme ecological malaise affecting all regions of the earth. By “ecological” we mean not just the living systems of the earth but also the geophysical dimensions of water, atmosphere and minerals and the systems that connect them to one another with the mediation of the earth's life-forms (hence carbon, water, phosphorous and other cycles). It is all these systems that are being progressively destroyed, as a direct consequence of human “economic” activity, whereby our ecological footprint by far exceeds the available carrying capacity of the planet<sup>8</sup>: that's the real deficit.

<sup>7</sup> Victor makes a similar point about the mediated and direct relations among the three spheres. Victor, P. A. (2019). *Managing without growth: Slower by design, not disaster* (Second edition). Cheltenham, UK: Edward Elgar Publishing, pp. 52-3.

The problem is most starkly apparent in terms of the global heating caused by the ever increasing emissions of carbon dioxide and other greenhouse gases as a result of burning fossil fuels, industrial processes such as making concrete and steel, and land use change, for example from deforestation and the loss of wetlands. The earth is on a course to catastrophic rises in temperature<sup>9</sup>. But climate change is just one of the “planetary boundaries” that are being breached: biodiversity loss, damage to phosphorous and nitrogen cycles, climate change and land use are now all in or beyond the “uncertainty zone” which could mean “non-linear, possibly abrupt and irreversible earth system responses” with disastrous consequences all round<sup>10</sup>.

*“Nature is declining globally at rates unprecedented in human history — and the rate of species extinctions is accelerating, with grave impacts on people around the world now likely.... We are eroding the very foundations of our economies, livelihoods, food security, health and quality of life worldwide.... ...global goals for conserving and sustainably using nature and achieving sustainability cannot be met by current trajectories, and goals for 2030 and beyond may only be achieved through transformative changes across economic, social, political and technological factors.”*

IPBES (2019)<sup>11</sup>

The planet's human systems “are using natural resources at a level never seen before. The total amount of 70 billion tonnes of raw material extraction is unprecedented, and per-capita levels of resource consumption are at their highest level in history. These numbers are predicted to rise unless stringent reduction targets and policies are put in place.”<sup>12</sup> Put another way, the UK's

---

8 Global Footprint Network. (n.d.). Ecological Footprint—Global Footprint Network. Retrieved 17 December 2018, from <https://www.footprintnetwork.org/our-work/ecological-footprint/>

9 See for example, <https://tinyurl.com/ipccrpt>  
<https://tinyurl.com/ydcpwg9g>  
<https://climateactiontracker.org/global/temperatures/>

10 Rockström, J., Steffen, W., Noone, K., Persson, Å., Chapin, F. S., Lambin, E. F., ... Foley, J. A. (2009). A safe operating space for humanity. *Nature*, 461(7263), 472–475.  
<https://doi.org/10.1038/461472a>

11 Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) (2019) *Global Assessment Report on Biodiversity and Ecosystem Services*.  
<https://www.ipbes.net/global-assessment-report-biodiversity-ecosystem-services>

12 Wiedmann, T. O., Schandl, H., Lenzen, M., Moran, D., Suh, S., West, J., & Kanemoto, K. (2015). The material footprint of nations. *Proceedings of the National Academy of Sciences*, 112(20), 6271–6276. <https://doi.org/10.1073/pnas.1220362110>

ecological footprint already exceeds the capacity of the planet to regenerate, by a factor of 2.85, and globally it's around 1.5 – that's like living as if we had one and a half planets, nearly twice that in the case of the UK<sup>13</sup>.

*“At the most abstract, the problem we face can be stated very simply. Every 1% added to global GDP over the last century has meant, on average, adding 0.5% to carbon dioxide emissions. As the size of the world economy has grown, so too has the pressure it places on our ecosystems. The consequences of that pressure are now becoming all too apparent. .... On current trends we are heading for a 3.5 degree celsius increase in global temperatures this century; a rise that would wreck everyone’s economy. This isn’t only about climate change. Other fundamental natural systems are at risk.”*

John McDonnell, former Shadow Chancellor of the Exchequer (i.e. parliamentary opposition spokesperson on the economy), 2017<sup>14</sup>

As the report of the Intergovernmental Panel on Climate Change (IPCC) 2014 has shown, it is economic growth that is responsible for the most immediately threatening increases in greenhouse gas emissions that threaten runaway global warming<sup>15</sup>. And climate change is just one of the “planetary boundaries” that humanity is crossing, or approaching<sup>16</sup>.

### **The social mess**

The social mess, although stemming in large part from the economic mess, also affects the non-economic dimensions of our lives together. Moreover, some of its aspects, for example the structures of domination, exclusion, gender and racial discrimination and domination, are not reducible entirely to economic relations. Some of the signature characteristics include social exclusion, both of social groups and whole geographical areas<sup>17</sup>, the dissatisfaction with everyday life (that according to some studies ceased improving in the richer countries in the mid 1960s<sup>18</sup>, and is higher in the UK

13 Global Footprint Network. (n.d.). Ecological Footprint—Global Footprint Network. Retrieved 17 December 2018, from <https://www.footprintnetwork.org/our-work/ecological-footprint/>

14 J. McDonnell, ‘Speech: IPPR conference.’, 14-Nov-2017. [Online]. Available: <https://labour.org.uk/press/john-mcdonnell-speech-to-ippr-conference/>

15 IPCC [http://report.mitigation2014.org/spm/ipcc\\_wg3\\_ar5\\_summary-for-policymakers\\_approved.pdf](http://report.mitigation2014.org/spm/ipcc_wg3_ar5_summary-for-policymakers_approved.pdf) page 8

16 Rockström, J., Steffen, W., Noone, K., Persson, Å., Chapin, F. S., Lambin, E. F., Lenton, T. M., et al. (2009). A safe operating space for humanity. *Nature*, 461(7263), 472–475. doi:10.1038/461472a

Note that when we speak of “humanity” in contexts like this, we are fully aware that the responsibility, and the harm, is far from evenly distributed.

17 Lone, A., & Silver, D. (2014). *White Working Class Communities in Manchester*. New York: Open Society Foundations. <http://bit.ly/1xoRafl>

than in places with far lower material prosperity<sup>19</sup>), cynicism and disengagement from the political process, and the shift over the last few decades from identities that were more collective, interconnected and co-operative to ones that are more individual, fragmented and apolitical, with an upsurge in xenophobia. This is apparent in both personal and collective “ill-being”, with widespread feelings of pointlessness and insecurity, and high levels of stress, anxiety disorders, depression and addictions, and all this despite levels of consumption that are incompatible with planetary and ecosystem stability. Rising inequality in turn creates rising levels of insecurity and most worrying, a lack of social solidarity – the very basis for our shared<sup>20</sup> life. Indeed it is perhaps no surprise that words such as “conviviality”, “solidarity” or “stewardship” can sound quaint, of another time and place.

### **The economic mess**

We have an economy that is subject to the shocks that arise from its dependence on endless growth, its continual accumulation. That makes it unsustainable, in its own economic terms: a system whose “design” is to continually increase capital meets contradictions that are then addressed by a series of “fixes” that only postpone further contradictions, leading to further crashes. Keynesian demand-management, the neoliberal curtailment of hard won social dividends<sup>21</sup>, and speculative ventures via financial engineering or building booms are all examples. Indeed, stagnation has haunted the economy since the 1970s. However, the belief that growth is essential makes it difficult for us to imagine that we can live well without it. Economic justice (let alone economic democracy<sup>22</sup>) is forever postponed, marginalised or reduced in the futile attempt to stoke up the accumulative process as we can see with current austerity policies. In the period from 1945 until the 1970s, a State-moderated capitalism succeeded in raising the standard of living of a relatively large proportion of people, especially in Western countries. But real incomes have declined in the West since then, and while many in the majority world have escaped poverty, others have become increasingly poor<sup>23</sup>. However promoters of economic growth continue to suggest that where there is growth, prosperity

---

18 New Economics Foundation. (2004). *Chasing Progress: Beyond measuring economic growth*. nef. <http://bit.ly/1wewa7R>

19 <https://happyplanetindex.org/>

20 Jones, R., & Llewellyn, J. (2019). Reducing Inequalities. *National Institute Economic Review*, 250(1), R75–R82. <https://doi.org/10.1177/002795011925000121>  
Milanovic, B. (2019, March 25). The apogee of capitalism and our political malaise. *Social Europe website*: <https://www.socialeurope.eu/our-political-malaise>

21 Davies, W. (2012) The making of neoliberalism. *Renewal: a journal of social democracy* <http://bit.ly/1gLcgjH>

22 Economic democracy places economic decision-making, not solely with property owner, shareholders and managers but with a wider group of people with stakes in the economy including workers, customers, suppliers and citizens, for example through workers co-ops, employee ownership, participatory budgeting, and consultation on strategic economic policies.

23 Hickel, J. (2019). How bad is global inequality, really?  
<https://www.jasonhickel.org/blog/2019/3/1/global-inequality-from-1980-to-2016>

will trickle down, as crumbs from the table of the advantaged. The consequences include increasing inequality, instability and repeated. While the division of labour accelerates, there is no benefit in terms of reduced working hours. Just as Margaret Thatcher advocated, the "economic" comes to dominate social thinking and decision-making, with politics, and even culture, reduced to economic activity, with the emphasis on profit and the free market. The high rates of economic growth, and the accumulation of exchange value as capital that underpins it, although dependent on labour exploitation, would not be possible without highly concentrated and historically cheap energy sources, predominantly fossil fuels<sup>24</sup>. With the depletion of the easier to exploit fossil fuel reserves, the cost of extracting and distributing energy rises<sup>25</sup>. The consequent reducing energy return on investment increasingly threatens the capitalist growth model, making it unviable<sup>26</sup>.

That then is the nature of the problem. Our conception of the viable economy and society is not something we have just dreamed up, but a way of bringing together a number of streams of thinking<sup>27</sup> and practice into a coherent framework.

## 2) What is the Viable Economy?

Now, more than ever before, there is an urgent need to think differently about the economy, to link it firmly and inseparably to environmental, climate and biodiversity issues and to social justice. We cannot carry on as we are if we are to achieve human flourishing on a safe and protected earth.

Our title is *The Viable Economy ... and Society* because we are just as concerned with the cultural and political sphere as the economic. So we promote not just an alternative economics but a critique of "economic

- 
- 24 Malm, A. (2016). *Fossil capital: The rise of steam-power and the roots of global warming*. London ; New York: Verso.
- 25 Jackson, T., & Webster, R. (2016). *Limits Revisited a Review of the Limits to Growth Debate* (p. 24). London: All-Party Parliamentary Group on Limits to Growth. <http://limits2growth.org.uk/revisited>
- Meadows, D. H., Randers, J., & Meadows, D. L. (2005). *Limits to Growth: The 30-Year Update*. London: Earthscan.
- Turner, G. (2014). *Is global collapse imminent?* University of Melbourne. [https://www.researchgate.net/publication/267751719\\_Is\\_Global\\_Collapse\\_Imminent\\_An\\_Updated\\_Comparison\\_of\\_The\\_Limits\\_to\\_Growth\\_with\\_Historical\\_Data](https://www.researchgate.net/publication/267751719_Is_Global_Collapse_Imminent_An_Updated_Comparison_of_The_Limits_to_Growth_with_Historical_Data)
- Brandt, A. R. (2017). How Does Energy Resource Depletion Affect Prosperity? Mathematics of a Minimum Energy Return on Investment (EROI). *BioPhysical Economics and Resource Quality*, 2(1). <https://doi.org/10.1007/s41247-017-0019-y>
- 26 Järvensivu, P., Toivanen, T., Váden, T., Lähde, V., Majava, A., & Eronen, J. T. (2018). *Governance of Economic Transition: Invited background document for Global Sustainable Development Report 2019* [Working Paper]. Finland: BIOS. [https://bios.fi/bios-governance\\_of\\_economic\\_transition.pdf](https://bios.fi/bios-governance_of_economic_transition.pdf)
- 27 These strands include Ecological Economics, Keynesian economic theory, the Marxist critique of political economy, decolonial and liberation theory, critical social policy, cultural studies and permacultural thinking. However we also use more orthodox approaches, for example those from welfare economics and law to support our analyses.



rationality" <sup>28</sup>, the dominance of the economy and of the domination of economic criteria in determining government policy and law, as well as the practices and policies of more local actors.

While for purposes of analysis and explanation it is legitimate to refer to "the economy", it should not be assumed that it has either a priority over, or an existence separate from, that of people living their lives (in all their private, community-rooted, economic and political ways) and the fundamental ecological and planetary systems. More than economic, our concern is with both "political economy", which recognises relations, interests and forces of power, and "ecological economy", which understands economic life as embedded in and transacting with, the ecosystem.

For this reason we do indeed use terms like solidarity, conviviality and stewardship to identify and promote an alternative set of values and principles for a seamless economic, social, political, cultural and ecological framework, which we call here the Viable Economy.

### **Key features of the Viable Economy**

#### ***Ecologically viable***

Radically reducing both the exploitation of finite resources and the emission of pollutants, including greenhouse gases: a one-planet economy.

Based on production and consumption for need: a frugal abundance.

More security for us all because nature and the environment is protected from further destruction.

Resilient to climactic and other ecological shocks.

Respecting and conserving the myriad life-forms of the planet (of which humans are but one), their habitats, and the web of their interconnections.

An economy that practices stewardship of the natural world that we depend on.

#### ***Socially viable***

Control over the economy rather than the economy controlling us.

An economy that relies on and builds equality, solidarity and cooperation among people, here and elsewhere.

An economy that rather than increasing inequality, progressively becomes more equitable.

Less exploitation of the majority world while keeping open channels for communication and learning globally.

An economy founded on stewardship of human and social capital, that does not waste people's energies and talents, that includes everyone.

With an increased space for non-commercial transactions: the collaborative or solidarity economy.

---

28 Gorz, A. (2010). *Critique of Economic Reason*. London: Verso. Before the widespread adoption of the label "neoliberalism", "economic rationalism" was the term used in Australia to refer to that intellectual and policy framework.

### **Economically viable**

An economy that is resilient in the face of bubbles, crashes, supply chain interruptions and the whim of national governments.

More money staying local and more democratic and local control over savings and investment.

An economy that delivers (and measures) what we need rather than growth for growth's sake.

A balanced economy without the hyper-development of some sectors (e.g. financial speculation, armaments).

An economy that does not have to keep expanding, although where some sectors will grow, (e.g. renewable energy) and some must shrink (e.g. fossil fuels).

Where needed investment comes from within rather than from exploitation of other peoples or as profit-seeking from external investors.

### **3) About Growth**

#### **The problem**

The way our economy is organised at present is unviable because it depends on endlessly growing in size to sustain itself and maintain a semblance of social stability. This growth, at a preferred three percent per year, is exponential, growing like compound interest. Three per cent per year would mean an economy that doubles in size every 27 years, or increases eight-fold in an average Western lifetime. It is not surprising that critics of economic growth liken it to the pathological growth of a tumour, rather than healthy growth that reaches a natural limit.

This requirement for infinite growth is ecologically unviable: there is no evidence that it is possible for economic activity to be separated (decoupled) from the amount of energy and physical material moving through the global economy<sup>29</sup>. It is therefore incompatible with the finite nature of the planet and the environmental resources which support human life, depending on the destruction of ecological abundance and the capture of value from regions of the majority world<sup>30</sup>.

---

29 A growing literature confirms this. For example, Kuokkanen, A, Parrique, T, Barth, J, Briens, F, Kerschner, C., Kraus-Polk, A, & Spangenberg, J.H. (2019). *Decoupling debunked: Evidence and arguments against green growth as a sole strategy for sustainability*. European Environmental Bureau website: <http://eeb.org/library/decoupling-debunked>.

Wiedmann, T. O., Schandl, H., Lenzen, M., Moran, D., Suh, S., West, J., & Kanemoto, K. (2015). The material footprint of nations. *Proceedings of the National Academy of Sciences*, 112(20), 6271–6276. <https://doi.org/10.1073/pnas.1220362110>

Also see our own work, specifically on the decoupling of carbon emissions from GDP growth: <https://steadystatemanchester.net/?s=decoupling>

30 See Smith, J. (2007) The GDP Illusion: Value Added versus Value Capture *Monthly Review*, <http://bit.ly/1tXpbIt>

Lang, M., & Mokrani, D. (Eds.). (2013). *Beyond development: Alternative visions from Latin America* (1. transl. ed). Retrieved from <https://www.tni.org/en/publication/beyond->

A further problem is that growth in the material economy, while often seen as necessary in order to alleviate poverty, has in recent times led to the concentration of wealth and thereby to increasing inequality<sup>31</sup>.

### **The viable alternative**

A viable economy requires that we re-design the economy to ensure economic activity is based on what is socially useful while restoring and maintaining ecological assets. The fudges of "good growth" and "green growth" are not sufficient; the viable economy is only ecologically viable when it is able to function without growing in overall size. In fact, it is necessary to actually shrink the material flows of energy and resources flowing through the global economy, and that means shrinkage of its scale here in Manchester and the UK too<sup>32</sup>.

The viable alternative is socially preferable. Real increases in productivity and technological improvements must be better shared as real improvements in quality of life. This includes reductions in working time and increasing opportunities to undertake activities that need not make a profit but have value for individuals and communities. Ecological economists have modelled these policy choices under post-growth scenarios and conclude that they are feasible<sup>33</sup>.

### **Some viable policy ideas**

Many aspects of the unviable economy require radical reform at the national and international level: campaigning on those fronts is essential to change the context in which the local economy operates. But there are policy options for regions such as Greater Manchester to pursue a more viable economic path, and in doing so to both prefigure the change required *and* develop resilience to likely future economic shocks and energy scarcity. These are covered in the following sections where we review each key aspect of the viable economy in turn.

---

#### [development](#)

- 31 Woodward, D. (2015). Incrementum ad Absurdum: Global Growth, Inequality and Poverty Eradication in a Carbon-Constrained World. *World Economic Review*, 4, 43–62. Retrieved from <http://wer.worldeconomicsassociation.org/files/WEA-WER-4-Woodward.pdf>
- Tcherneva, P. R. (2015). *When a Rising Tide Sinks Most Boats* (Policy Note No. 2015/4). Retrieved from Levy Economics Institute website: <http://www.levyinstitute.org/publications/when-a-rising-tide-sinks-most-boats-trends-in-us-income-inequality>
- Roberts, M. (2017). *Labour's share*. <https://thenextrecession.wordpress.com/2017/04/30/labours-share/>
- 32 This paragraph refers to the material scale of the economy: this is not necessarily the same as the scale of its monetary value, although as we see from the decoupling literature referred to above, the two are very closely linked.
- 33 Jackson, T., & Victor, P. A. (2016). Does slow growth lead to rising inequality? Some theoretical reflections and numerical simulations. *Ecological Economics*, 121, 206–219. <https://doi.org/10.1016/j.ecolecon.2015.03.019>
- Victor, P. A. (2019). *Managing without growth: Slower by design, not disaster* (Second edition). Cheltenham, UK: Edward Elgar Publishing.
- Lange, S. (2018). *Macroeconomics without growth: Sustainable economies in neoclassical, Keynesian and Marxian theories*. Marburg: Metropolis-Verlag.

## 4) About Resilience

### The problem

Our unviable economy is not resilient. Consider its “too big to fail” monopolies, “just in time” supply chains, and the reliance on oil inputs.

*Economically*, it goes in cycles of boom and bust, most recently in the form of unsustainable credit and property bubbles. For our food, energy and other goods, we rely on long and vulnerable supply chains, often with high levels of carbon emissions.

*Socially*, it simultaneously over-works and over-rewards some while rendering others “surplus to requirements” and condemning them to a life of poverty and desperation. This damages everyone's mental and physical health. Others are overworked and under-rewarded.

*Ecologically*, it requires ever increasing resources and production of waste, making the planet an unsafe place to live.

Taken together this means we have limited ability to withstand and recover from various kinds of systemic shocks. The shocks could be

- *ecological* – for example from slowly or rapidly changing climate affecting our food sources<sup>34</sup>;
- *economic* - for example from sudden “melt-downs” of the global financial system that enables international trade;
- *political* – for example from wars, industrial action or actions by energy-exporting countries<sup>35</sup>).

We believe that, as a result of these “geopolitical risks”, our population is far more vulnerable than it appears from its apparent prosperity<sup>36</sup>. The collapse of our social, economic and ecological support systems is something that we have to face as a real possibility.

In our city region, as in many others, the trend in settlement and building patterns has often been to reduce resilience. Concentrating economic development in “growth hubs”, for example, builds in a reliance on mass transit to get people from home to work. While there are arguments for increasing urban density (reducing travel times and energy expenditure), this has usually meant building on any parcel of green space, including on brownfield sites that have returned to nature, recreational spaces and areas prone to (the increasing) risk of flooding. With rising temperatures, the building boom in city centres, with its millions of tons of glass, steel and concrete, increases the risk to residents and workers from the extreme heat waves that will increase in frequency this century.

---

34 See <https://medium.com/insurge-intelligence/wests-dust-bowl-future-now-locked-in-as-world-risks-imminent-food-crisis-947f50eca712>

35 As happened in the 1970s with the OPEC oil price shock.

36 Simms, A. (2008). Nine meals from anarchy : oil dependence, climate change and the transition to resilience. London: New Economics Foundation. <http://bit.ly/1slclfw>

## The viable alternative

A viable economy and society place the values and practices of *stewardship* at their core. This means treating the earth's resources not as something to be extracted and consumed, but as something to be looked after while borrowed. The same goes for human resources – people are not born to be exploited, nor to consume but to live meaningful and satisfying lives in social harmony and solidarity. In rebuilding our social and economic systems the viable alternative seeks to use the principles of ecological resilience.

### Ecological principles of resilience

Resilience is defined as the capacity of a system, community or individual to absorb disturbance and reorganise while undergoing change, so as to still retain essentially the same function, structure, identity and feedbacks<sup>37</sup>. This depends on at least four dimensions including:

**Diversity** – the variation within the system. A field of one crop is more vulnerable to pest attack than a field of mixed crops.

**Modularity** – the extent to which the system is broken up into relatively autonomous subsystems. The size and interdependence of financial institutions intensified the impact of the banking crash of 2008.

**Tightness and damping of feedbacks** – the speed with which the system can respond to disturbance without over-compensating.

**Redundancy** – the extent to which the system has duplication of elements. If you are growing one lettuce and the slugs get it, you have no lettuce. If you have several plants you can afford to lose one.

However, the resilience of human settlements and their economies also depends on their social relations, which cannot be reduced to the economic. It is the values and practices of mutuality, cooperation and solidarity that make for an economically and socially resilient society.

In the face of possible collapse, the idea of “a better collapse” is something that should be taken seriously<sup>38</sup>. Voluntary and planned downsizing of the material economy would be preferable but should it be, as seems highly possible, involuntary, then having worked in advance to increase resilience will have been worth the effort. A relative re-ruralisation<sup>39</sup> of our cities and lives is

---

37 Walker, B, Hollinger, C.S., Carpenter, S.R. and Kinzig, A. (2004) 'Resilience, Adaptability and Transformability in Social-ecological Systems', *Ecology and Society* 9 (2) p.5.

38 Burton, M. (2017). After peak capitalism: The livelihood challenge. Uncommonwater website: <https://uncommonwater.net/2017/11/03/after-peak-capitalism-the-livelihood-challenge-revised-version/>

39 The Steady State Manchester team. (2018, May 22). We need a A Social-Ecological Spatial Framework. *Steady State Manchester*. <https://steadystatemanchester.net/2018/05/22/we-need-a-a-social-ecological-spatial-framework/>  
Holmgren, D. (2018). *RetroSuburbia: The downshifter's guide to a resilient future*. Melliodora Publishing.

likely to take place spontaneously if food supplies get interrupted: making re-ruralisation happen proactively would help prepare settlements for such shock conditions.

### Some viable policy ideas

- There are various initiatives that point the way to more resilient futures, from the work done in Preston and other places under the heading “Community Wealth Building” to the re-ruralisation of suburbia envisaged by permaculture practitioners<sup>40</sup>.
- Reduce our demand for food, energy and other resource use through cutting out waste, increasing product life, re-using and recycling, developing incentives and sanctions to support all these things.
- Shorten supply chains by producing more of our food, energy, clothes and other requirements more locally.
- Radically increase the rate of retrofitting of buildings to reduce fuel demand.
- Devise collective energy purchase schemes that incentivise lower unit levels of energy use.
- Work to help people identify less in terms of material possessions and more in terms of a culture where conviviality is central.
- Teach, demonstrate and incentivise the practices of stewardship – for example the repair of clothes and electrical equipment, and food growing.
- Support (technically, politically, economically) local communities to plan and manage their own regeneration, increasing people's stake while shortening the chain from the emergence of problems to their solution.
- Incentivise cooperation – for example in the award of grants for community amenity improvements and business development.
- Promote practical research on increasing the diversity of our food resources<sup>41</sup>.
- Beyond all this, cumulatively retrofit the city region as a re-ruralised or “Rurban” space, where food production is local and integrated with human settlement<sup>42</sup>. Whether planned or not, this trajectory is probably inevitable under impending conditions of energy and materials scarcity<sup>43</sup>. The next section is relevant to this idea.

---

40 CLES, & Preston City Council. (2019). *How we built community wealth in Preston: Achievements and lessons*. Retrieved from Centre for Local Economic Strategies website: <https://cles.org.uk/publications/how-we-built-community-wealth-in-preston-achievements-and-lessons/>

Morris, J, Cobbing, P, Leach, K, & Conaty, P. (2013). *Mainstreaming Community Economic Development*. Localise West Midlands website:

<http://localisewestmidlands.org.uk/wp-content/uploads/MCED-final-report-LWM-Jan-2013.pdf>

Allen, C. (2018, December 11). Retrofitting suburbia. Steady State Manchester website:

<https://steadystatemanchester.net/2018/12/11/retrofitting-suburbia/>

41 “There are over 20,000 species of edible plants in the world yet fewer than 20 species now provide 90% of our food.” <http://www.pfaf.org/user/AboutUs.aspx>



## 5) About Space

### The problem

The unviable economy is organised globally. Weaker economies suffer as the stronger ones raid their assets and concentrate wealth, while encouraging a race to the bottom. Resources are wasted in transporting goods across the globe in the endless search for cheaper labour, materials and new markets. Communities, livelihoods and ecosystems in the Global South are devastated by mining, fossil fuel extraction and industrial scale farming with huge chemical inputs. Our local economy is unbalanced, producing little but chasing the chimeras of competition in the global market or obtaining a portion of China's boom. This means an economy that has to keep expanding, the simultaneous increase of extremes of wealth and poverty, locally and globally, and the wrecking of the ecosystems we rely on. Meanwhile, local space is controlled and owned by powerful sectional interests, with less and less of it available for use by the public. The distinctiveness of places diminishes as everywhere begins to look the same, with the same corporate chains and brands and the same building styles dominating.

### The viable alternative

The viable economy and society use the concept of *strategic localism*<sup>44</sup> which means that things that can be sourced locally should be. An example: there are over 3,000 varieties of English apple, that with appropriate storage, can provide fruit for some nine months of the year. Yet most apples are imported, from as far away as Chile and New Zealand. Or take clothes. It seems bizarre that in the former textile capital of the world, our clothes are imported at great environmental cost, from low wage economies, while our economy has no place for thousands of semi-skilled workers. This means not just playing to the strengths of local economies but actively building those strengths. It does not mean turning our back on the world: there has been selective trade over long distances for millennia. It does mean keeping it in proportion with the planet's capacities, and playing a responsible part in the world while becoming locally more self-sufficient.

Spaces need to be designed to support a more sufficient and convivial way of living. Wise spatial planning would reduce the need for people to move about for work, leisure, shopping. There are frameworks to guide this, from the

- 
- 42 Bliss, T. (n.d.). *The Urbal Fix*. [http://turnstone.tv/NEW\\_UTV/the-urbal-fix.html](http://turnstone.tv/NEW_UTV/the-urbal-fix.html)  
Burton, M. (2009). *A Green Deal for the Manchester-Mersey Bioregion: An Alternative Regional Strategy*. <http://greendealmanchester.files.wordpress.com/2009/08/outline-for-a-green-deal-for-the-manchester-mersey-bioregion-v-4-4.pdf>  
Holmgren, D. (2018). *RetroSuburbia: The downshifter's guide to a resilient future*. Hepburn Springs; Victoria.: Melliodora Publishing.
- 43 Homer-Dixon, T., Walker, B., Biggs, R., Crépin, A.-S., Folke, C., Lambin, E. F., ... Troell, M. (2015). Synchronous failure: The emerging causal architecture of global crisis. *Ecology and Society*, 20(3). <https://doi.org/10.5751/ES-07681-200306>
- 44 Or "trade subsidiarity" <http://greendealmanchester.wordpress.com/about/>



Permaculture concept of zones<sup>45</sup>, to alternative models such as Continuous Productive Urban Landscapes and Garden Cities<sup>46, 47</sup>, or the Twenty Minute Neighbourhood pioneered in Portland and Melbourne<sup>48</sup>.

This means advocating for and establishing a diversity of green spaces, accessible to everyone, thereby strengthening resilience, moderating temperatures, contamination and rainwater run-off, providing for food production and amenity.

Finally it means living in greater knowledge of our own wider bio-region, including the city's rural and semi-rural hinterland, its strengths, its delights and its vulnerabilities<sup>49</sup>.

### Some viable policy ideas

- Develop an alternative spatial plan to transform Greater Manchester into a new kind of “rurban” city and bioregion where everyone is within easy reach of productive, recreational and living spaces, while improving the eco-efficiency of this large settlement, integrating land use under a comprehensive spatial strategy.
- Support calls for greater devolution of powers to the City Region, but at the same time insist on the redefinition of the city region in bio-regional terms. This would include the countryside around the more built up areas and should link to a planning system which supports conservation and local supply chains<sup>50</sup>.
- Improve transport infrastructure within the city region while reducing or stopping investment in those elements (motorways, airport, High Speed Rail, shipping terminals) that act as resource drains and big emissions generators. Use the transport hierarchy seriously. One version ranks the various kinds of transport in descending order of priority: walking>cycling>public transport>taxis>goods transport>private motorised transport. The version in the diagram identifies a hierarchy of action for improving the transport infrastructure<sup>51</sup>.

---

45 Permaculture Association. (n.d.). Zoning. Retrieved 1 December 2019, from Permaculture Association website: <https://www.permaculture.org.uk/design-methods/zoning>

46 <https://steadystatemanchester.net/2017/03/07/greater-manchester-towards-a-retrofit-garden-city/> and <https://steadystatemanchester.net/2018/05/22/we-need-a-a-social-ecological-spatial-framework/>

47 For one example see <http://www.city-analysis.net/2011/03/30/the-urban-fix-creating-truly-sustainable-cities/>

48 <https://steadystatemanchester.net/2019/11/20/the-future-is-20-minutes-away-20-minute-neighbourhoods/>

49 See <http://greendealmanchester.wordpress.com/the-manchester-bioregion/>

50 Burton, M. (2009, March 23). The Manchester-Mersey Bioregion – and the bioregional concept. *A Green Deal for the Manchester-Mersey Bioregion*. <https://greendealmanchester.wordpress.com/the-manchester-bioregion/>

51 Institution of Mechanical Engineers. (2013). *Transport Hierarchy* (p. 6), <https://bit.ly/35Nrqzx>.

| MORE SUSTAINABLE |                            |   |
|------------------|----------------------------|---|
| Priority 1       | Minimise demand            | Manage the reasons why transport is needed and the context in which transport demand is derived, to deliver the same access to services and activities with less powered/motorised transport. |
| Priority 2       | Enable modal shift         | Enable the choice of transport modes with the lowest environmental impacts, and enable easier changes between modes.  |
| Priority 3       | Optimise system efficiency | Increase all efficiency measures of transport modes and their use, particularly in terms of gCO <sub>2</sub> /km for passengers and gCO <sub>2</sub> /tkm for freight.                        |
| Priority 4       | Increase capacity          | After optimisation of the first three steps, any capacity increases that are required should be prioritised to the most efficient and sustainable modes.                                      |
| LESS SUSTAINABLE |                            |   |

*Transport Hierarchy from the Institute of Mechanical Engineers*

- Focus on the relatively resilient “foundational economy”<sup>52</sup>: essential goods and services such as infrastructure, utilities, food processing, retailing and distribution, and health, education and welfare, reducing emphasis on those development projects that bring little benefit to the viability of economy or society while incurring significant ecological costs.
- A related concept is that of “Community Wealth Building”, as explored in Preston and other places, building on the role of “Anchor Institutions” to capture financial flows<sup>53</sup>. Anchor institutions need not be confined to the traditional “eds and meds” (universities, colleges and hospitals) but can include community anchors, i.e. local, independent civil society organisations.
- Develop locally and regionally based financial institutions that support saving, credit and investment locally, with clear ethical priorities for strengthening the green and social economy<sup>54</sup>.

52 Calafati, L., Johal, S., Froud, J., & Williams, K. (2019). Building foundational Britain: From paradigm shift to new political practice? *Renewal*, 27(2), 13–23. Retrieved from <http://renewal.org.uk/articles/building-foundational-britain-from-paradigm-shift-to-new-political-practice> (Also see other articles in this issue).

53 CLES. (2019). *Community wealth building 2019: Theory, practice and next steps*. (p. 30). Retrieved from Centre for Local Economic Strategies website: <https://cles.org.uk/wp-content/uploads/2019/09/CWB2019FINAL-web.pdf>

Chakraborty, A. (2018, January 31). In 2011 Preston hit rock bottom. Then it took back control. *The Guardian*. Retrieved from <https://www.theguardian.com/commentisfree/2018/jan/31/preston-hit-rock-bottom-took-back-control>

For a sympathetically critical commentary from SSM see:

<https://steadystatemanchester.net/2017/11/12/community-wealth-building-resources-for-a-new-dawn-or-for-a-better-collapse/> and for a more detailed analysis covering both the strategy of using Anchor Institutions and the Foundational Economy, see Burton, M. (2016). *So what would we do? Towards an alternative strategy for the city region*. (p. 34) [SSM Working Paper]. Retrieved from Steady State Manchester website: <https://steadystatemanchester.files.wordpress.com/2016/11/so-what-would-you-do-v2-0.pdf>

54 See for example, Travers-Smith, F., & Van Lerven, F. (2018). *The Local Banking Toolkit: A Practical Guide to Starting a Regional Community Bank*. Retrieved from New Economics Foundation website: [https://neweconomics.org/uploads/files/NEF\\_LOCAL-BANKING-TOOLKIT.pdf](https://neweconomics.org/uploads/files/NEF_LOCAL-BANKING-TOOLKIT.pdf)

- Support community-led renewable energy production along the lines of the Danish and German models, in which ownership and involvement throughout the development of schemes have helped build wider public engagement with energy security and climate change issues.<sup>55</sup>.
- Assert the value of public space and the commons by increasing the area that is open for non-commercial use by the public and reforming land-ownership with a view to redistribution to small owners and not-for profit enterprises and where possible bringing assets into community ownership and stewardship where possible. Make available unused public space for use by small businesses and cooperatives on a usufruct<sup>56</sup> basis.

## 6) About Democracy and Ownership

### The problem

The dominance of current economic thinking has succeeded in de-politicising economic policy so it became not a political choice, facilitated and administered by legislatures and international governance arrangements, but an unshakeable "market reality". This is associated with the problem of State Capture, whereby corporations exert power over the political process, at local and national levels<sup>57</sup>. This situation has increased the gap between the architects of social policy and those who are the object of those policies.

Particularly in the UK, what were once public utilities and resources (e.g. buses, water supply and sanitation, much housing, railways, postal services and telecommunications, social care) have been turned over to private ownership. Although some of this ownership is in the hands of organisations such as pension funds, in which many citizens have a stake, the scope for democratic control has reduced greatly. The dependence of resources meant for collective benefit, such as pensions, on the vagaries of the stock-market, is unhealthy.

The Great Financial Crash of 2008 exposed the contradictory patterns of ownership and the lack of democratic control; the bank bailouts involved continuing privatization of profits but the socialization of losses. Despite the State holding a majority share in the Royal Bank of Scotland, it has missed the opportunity to turn it into an institution that can invigorate local sustainable economies<sup>58</sup>.

While there are fields of professional and scientific expertise, too often, the relationship between experts and citizens has become lopsided. National politics too, has increasingly become the preserve of a professionalised class, a

---

55 See <http://www.theguardian.com/world/2010/aug/10/denmark-renewable-wind-farm-energy> and <http://bit.ly/1pM0sSF> and for an analysis of the UK's dysfunctional energy market this IPPR report <http://bit.ly/10PSj3u>

56 Usufruct is the right to continue using the land while certain conditions – e.g. ecological stewardship and productivity, are met. See <https://solutions.thischangeseverything.org/#module/usufruct>

57 Monbiot, G. (2001). *Captive State: The corporate takeover of Britain*. London: Pan.

58 See <http://www.neweconomics.org/blog/entry/what-should-we-do-about-rbs> see also <http://www.ianfraser.org/the-financial-terrorism-of-royal-bank-of-scotland/>

political elite, complete with non-elected advisers, revolving doors to the media, the financial sector, and the (mostly neo-liberal) think tanks. These distortions have been exploited by the populist right, in alliance with sections of the power elite itself, as seen in the case of the UK referendum on leaving the European Union and its aftermath.

However, the problem is not solely one of neoliberalism: the post-war economic model of managed capitalism, although more benign, is also unviable as a model for social, economic and ecological well-being in a world of global super-exploitation and ecological collapse<sup>59</sup>.

### **The viable alternative**

In the viable economy and society, economic and political levers are in the hands of the people, not the elite. So economics and national economic policy are re-politicised and democratised, with technical experts supporting meaningful processes of public participation rather than short-circuiting them. Some idea of what this might look like can be seen in experiments in Brazil and elsewhere on participatory budgeting<sup>60</sup>, and the newer radical municipalist movement in places such as Barcelona, Grenoble, Valparaiso and, nearer to home, Frome<sup>61</sup>. However, the change needs to go further than that with political and economic education, breaking the monopoly of knowledge, and facilitating critical thinking.

The viable economy is democratic, ending the private control of the strategic sectors of the economy, including the utilities and banks. Democracy extends not just to the public sector, but also to the private economic realm.

Underpinning all this is a re-affirmation of the “public good”, not as some abstract idea, used to legitimate domination<sup>62</sup>, but as a good sense basis for democratically arrived policy, close to notions of “common weal(th)” or “right livelihood”. And closely linked to this is the reaffirmation of the “Public Realm”, rather than the market or the (paternalist) State, as central to a good society.

### **Some viable policy ideas**

- Democratise corporations, with reforms to legislation on governance so that there is a required community and worker bloc.<sup>63</sup> Make it a duty of companies to maximise environmental and social benefit through their operations.

---

59 Burton, M., & Somerville, P. (2019). Degrowth: A Defence. *New Left Review*, (115), 95–104. Retrieved from <https://newleftreview.org/II/115/mark-burton-peter-somerville-degrowth-a-defence>

60 Souza, C. (2001). Participatory budgeting in Brazilian cities: limits and possibilities in building democratic institutions. *Environment and Urbanization*, 13(1), 159–184. <http://preview.tinyurl.com/pwly5oe>

61 <https://steadystatemanchester.net/2018/08/13/fearless-cities-could-we-have-the-new-municipalism-in-greater-manchester/>

62 Roy, A (1999) The Greater Common Good. <http://www.narmada.org/gcg/gcg.html>

63 See Massey, D and Rustin, M (2014) Whose Economy? Reframing the Debate. Kilburn Manifesto, Chapter 8. [http://www.lwbooks.co.uk/journals/soundings/pdfs/Manifesto\\_the\\_economy.pdf](http://www.lwbooks.co.uk/journals/soundings/pdfs/Manifesto_the_economy.pdf)

- End the “done deal” approach to planning and consultation, involving citizens and community groups early in the planning and policy process, before proposals are formulated and “set in concrete”. This and the subsequent suggestions require proper resourcing, if community actors, especially in stressed and resource-poor sectors, are to make a meaningful contribution.
- Develop models for deliberative decision-making where expert and citizen perspectives are brought together to calmly consider policy dilemmas and their solution<sup>64</sup>.
- Establish programmes of economic and financial education and training, for example with proven models like Large Group Capacitation<sup>65</sup> and the Organisational Workshop<sup>66</sup>.
- Develop and support co-operatives and other forms of mutual and common ownership and not-for-profit enterprise.
- Invest in public (social) housing, ending the risky wager on excessive borrowing and asset price inflation as the route to prosperity and life satisfaction.

## 7) About Investment, Money, Credit and Debt.

### The problem

Investment is crucial to the way economies develop over time; we invest funds today in order to build up the sources of future prosperity.

The way in which investment functions, where it goes and what activities it supports, determines the type of economy we will have.

Currently, dominant thinking about investment neither reflects the realities of the money system nor the use of the surplus produced by the economy. This has some practical consequences.

1) In order to attract external investment into both the national and regional economies, whilst wages are driven down "to compete with cheap labour economies", there is an effort to increase the skills and “productivity” of the workforce. In the capitalist market, investment is only done to realise a profit. That means the extraction of exchange value from the economy into which investment is made. It thereby tends to contribute to declining real incomes. The emphasis on skills instrumentalises and narrows education so it solely serves economic interests, thereby destroying it as a means of human development.

---

64 Models include Citizens' Assemblies and Citizens' Juries.

65 See [http://en.wikipedia.org/wiki/Large\\_Group\\_Capacitation](http://en.wikipedia.org/wiki/Large_Group_Capacitation)

66 See <http://www.seriti.org.za/index.php/organisational-learning/ow-methodology> note that this is distinct from individualistic, victim-blaming 'financial literacy' as a response to the increase in personal and household debt, created by a malevolent finance industry. Recently trialed in Hastings: <https://www.independent.co.uk/news/business/indyventure/hastings-observer-building-heart-white-rock-organisation-workshop-a8959436.html>



2) Meanwhile, as the average rate of profit tends to fall over time (a process which is not uniform due to the influence of several countervailing processes)<sup>67</sup>, the real, productive economy is increasingly unattractive to investors, and profits are misdirected to speculative, unproductive activities such as betting on the financial markets or property price inflation, both in the UK and internationally.

3) Most governments have fetishised the idea of the balanced budget, meaning that temporary monetary shortfalls lead to austerity budgets, themselves a political choice associated with wealth transfers to the property owners. The potential has been ignored for the State to borrow money for investment in socially and ecologically desirable programmes. However, those mechanisms do ultimately require that new exchange value is created in the productive economy, and that equates to economic growth, which as we have seen creates problems. This all means that the use of the capitalist accumulation process to cure the ecological and social ills that it produces is a short-sighted approach in the longer<sup>68</sup>.

Investment in the unviable economy, then, is a process which fails to address the costs we are imposing on the future and thus undermines future prosperity rather than nurturing it. The unviable financial investment infrastructure is a de-personalised system of profit maximization which results overwhelmingly in the transfer of wealth to the owners of property, through the uneconomic processes of rent extraction and ecological asset liquidation. It fails on the three criteria of economic, social and ecological viability.

### **The viable alternative**

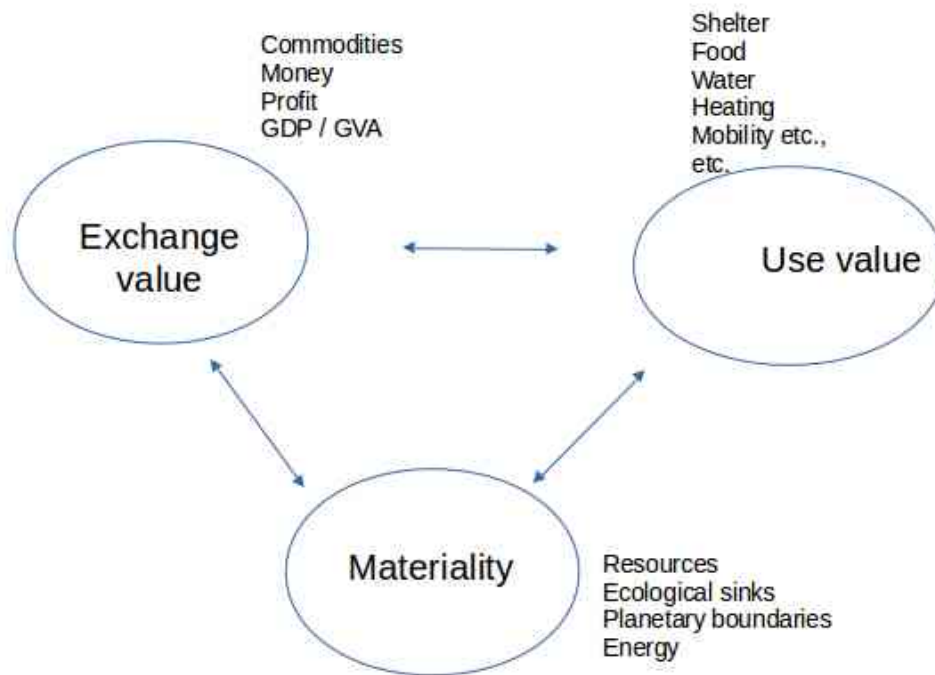
We understand that wealth, in its general sense, as the sum of use values, is based on the transformation of natural resources, while the creation of exchange values rests on the process of human labour in that transformation. Under the capitalist system, that labour process involves exploitation which is the source of the increments in exchange value that we variously refer to, depending on the context, as profit and economic growth. There are contradictions between the creation of use values and exchange values, for example when things people need become unaffordable, or damaging products (environmentally or socially) become cheap.

---

67 Carchedi, G., & Roberts, M. (2013). The Long Roots of the Present Crisis: Keynesians, Austerians, and Marx's Law. *World Review of Political Economy*, 4(1), 86.  
<https://doi.org/10.13169/worlrevipoliecon.4.1.0086>

Roberts, M. J., & Carchedi, G. (2018). *World in crisis: Marxist perspectives on crash & crisis*. Chicago: Haymarket Books.

68 <https://steadystatemanchester.net/2019/09/12/six-problems-for-green-deals/>



*Contradictions occur between use and exchange values and the underpinning material world.*

Money is one aspect of exchange value, with the functions of measurement, exchange and storage: while it can become dislocated from the underpinning exchange values, it ultimately relies on the creation of value. Investment is the application of money, whether from a store of value or through its creation as credit, to the economic process. Investment requires a return, eventually, from the productive economy, whatever the source and target of that investment. This must be borne in mind when seeking inward investment from sources external to a specific economy: the investor expects a return<sup>69</sup>.

In the Viable Economy, investment comes predominantly from the following internal or endogenous<sup>70</sup> sources:

- Redistributed wealth. Note that in a society and economy that is moving towards greater social and economic justice, the sources of such wealth should diminish greatly: redistribution must be a temporary palliative in lieu of full systemic reform.

69 This is broadly an eco-Marxist analysis: the source of the increment in value in the production process is the expropriation of surplus labour. The currently popular approach of Modern Money Theory shares some of these insights but not the central understandings of either the productive basis of value creation, nor of the ultimate source of all wealth in the natural world. See Roberts, M. (2019). Modern Monetary Theory: A Marxist Critique. *Class, Race and Corporate Power*, 7(1). <https://digitalcommons.fiu.edu/classracecorporatpower/vol7/iss1/1/>; Burkett, P. (2009). *Marxism and ecological economics: Toward a red and green political economy*. Haymarket Books.; Foster, J. B., Ecology, P. B., & Global, M. E. P. (2018). Value Isn't Everything. *Monthly Review*, 7(6). <https://monthlyreview.org/2018/11/01/value-isnt-everything/>

70 See our piece <http://steadystatemanchester.net/2014/05/12/where-will-the-money-come-from-endogenous-economic-development-for-the-viable-economy/>



- Surplus generated in non-exploitative ways by the local economy, including savings.
- Fiat money created by public and private banks, under strict rules and regulation<sup>71</sup>. Government-created money. Although our view is that this needs to be within the “envelope” of the permissible size of economy dictated by ecological reality.
- A share of the profits of industries operating in the economy, that rather than seeping out is, by agreement, utilised locally as what colleagues at CRESC call the "social franchise"<sup>72</sup>, a pay-back to the community that hosts and pays for the enterprise.
- Tax revenues, or related funding streams, such as that envisaged under the "cap and share" proposals<sup>73</sup>.

In the Viable Economy, investments are focussed where they are needed, according to the three criteria of social, ecological and economic justice, always seeking options that do not create malign spill-over effects. So, for example, it is no good helping people save on energy bills if that saving creates additional emissions, by funding, say, a bigger car, or flights. Nor is it desirable if money saved unfairly privileges some groups, for example by paying for certain children to receive private tuition. Instead, an ecological and social multiplier should be sought, where the spill-over from investment is into further regenerative and resource-light activities, many of which will be non-productive by design for example cultural and aesthetic. The failure to adequately work through this issue is a feature of most Green New Deal proposals<sup>74</sup>.

The Viable Economy will require financial intermediaries for savings and investments which do not starve communities of the affordable finance they need to invest in their futures. The monolithic and brittle "too big to fail"

---

71 The control over the creation of fiat (bank-created) money could be a powerful tool in the transition to an ecologically viable economy. Some campaigners and commentators (e.g. Positive Money) suggest that private banks should be required to hold full reserves i.e. lend on the basis of deposits only, and the central bank can control the money supply directly, printing new money and granting it to public revenue for the elected government to spend in accordance with democratically elected priorities, that is social use value. This idea is popular in some sectors of the environmental and alternative economics movements but we are critical of it since it does not reflect the reality of bank-money since its inception or more fundamentally of the distinction between value and money, is unlikely to be implemented and is potentially stifling of the stimulus needed for necessary investment for social and ecological benefit. See our full critique:

<https://steadystatemanchester.net/2018/02/23/we-need-to-end-growth-dependency-but-how/>

72 Bowman, A., Froud, J., Johal, S., & Williams, K. (2013). *Manifesto for the Foundational Economy*. <https://foundationaleconomycom.files.wordpress.com/2017/01/wp131.pdf>

73 <http://www.feasta.org/documents/energy/Cap-and-Share-May08-summary.htm>

74 <https://steadystatemanchester.net/2019/02/28/what-kind-of-a-green-deal-the-implications-of-material-and-monetary-flows/> For a compilation of critical pieces on the Green New Deal from a degrowth perspective, see <https://degrowthuk.org/2019/04/03/green-new-deals-the-degrowth-perspective/>

banking system needs to be radically diversified for a resilient and viable economy. Public municipal banks with a regional remit to support their areas can help direct investment towards the basis of social and ecological prosperity.

In an ecologically viable economy returns to investors must be more modest and the cost of credit fair and reasonable. The legacy of large personal and household debt requires resolution, for example via programmes of debt forgiveness for those who cannot repay and who otherwise are locked into a cycle of poverty and/or overwork.

### **Some viable policy ideas**

- Greater diversity in the banking system with an emphasis on publicly or mutually owned, locally responsive and responsible institutions that provide local vehicles for savings and investment.
- Adoption of the principle of endogenous development to guide investment seeking and decisions.
- Public investment in the local economy and in energy transition.
- Private firms to be "called in" to negotiate social franchise deals as a condition for favourable environment for their operations locally.
- Attraction of foreign investment should not trump local interests.
- The development of local currencies such as energy-backed currency as part and parcel of the "plugging the leaks" and endogenous investment strategies.
- Campaign for revenue raising powers for local/regional government.
- Positive policy instruments (e.g. transaction taxes, energy and resource caps and quotas) to prevent the burgeoning of material flows, from material and natural resources through to the pollution of environmental "sinks", that result from the multiplication effect following the stimulation of the clean economy under radical decarbonisation programmes such as a Green New Deal or Green Industrial Revolution.

## **8) About Distribution and Equality.**

### **The problem**

The unviable economy in developed countries such as the UK places an untenable burden on the planet. It fails to tackle poverty, social inequalities and deprivation at home, while being implicated in systematic super-exploitation and expropriation in the global South. The gains from growth are increasingly concentrated in the hands of the already wealthy and super-wealthy (who are more likely to be white, intellectually and physically able and male).

Income inequality in the UK is near its highest point for at least the last 30 years, not having changed in any significant way after the steep rise after the election of the Thatcher government in 1979<sup>75</sup>. The UK has the 7th most unequal incomes of 30 countries in the developed world.

- While wealth inequality in Britain is not exceptional by international standards, in 2016, the richest 10% of households had 44% of all wealth, while the poorest 50% owned a mere 9%<sup>76</sup>. Many households have no accumulated wealth at all and destitution has increased greatly under austerity policies since 2010.
- 19% of the population are considered to live in absolute poverty, that is, their income is below a defined poverty line of 60% of (2011-12) median income<sup>77</sup>. Among children, the rate is higher, between 25 and 30%. In Greater Manchester, levels in some places are extreme, with 66% of children in the Oldham ward of Werneth living in poverty<sup>78</sup>.
- Enormous pay ratios exist, even in public services, where a Chief Executive might receive more than fifteen times the wage of the lowest paid worker.<sup>79</sup> This is openly promoted in the name of competition.
- The rich are able to hide their wealth or place it beyond national tax jurisdiction in tax havens. They are able to avoid tax, often legally, and the financial sector of the City of London plays a role in this.
- The inequalities in income and wealth reflect the divisions based on class, locality, gender, ethnicity and ... luck.
- There is now much evidence that more equal societies perform better on a variety of indices<sup>80</sup>. There is also an environmental impact<sup>81</sup>. For example approximately 50% of the world's carbon emissions are generated by 10% of people while the poorest half account for just 10%<sup>82</sup>. The key pressures on the planet are the levels of consumption by the richest 10%, the growing middle class who seek to emulate their behaviour and ineffective resource use. At present the ecological footprint of the global economy is estimated at 1.5 planets and predicted to rise to 2 by 2030<sup>83</sup>. For the UK the corresponding ratio is 2.77.

---

75 Xu, X., Waters, T., Cribb, J., & Bourquin, P. (2019). *Living standards, poverty and inequality in the UK: 2019*. London: IFS. <https://doi.org/10.1920/re.ifs.2019.0157> p. 17.

76 The Equality Trust. (n.d.). The Scale of Economic Inequality in the UK. Accessed 12 December 2019. <https://www.equalitytrust.org.uk/about-inequality/scale-and-trends>

77 Xu, X., Waters, T., Cribb, J., & Bourquin, P. (2019). *work cited above*.

78 After housing costs, June 2019 data. Greater Manchester Poverty Action, Mini Poverty Monitor: <https://www.gmpovertyaction.org/mini-poverty-monitor/#1> Accessed 12 December, 2019.

79 <https://steadystatemanchester.files.wordpress.com/2014/03/in-place-of-pay-inequality-steadystatemanchester-equalitynorthwest-2014-final.pdf>

80 Wilkinson, R., & Pickett, K. (2009). *The Spirit Level: Why More Equal Societies Almost Always Do Better*. Harmondsworth: Penguin.

81 <http://www.shapingtomorrowworld.org/hauptinequality.html>

82 Oxfam International. (2015). *Extreme Carbon Inequality* [https://doi.org/10.1163/2210-7975\\_HRD-9824-2015053](https://doi.org/10.1163/2210-7975_HRD-9824-2015053)

83 [http://www.footprintnetwork.org/en/index.php/GFN/page/world\\_footprint/](http://www.footprintnetwork.org/en/index.php/GFN/page/world_footprint/)

- Broadly speaking, those with less money, who include a higher proportion of those from black and minority ethnic, and working class communities, disabled people and other oppressed groups, cause lower carbon emissions. Yet they are more likely to live in areas with a poorer environment which affects their health, well-being and quality of life. Women as a group are also relatively disadvantaged in terms of income and wealth.
- An increasingly unequal society with cultural celebration of material wealth, high status, money-earning work (as opposed to caring for individuals, community building), celebrity and opulence drives unsustainable consumption of “positional” goods. Inequality produces anxiety, crime and social dislocation, resulting in lower well-being, for high and low earners alike, than in more equal economies.

### ***The viable alternative***

Economic growth is not a solution to structural inequality so the viable alternative seeks to act on the causes and the effects of inequalities, through simultaneously developing economic and cultural alternatives. This means making living well, within planetary limits and with greater equity, the very basis for our society, our life together. This implies the promotion of a different understanding of human worth and prosperity, based on the idea of having and using enough to satisfy material, cultural and spiritual needs – a “frugal prosperity”, and pre-and re-distribution of income and wealth. While action at the national and international level is needed to change the basis of the economic system, much can be done at a local and regional level to pioneer alternative approaches to build more equal, just and cohesive communities, and encourage mindsets which value good and simple lives that are respectful of others and the planet's resources.

### **Some viable policy ideas**

- Mobilising "counter-propaganda" to promote a solidarity mindset whereby *"your liberation is bound up with mine"*.
- Reworking the notion of "rights and responsibilities" to ensure genuine participation and stakes in society and its economy.
- Re-gear economic policy so the protection of life<sup>84</sup> and the means to enjoy it (human need) is the first priority rather focussing on driving the economy for its own sake.
- Sharing out work more equally which includes a radical reduction in working hours.

---

84 The concept comes from the work of liberation economist Franz Hinkelammert. Hinkelammert, F. J., & Mora Jiménez, H. (2009). Por una economía orientada hacia la reproducción de la vida. [An economy orientated towards the reproduction of life]. *Iconos. Revista de Ciencias Sociales*, (33), 39–49, online at <http://bit.ly/1zgJhcf> ; Hinkelammert, F. J., & Mora Jiménez, H. (2005). *Hacia una economía para la vida*. [Towards an life-orientated economy]. San José, Costa Rica: Asociación Departamento Ecuménico de Investigaciones.

- Adoption of policies for the Living Wage and also for the maximum wage, founded on democratically determined and small income differentials.
- Identify the potential benefits and problems from implementing a Universal Basic Income, Universal Basic Services, Universal Land Rights and campaign for the model that is most compatible with the Viable Economy and society (see section on Work and Income too).
- Lobby for a more progressive<sup>85</sup> approach to both income and wealth taxation.
- Renew the relationship between the public and those whose role is to represent or serve them, with a zero tolerance policy on victim-blaming and condescension, both in public statements and in interactions.
- Local economic development support for cooperatives, small businesses and employee owned firms, for example via preferential business rates.
- Establish preventative measures against corporations that merely extract profits without discharging social responsibility to the local ecosystem, society and economy<sup>86</sup>.

## 9) About Work and Income.

### The problem

The unviable economy is not a good place to work and nor is it a good place to not work<sup>87</sup>. On the one hand decreasing numbers of people work in high pressure, highly skilled jobs, administering the increasingly irrational system. On the other hand there are those who would like to, and could do paid work, but who cannot get employment, or who are under-employed. In between there are the armies of those with poor pay and conditions, the working poor. As automation and productivity increase then more and more people become surplus to the system's requirements, their work, at best, becoming more routinised, their employment and income becoming more precarious (via short term and zero hours contracts, for example in the so-called “gig economy”), or at worst they join the ranks of the long-term unemployed. This pattern is what we have in our region, and it is what characterises the global system. In all places there is the co-existence of modern, technology-based forms of work and exploitation, with more brutal patterns of exploitation (including people-

---

85 Taxation increases steadily as income and wealth rise.

86 Amazon and Royal Dutch Shell are examples:  
*Report: 91 Fortune 500 Companies Effectively Paid No Federal Taxes in 2018*, cited by Democracy Now! 17/12/2019,  
[https://www.democracynow.org/2019/12/17/headlines/report\\_91\\_out\\_of\\_fortune\\_500\\_companies\\_effectively\\_paid\\_no\\_federal\\_taxes\\_in\\_2018](https://www.democracynow.org/2019/12/17/headlines/report_91_out_of_fortune_500_companies_effectively_paid_no_federal_taxes_in_2018)  
 Espinoza, J., & Raval, A. (2019, December 17). Shell reveals it paid no UK corporate income tax in 2018. Financial Times, <https://www.ft.com/content/933fe2b8-20ee-11ea-92da-f0c92e957a96>.

87 By work we include waged and unwaged work.

trafficking and forced labour, zero-hours contracts, outsourcing and home-working)<sup>88</sup>. Meanwhile, unwaged work, chiefly of women in nurturing and caring, subsidises the system as it extracts profit<sup>89</sup>.

As this system has become entrenched, pay differentials have become much more unequal, while out of work benefits have become meaner and ever more conditional, as we have seen with the roll out of Universal Credit, the Personal Independence Payment and cuts to housing benefit. At the same time a constant drone of political rhetoric about "hard-working families" demonises those who do not have the capacity or opportunity for paid work.

### **The viable alternative**

In the viable economy and society, work both paid and unpaid fulfils a purpose while its duties and benefits are shared. Remuneration for satisfying, interesting work is at a reasonable level and while incentives and rewards exist, they are at modest levels. People who are not able to do paid work, or for whom there is no paid work are paid a reasonable wage with obligations to contribute to the community or environmental goals. The viable economy, then, implies a shift of emphasis from pointless work for private profit to meaningful work for public good for all types of work whether paid or unpaid.

### **Some viable policy ideas**

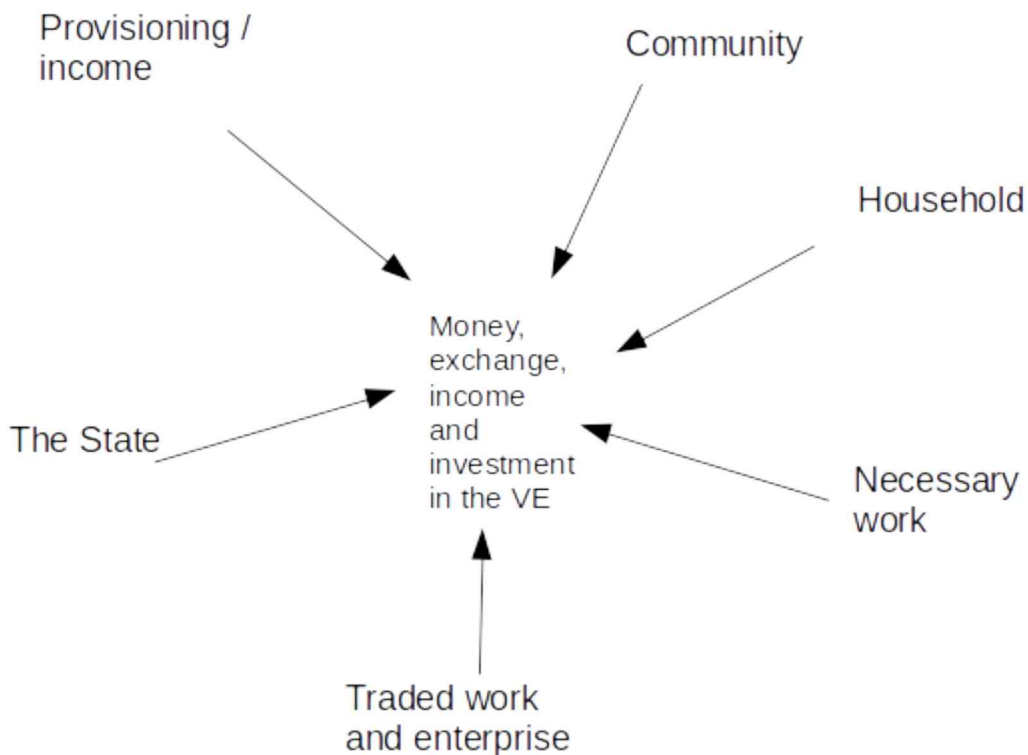
Work and income involve a number of interrelated domains: they cannot be reduced to just one or two or three.

---

88 Grosfoguel, R. (2008). Transmodernity, border thinking, and global coloniality: decolonizing political economy and postcolonial studies. *Eurozine*. <http://bit.ly/1syxC3M>

89 Mies, M., & Bennholdt-Thomsen, V. (1999). *The subsistence perspective : beyond the globalized economy*. London: Zed Books.

Marçal, K. (2015). *Who cooked Adam Smith's dinner? A story about women and economics*. London: Portobello Books.



*Income, money and work are interrelated with each other and with other domains*

With this in mind, we can sketch out some ways of improving the experience of work and the income security of households, under worsening ecological, social and economic conditions.

- Promote the Living Wage with the goal of participation by all large employers, public and quasi-public sector organisations and all their suppliers and contractors. Pair this with a maximum wage and pay ratio policy<sup>90</sup>.
- Universal Basic Income (UBI)<sup>91</sup>, Universal Basic Services (UBS)<sup>92</sup> and the Job Guarantee (JG)<sup>93</sup>, are concepts attractive to many in the environmental and progressive movements. UBS tends to appeal more to those on the left while UBI has appeal across the spectrum, though it also receives similarly cross-spectrum critiques. JG tends to be supported

90 We do not specify the size of this but think it should be no more than 1:5.

91 Kagan, C. (2017) *Universal Basic Income: Is it the only cornerstone of a just society?* <https://steadystatemanchester.files.wordpress.com/2017/03/alternatives-to-ubi3-ssm-v1-7-2-finalck.pdf>

92 e.g. Zamora, D. (2017). The Case Against a Basic Income. Jacobin website: <http://jacobinmag.com/2017/12/universal-basic-income-inequality-work>

93 Alcott, B. (2013). Should degrowth embrace the Job Guarantee? *Journal of Cleaner Production*, 38, 56–60. <https://doi.org/10.1016/j.jclepro.2011.06.007>  
Tcherneva, P. R. (2012). The Job Guarantee: delivering the benefits that Basic Income only promises – a response to Guy Standing. *Basic Income Studies*, 7(2). <https://doi.org/10.1515/bis-2013-0010>



by some sections of the centre left, particularly those influenced by Modern Monetary Theory. However, all these options imply a continuing strong and funded Welfare State, itself not guaranteed under conditions of Viability Crisis. The Steady State Manchester collective does not have a unified view on these policy options. Some see UBI, UBS, or JG, respectively, as positive options and others are more sceptical. An alternative concept, Universal Land Rights, might be worth considering too, although is not well developed<sup>94</sup>: while most immediately relevant to rural settings, it could also be applied more generally by identifying a share of the overall national freehold, with the land itself leased to the occupants. This would transform the pattern of land ownership and give urban populations a stake in the countryside (especially those areas “owned” by large landowners and corporations<sup>95</sup>) as well as its production and its conservation.

- Establish a common basis for establishing the benefits of work experience whether in or beyond formal employment via a straightforward regional personal development portfolio for lifelong learning and community contribution for all people whether in or out of work. Encourage participation by colleges, large employers, the public sector and those under contract to them, and from community based organisations.
- Prioritise investment in labour-intense industry and decent jobs, recognising that there is a trade-off between availability of jobs, on the one hand, and the need to improve work-life balance and reduce overall working hours on the other.
- Campaign for introduction of an emissions cap and share framework as a redistributive and ecological strategy<sup>96</sup>.
- Campaign for an overall reduction in working hours, thereby releasing employment for those that want it and increasing the potential for employed people to undertake unpaid work in the home and community. This could lead to firstly, the reduction of hours worked over contract, whether paid or unpaid, backed by a Living Wage to reduce the need for low-paid people to work long hours, and secondly, the overall reduction towards a 21 hour working week<sup>97</sup>.

---

94 It has emerged in the sustainability movement in Galicia (literature in Spanish and Galician) but only in outline form. E.g. <https://bit.ly/2Z5MrDn> page 69.

95 <http://tlio.org.uk/new-book-who-owns-england/>  
<http://map.whoownsengland.org/>

96 Everyone gets the same allowance which diminishes as the national carbon budget is used up. Income can be raised by selling part of one's share. See <http://www.feasta.org/2012/08/21/cap-and-share-in-pictures-from-sharing-for-survival/>, also <http://www.tradableenergyquotas.net/>

97 “Twenty-one hours is close to the average that people of working age in Britain spend in paid work and just a little more than the average spent in unpaid work.” New Economics Foundation <http://www.neweconomics.org/publications/entry/21-hours>

- A reduction in working hours (together with the approach to investment discussed in section 7) could also help combat the upward rise in retirement age, with a balanced approach to contribution and income over the life-span.

## 10) About Environment

### The problem

For the unviable economy the environment is just an afterthought. Yet without the environment, there is no basis for its operations, since it is the source of its inputs, and where it puts its wastes (resources and sinks is one way of describing this). The invisibility of the environment to conventional economics leads to a naïve, misplaced optimism that technology and markets will come up with solutions to those problems that are increasingly recognised by society. The conventional emphasis on growth (narrowly defined in terms of GDP) leads to various kinds of delusion that the impacts can be resolved, for example by improved energy efficiency, and that growth can be disconnected from the flow of materials from extraction to pollution, despite the complete lack of evidence that anything like sufficient decoupling is possible<sup>98</sup>. And conventional economics has a further sting in its tail when it tries to convert the ecosystem into monetary value, commodifying the natural world, displacing forest dwellers, and bolstering carbon emissions through trading and financial speculation in them<sup>99</sup>.

It is ever clearer that the global economy (and the UK is nominally the sixth largest national economy<sup>100</sup>) is destroying the very basis for life on earth by crossing a number of "planetary boundaries"<sup>101</sup>. This influential framework, together with that of ecological footprints<sup>102</sup>, gives us a basis for defining the limits to the scale of the viable economy.

### The viable alternative

In the viable economy and society, the environment is treated as fundamental, as what makes human life, including the economy, possible. There is even a case to be made for avoiding the term *environment* altogether since it allows

---

98 Kuokkanen, A, Parrique, T, Barth, J, Briens, F, Kerschner, C., Kraus-Polk, A, & Spangenberg, J.H. (2019). *Decoupling debunked: Evidence and arguments against green growth as a sole strategy for sustainability*. European Environmental Bureau.

<http://eeb.org/library/decoupling-debunked>

Burton, M. (2016, April 15). *New evidence on decoupling carbon emissions from GDP growth: What does it mean?* Steady State Manchester.

<https://steadystatemanchester.net/2016/04/15/new-evidence-on-decoupling-carbon-emissions-from-gdp-growth-what-does-it-mean/>

99 Spash, C. L. (2015). Bulldozing biodiversity: The economics of offsets and trading-in Nature. *Biological Conservation*, 192, 541–551. <https://doi.org/10.1016/j.biocon.2015.07.037>

100 <http://bit.ly/1svE7mT>

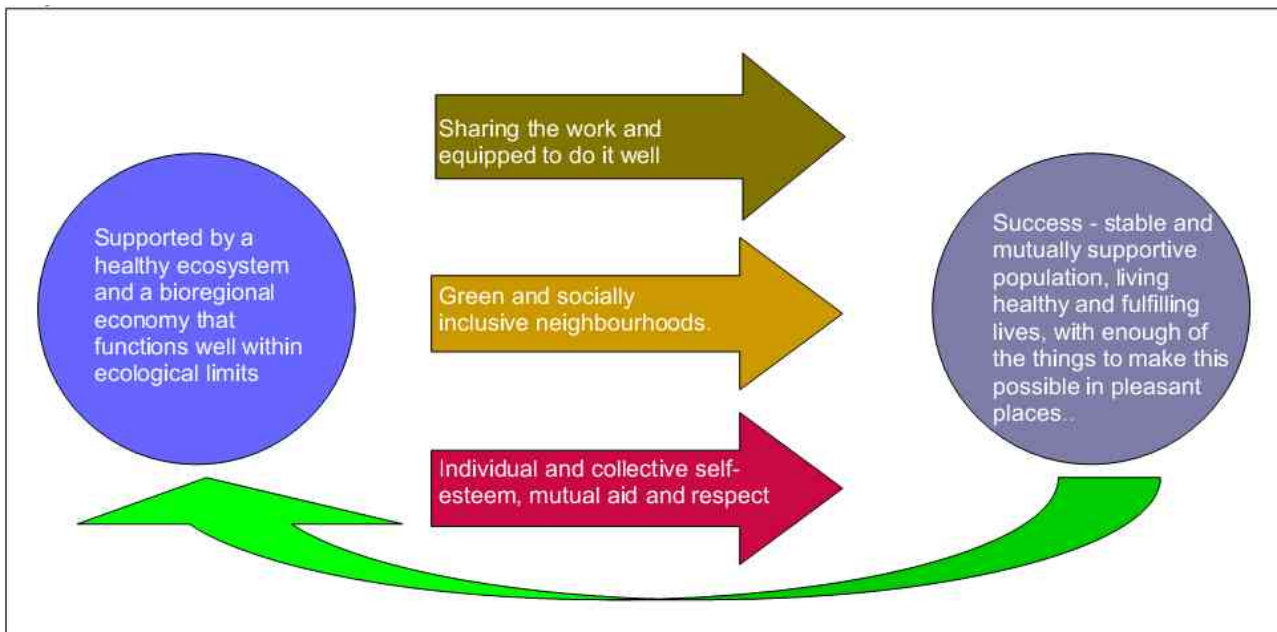
101 Rockström, J., Steffen, W., Noone, K., Persson, Å., Chapin, F. S., Lambin, E. F., ... Foley, J. A. (2009). A safe operating space for humanity. *Nature*, 461(7263), 472–475.

doi:10.1038/461472a and for an application see <http://www.kateraworth.com/doughnut/>

102 <http://www.footprintnetwork.org/en/index.php/GFN/>

the separation of environment from the “really important business of producing stuff and making money”. Economic activity has to nurture, protect and repair the ecosystem which means favouring ecologically positive and neutral forms of production and distribution, while maintaining human life on a fair basis.

This requires planning to keep the ecological footprint of society and its economy within the available biocapacity (currently exceeded in the UK by some 200 per cent. Rather than the emissions trading scheme currently in use (with its unrealistically low carbon price) we advocate a cap and share system that while controlling the emissions of the big players is also a redistributive mechanism<sup>103</sup>.



*"The curved arrow at the bottom indicates the impact of our lifestyles on both ecosystem and economy, and our responsibility to plan, protect and nurture."* From the Steady State Manchester 2012 report "In Place of Growth", pp. 11-12

### Some viable policy ideas

- Integrated accounting so environmental impacts, linked to economic indicators, appear on balance sheets, annual reports, prospectuses etc. So for each job created, for each pound spent, at, say Airport City, what is the net change in carbon emissions, biodiversity loss, nitrogen pollution, and so on?
- Action plans for the reduction of hydrocarbon fuel usage within a bioregional cap. The cap could be set on a shadow basis at first, becoming mandatory over say a five year period. This could be complemented by modelling of the impact of a cap and share scheme.

---

103 <http://www.feasta.org/documents/energy/Cap-and-Share-May08-summary.htm>

- A bioregional framework for ecosystem protection and restoration, including evidence-based measures to maximise soil, wetland, bog and woodland carbon sequestration.
- Focus local investment vehicles (such as the municipal / bioregional investment bonds discussed elsewhere) on the green economy, local food production and processing, energy reduction, human-powered and public transport.
- A recognition of our responsibility for ecosystem damage worldwide: a commitment to reign in harmful processes and to fund restoration.
- Without strong policy interventions against the private motor car, cities will continue to choke, metaphorically and in reality – until the energy crunch, the result of increased costs of extraction, whether for fossil fuels or renewables (which have the additional problem of low concentration) hits home. Therefore, dis-incentivise private motor transport (except for those who have no reasonable alternative), for example by converting a proportion of roads to greenways and car parks to parks, charging for road use in the inner urban area (and later extend the zone) and constrict the flow of vehicles along arterial routes. Simultaneously encourage walking and cycling through lower relative cost infrastructure investment and provide clean, cheap, and effective mass transit, choosing lower tech, faster roll-out solutions such as trolleybuses rather than trams.

## 11. About Care and Caring

### The problem

Just as the environment is considered an afterthought in the unviable economy, so too is care and caring. We are talking here about the practical, face to face activities of *caring for*, as well as the emotional and ethical sense of *caring about* people, communities and the environment<sup>104</sup>. Care and caring includes, for example, reproductive activities (childbirth and child rearing), as well as feeding, supporting, advising, consoling family members, so they are ready and able to go to (paid) work the next day; household maintenance; tending the sick and ailing; maintaining social networks and solidarity work in communities<sup>105</sup>. Care and caring are mostly unpaid, and are only recognised and valued by the unviable economy once they are transformed to paid employment (usually low paid and usually carried out by women), able to be measured, subject to efficiency drives and contributing to GDP. All these

---

104 Nelson, J. A., & Power, M. (2018). Ecology, Sustainability, and Care: Developments in the Field. *Feminist Economics*, 24(3), 80–88. <https://doi.org/10.1080/13545701.2018.1473914>

105 Kagan, C. (2018). *Women work at the heart of community solidarity: The intersection of debates about informal networking and universal basic income*. 6th International Degrowth Conference: DeGrowth for ecological sustainability and social equity, Malmo. [https://www.researchgate.net/publication/326260826\\_Women\\_work\\_at\\_the\\_heart\\_of\\_community\\_solidarity\\_the\\_intersection\\_of\\_debates\\_about\\_informal\\_networking\\_and\\_universal\\_basic\\_income](https://www.researchgate.net/publication/326260826_Women_work_at_the_heart_of_community_solidarity_the_intersection_of_debates_about_informal_networking_and_universal_basic_income)

activities are essential for human existence but unrecognised, un-valued and invisible<sup>106</sup> to the non-viable economy, relegated to the status of non-productivity and maintenance.

In our society, these activities are mostly carried out by women, and thus the distribution of care and caring responsibilities is a problem of gender equality. Feminist scholars have argued in favour of fundamental transformation of societal priorities, and against the rather simplistic solution to this gender inequity of encouraging more women to enter paid employment. Whilst unequal responsibilities for caring prevail, women face the 'second shift' of care and caring<sup>107</sup> over and above their paid employment. Furthermore, it has been argued that there are environmental risks when women are in paid employment, as 'convenience' buying leads to increased energy and materials consumption<sup>108</sup> and privatised household tasks (such as cleaning, laundry) use more energy and produce more waste than when carried out in the home. Care and caring are indispensable to individuals, local communities and societies, but there is hardly an area as important as this, being subject to so much aversion, degradation and marginalisation<sup>109</sup>.

### **The viable alternative**

In the viable economy and society, care and caring for and about people and the environment are considered central. The economy would be described as a *provisioning* economy<sup>110</sup> concerned with how society organises itself to provide for the survival and flourishing of all life, highlighting the relationships of interdependence, reciprocity, solidarity and the meeting of human needs – whilst also nurturing the natural world. The boundary between the maintenance activities of care and caring and industrial and monetised activities would be made visible and social value placed on care and caring<sup>111</sup>. Furthermore, responsibility for care and caring would be equally distributed between men and women and a better balance between paid work and non paid work would be achieved. The hidden activities of social networking and community solidarity would be revealed and valued through a renewed focus on local community building.

---

106 Bjørnholt, M., & McKay, A. (2014). *Counting on Marilyn Waring: New advances in feminist economics*. Brunswick Books.

107 Hochschild, A., & Machung, A. (1990). *The Second Shift*. New York. Avon Books.

108 D'Alisa, G., & Cattaneo, C. (2013). Household work and energy consumption: A degrowth perspective. Catalonia's case study. *Journal of Cleaner Production*, 38, 71–79. <https://doi.org/10.1016/j.jclepro.2011.11.058>

109 Lang, M. (2014). *Beyond Development and Resource Extractivism: Feminist Perspectives*. 4th International Degrowth Conference, Leipzig. <https://www.degrowth.info/wp-content/uploads/2015/08/3604.pdf>

110 Nelson, J. A., & Power, M. (2018). Ecology, Sustainability, and Care: Developments in the Field. *Feminist Economics*, 24(3), 80–88. <https://doi.org/10.1080/13545701.2018.1473914>

111 Jochimsen, M., & Knobloch, U. (1997). Making the hidden visible: The importance of caring activities and their principles for any economy. *Ecological Economics*, 20(2), 107–112. And Dengler, C., & Strunk, B. (2018). The Monetized Economy Versus Care and the Environment: Degrowth Perspectives On Reconciling an Antagonism. *Feminist Economics*, 24(3), 160–183. <https://doi.org/10.1080/13545701.2017.1383620>



## Some Viable Policy Ideas

- Support campaigns for a shorter working week<sup>112</sup>. However, this should not just be in terms of the number of days worked, but following the daily pattern of care and caring, shorter days for both men and women<sup>113</sup>, so that responsibility for caring can be more equitably distributed. This might mean working with employers and Trades Unions to recognise and bring to the forefront the importance of care for human and environmental flourishing.
- Consider experiments with Universal Basic Income in order to recognise and value the unpaid work carried out (mostly by women) in the home and community. At the moment only better off households can even consider buying help in the home and UBI might make these choices open to more.
- Consider ‘commoning’ care and caring<sup>114</sup>. In this way, care and caring is shared, which not only raises the profile of care and caring, but also contributes to community building and solidarity. Support the development of collective childcare, collective elder care, collective support for those who are vulnerable or sick, food collectives. Ideally, these practices would be underpinned by reciprocity and mutuality but could include paid aspects. So, for example, services could be organised around local circles of support<sup>115</sup> rather than expert occasional visitors, combining care with community building. A push for Home Start<sup>116</sup> projects in every locality, will entail local volunteers supporting families under stress. Support for experiments with different kinds of Naturally Occurring Retirement Communities (NORCS), would enable local people to recognise and care for older people in their own homes and communities, either involving or not involving local services, thereby strengthening community cohesion. Support for the spread of Timebanks<sup>117</sup> or similar non-monetary exchange schemes in every locality could also build local networks and lead to increased connections and enhance well-being.

---

112 See the shorter week campaign at <https://www.4dayweek.co.uk/>

113 Dengler, C., & Strunk, B. (2018). The Monetized Economy Versus Care and the Environment: Degrowth Perspectives On Reconciling an Antagonism. *Feminist Economics*, 24(3), 160–183. <https://doi.org/10.1080/13545701.2017.1383620>

114 Akbulut, B. (2017, February 2). Carework as Commons: Towards a Feminist Degrowth Agenda. *Degrowth*. <https://www.degrowth.info/en/2017/02/carework-as-commons-towards-a-feminist-degrowth-agenda/>

115 For the idea of community circles and and some practical examples, see <https://www.community-circles.co.uk/about-circles/>

116 Information about Home start can be found at <https://www.home-start.org.uk/about-us>

117 Information about timebanking specifically, can be found at <https://www.timebanking.org/what-is-timebanking/>

- Invest in participatory community enterprise<sup>118</sup>. This means involving local people in defining local needs and designing projects (paid or unpaid) for support for carers or those in receipt of care. This would mean more adventurous commissioning. That includes start-up funds, but also greater recognition for the support already available in the community and voluntary sector for the development of community enterprises, particularly in the development of local cooperatives.
- Consider supporting experiments in providing universal basic services<sup>119</sup>, which may help lighten care and caring loads, but are unlikely to help much with redistributing responsibility for care and caring, nor contribute much to community building.

## 12) About Consumption

### The problem

The unviable economy depends on continued excess consumption: without this, the economy stagnates. In order to maintain consumption a variety of strategies are used, by firms and governments alike:

- Built-in obsolescence: there are disincentives to producing durable products, or products that can be easily repaired.
- The development of entirely new products, together with the creation of false wants, through marketing, advertising, and related means.
- The encouragement of a consumer culture and the language to go with it (e.g. “retail therapy”, “shop ’til you drop”, “must-have gadgets”) and the focus on those with high consumption lifestyles in the media.
- In the context of declining real wages, especially for those on lower incomes, credit is offered, itself a highly marketed product.
- The conversion of once free (e.g. children's recreation, access to heritage sites, wild foods and their processed products, areas of urban space), or publicly owned assets (e.g. utilities, aspects of health-care) into products that have to be bought on the market.
- Expansion into new markets.

---

118 For a detailed example of how this approach was used in Lambeth, see Billings, L., & Britton, T. (2016). *Designed to Scale: Mass participation to build resilient neighbourhoods*. London, Civic Systems Lab. Open Works, Civic Systems Lab.

<https://drive.google.com/file/d/0B28SOnHQM5HV0pyT2p1NGNvQk0/view>

And for a discussion of participatory community enterprise more generally, see Kagan, C. (2019). Participatory community enterprise: A new way of doing work with inbuilt flexibility [Data set]. In *Community Psychology in Global Perspective* (Vol. 5, Issue 2).

<https://doi.org/10.1285/i24212113v5i2p70>

119 For an overview of Universal Basic Services as a policy idea, see Portes, J., Reed, H., & Percy, A. (2017). *Social Prosperity for the Future: A proposal for universal basic services*. UCL, Institute for Global prosperity. [https://discovery.ucl.ac.uk/id/eprint/10080175/1/universal\\_basic\\_services\\_-\\_the\\_institute\\_for\\_global\\_prosperity\\_.pdf](https://discovery.ucl.ac.uk/id/eprint/10080175/1/universal_basic_services_-_the_institute_for_global_prosperity_.pdf)



- Outsourcing of production to countries with lower labour costs (higher rates of exploitation), including sectors such as tropical prawn production and semiconductors where indentured and forced labour are integrated into the supply and manufacturing chain.
- The creation of status insecurity, at all levels of income distribution, through the growth of inequality<sup>120</sup>, in concert with the long working week, means identity and status is often asserted through the mechanism of consumption.
- The erosion of popular participatory culture in favour of passive consumed culture.

The consequences of the endless creation and practice of consumption (even though there are many whose personal ecological footprint is within their fair allowance) as a way of life are devastating for the planet's ecosystems on which we rely, through over-use of non-replaceable resources and habitat destruction, and the dumping of pollutants and emissions into the atmosphere, the soil, watercourses and oceans. At the same time it encourages a lifestyle that may be superficially satisfying, with high levels of stress and the breakdown of social bonds between an individual and the community as a result of long hours in alienated work and high levels of personal and household debt. To cap it all this economy is not viable in its own terms since its dependence on high levels of exploitation, fragile supply chains, and mushrooming credit, all can and do lead to chronic instability and periodic crashes.

In case of doubt, though, we are not blaming individual consumers here, but the system that turns our needs and aspirations into the motor of individualised consumption. This cheats people who will never be satisfied within a system that generates dissatisfaction, while cheating those in low wage economies who make the products, often in dire conditions.

### **The viable alternative**

The viable alternative seeks to act on the causes and the effects of rampant consumption, through simultaneously developing economic and cultural alternatives, and addressing the systemic drivers of the consumerist cycle: excessive profit accumulation, false wants, inequality and the personal credit balloon. Much of this requires action at the national and international level to change the very basis of the economic system, but at a local and regional level much can be done to pioneer alternative approaches in the spheres of production, distribution, marketing and culture.

### **Some viable policy ideas**

- Reducing inequality - see section 8.
- Reducing working hours - section 9.

---

120 Wilkinson, R., & Pickett, K. (2009). *The Spirit Level: Why More Equal Societies Almost Always Do Better*. Harmondsworth: Penguin.

- Combating consumer culture through promotion of authentic, participative popular culture.
- Valuing subsistence activities such as growing (and sustainably foraging) our own food, or making and repairing our own furniture and clothes.
- Rebuilding a money system that does not depend on high levels of personal debt (see section 7 on investment and money).
- Promoting product durability, modularity of working parts, re-use and recovery-recycling, through procurement policy and practice, and business stimulation.
- Prohibiting advertising to children<sup>121</sup>.
- Banning commercial advertising in public spaces<sup>122</sup>.
- Campaigning for public broadcasting to abandon its craven acceptance and promotion of celebrity-competition-consumption.

### 13) About Living Well and its Measurement

#### The problem

Just as the unviable economy is organised around the pursuit of aggregate economic growth, its economics uses the size and growth of the Gross Domestic Product (GDP) and the related statistic, Gross Value Added (GVA) as measures of economic well-being<sup>123,124</sup>. and they are even used as a proxy for social well-being too<sup>125</sup>. GDP is calculated by adding together the monetary values of all the goods and services produced in an economy. Doing this involves a lot of assumptions and estimates<sup>126</sup>.

A focus on GDP growth, then, encourages us to value the amount of goods and services that are exchanged for money rather than their value to people and society. Economic growth as measured by GDP fails to distinguish between economic costs and benefits, or to account for uncoded things such as environmental destruction and unpaid work, for example looking after family members, neighbours and sustaining community<sup>127</sup>.

---

121 Williams, Z. (2006). The commercialisation of childhood. London: Compass. <http://bit.ly/1B0f8m0>

122 As in Brazil's megalopolis, São Paulo <http://www.newdream.org/resources/sao-paolo-ad-ban>

123 We might have used the word “progress”, but that is almost irrevocably associated with a linear approach that disparages other cultures and implies the dominance of people over nature? See our pamphlet Living Well: Practical Solidarity and Steady State Economics. <http://bit.ly/1bTpEyx>

124 <http://on.ft.com/1weyLP9>

125 <http://bit.ly/1u5aBtN>

126 <http://bit.ly/1tXqQHD>

127 Messac, L. (2018). Outside the Economy: Women's Work and Feminist Economics in the Construction and Critique of National Income Accounting. *The Journal of Imperial and Commonwealth History*, 46(3), 552–578. <https://doi.org/10.1080/03086534.2018.1431436>  
 Waring, M. (2003). Counting for something! Recognising women's contribution to the global economy through alternative accounting systems. *Gender & Development*, 11(1), 35–43.

These measures have two problems. Firstly, it is only clear to specialists what is actually being measured and this means that changes in GDP, although taken to indicate changes in economic well-being, do not necessarily indicate anything of the sort. GDP rises with cigarette advertising, armament sales, house prices, the credit-funded purchase of imported goods, encroachment on the green belt and traffic congestion, but it does not reflect those things that really matter to us. Desirable economic changes, such as a reduction in the proportion of people in poverty, or the increase in real incomes, are not picked up. Secondly, the narrow focus on GDP determines economic policy, since success in steering the economy is judged in terms of changes in GDP. Its increase becomes an end in itself with devastating impacts on the environment, as the IPCC reports have made clear<sup>128</sup>.

### **The viable alternative**

The viable economic approach uses statistics that reflect key aspects of economic, social and ecological well-being. Rather than treating each of these three domains separately, though, measures are chosen that reflect their inter-connectedness. So, the proportion of money spent and re-spent within the local economy indicates the success of that economy in protecting its wealth, its success in promoting local activity and jobs, and ultimately its ability to source things locally rather than from across the globe, with the associated carbon emissions. The share of income going to the poorest 10 per cent of people indicates their relative prosperity while also reflecting the level of economic inclusion. A more equal society in income and wealth also means less trivial consumption of high-energy goods and services (since the richer strata disproportionately spend their surplus on these things).

### **Some viable policy ideas**

- Consider developing a *genuine progress indicator* or similar<sup>129</sup>, for the city region to measure and direct economic development towards social and ecological viability. This should include social and ecological measures such as well-being, inequality, work/life balance, commuting times and carbon emissions per person.
- Develop integrated reporting on economic, social and ecological well-being.
- Devise measures that capture,
  - The bio-regional multiplier (money spent and re-spent in the region)
  - Income and wealth distribution
  - Credit and investment, broken down by sector
  - Employment, unemployment and working hours

---

<https://doi.org/10.1080/741954251>

128 See for example IPCC. (2014). Summary for Policymakers. In *Climate Change 2014, Mitigation of Climate Change. Contribution of Working Group to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change*. Cambridge University Press,.  
[http://report.mitigation2014.org/spm/ipcc\\_wg3\\_ar5\\_summary-for-policymakers\\_approved.pdf](http://report.mitigation2014.org/spm/ipcc_wg3_ar5_summary-for-policymakers_approved.pdf)

129 See our commentary <http://bit.ly/1xoToLE>

- Resource use and re-use
- Energy use – carbon generating versus carbon-neutral
- Estimates of carbon release and sequestration
- People's use-time, contrasted, for example with working time and work-servicing time (e.g. commuting).
- Unpaid work which contributes to individual and social well being.
- If presenting figures on growth, always break them down into component areas, e.g. manufacturing, agriculture, property sales, domestic consumption, etc. And seek to identify changes in work done outside of monetary exchange: for example much domestic work, neighbouring, volunteering, home and allotment gardening.

## 14) Population and Migration

### The problem

A viable economy and society require a stable population in order to live well within planetary limits. In places like Manchester, in the minority world, fertility-based population growth has ceased because women, on average, each have fewer than two children<sup>130</sup>. Family size is influenced by mortality rates and economic security. Factors which lead to a fall in family size include being relatively confident you will be looked after if you need support, whether or not you have children to do this and knowing your children are unlikely to die before you.

Currently, levels of migration are increasing the size of the population here in Greater Manchester, although nowhere near as much as in London, or in many far less resourced regions of the world. Current policies focus on controlling the numbers and types of people coming into the country rather than addressing the reasons why people want to move in the first place.

While there will always be a flow of population between areas for very positive reasons which should be warmly welcomed, high levels of migration indicate many people are moving who may prefer to stay in their home country if they can meet their needs. High levels of migration are driven by income inequalities, themselves a result of the free movement of capital (under neoliberal doctrine) and labour (as a means of exerting downward pressure on wages), as well as climate change and wars<sup>131</sup>. And to a lesser, but still significant extent, migration results from persecution be it political, racial, religious or on the grounds of sexual orientation.

---

130 In 2018, the Total Fertility Rate (TFR) for England and Wales was 1.7 children per woman <https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/livebirths/bulletins/birthsummarytablesenglandandwales/2018#regional-and-local-level-fertility-rates-vary>

131 <https://www.unhcr.org/uk/climate-change-and-disasters.html>

## **The viable alternative**

Solidarity is key to ensuring a viable population and migration patterns. This needs to be international, national as well as local.

A viable economy and society will work on reducing the determinants of migration. Policies should be based on an understanding that the interests of our region are interdependent with the interests of those outside.

Manchester should be a place which values people from outside and celebrates the richness of a diverse and hospitable region. At the same time we should recognise that most people would prefer to stay in their home country if they can see a way to sustain their lives there and live in freedom from conflict and persecution.

If national and international economic equity is increased, migration will fall whether it is from the North East of the UK to Manchester, Manchester to London or Africa to the UK. Similarly if the impact of climate change is kept to the minimum more people will manage to sustain their lives where they are and this will reduce migration. There will be fewer wars in a world where more people can provide for their basic needs, live with greater equity within their societies and between societies and where economies such as ours produce and sell socially useful goods rather than armaments. Well functioning societies here and elsewhere are likely to be more accepting of political, racial, religious and sexual diversity.

However, given that at least some climate change and ecosystem destruction is already locked in, there will be further migrations, both from country to country and internally. Let's accept that.

## **Some viable policy ideas**

- Focus on ensuring conditions in which small families can thrive: low mortality rates and support for people without sufficient income and care needs, and for people who do not have children.
- Focus on reducing the determinants of unviable migration by ensuring all policies foster equity between our region and others, good environmental measures which will ensure minimum climate change and do not fuel reasons for migration such as war e.g. arms exports.
- Given the role of war and civil conflict as causes of migration, work with organisations such as the Campaign Against the Arms Trade to encourage transformation of jobs in the arms trade in our region to socially useful production such as renewable energy technology<sup>132</sup>. It goes without saying that local wealth should not be invested in the armaments industry. Unfortunately that is just what the Greater Manchester Pension Fund does, the scheme covering council and many voluntary sector workers<sup>133</sup>.
- Campaign against global injustices and their causes, from free trade agreements to neo-colonial adventures.

---

132 <https://www.caat.org.uk/issues/jobs-economy/>

133 <https://www.gmpf.org.uk/investments/holdings.htm>

- Modernise council twinning arrangements by focussing on climate-vulnerable settlements, raising money to assist them in mitigation and adaptation.
- Prepare for more immigration so people can be welcomed, accommodated and helped to establish decent lives and livelihoods that contribute to the social fabric.
- Fight fascism and racism wherever they appear.

## **15) The Built Environment**

### **The problem**

The towns and cities of England's now post-industrial regions grew as a result of the capitalist-industrial revolution. Moving into urban centres from the countryside, the accumulation regime we call capitalism opened factories, mined coal, established transport links and a service infrastructure (legal, financial, educational). A mass of former peasants, expelled from the land as the result of capitalist appropriation (enclosures) and capitalisation (mechanisation) filled the cities, first from the English countryside, later from the Celtic lands and ultimately from the colonies and ex-colonies of the global South. This new industrial working class was housed in appalling, overcrowded conditions. As industrial and political struggles led to improvements in living standards, housing spread beyond the limits of the walkable city, enabled by cheap hydrocarbons. As well as the factories, the banks, warehouses, offices and the growing retail and leisure sector established their own buildings. By the late 1960s, the landscape of Greater Manchester had assumed the overall shape we recognise today. While Manchester was the world's first industrial city, that pattern of expansion and re-formation was repeated across the world so that now more people live in cities than do not. Increasingly we see the industrialisation of building, with an enormous concentration, and embodiment, of materials and energy.

A city region that grew up, largely unplanned, to accommodate a former economic and industrial order, tries to adapt to the new one, doing the only thing that seems to work for it: expansion, expansion and more expansion.

This leads to poor liveability, enormous dependence on imported energy, and settlements that have limited resilience to the kinds of systemic shocks that are likely in the coming decades.

### **The viable alternative**

What would a viable built environment look like? Some aspects are obvious enough, such as greatly reducing the staggering energy demand from our buildings (some 30% of UK greenhouse gas emissions come from housing alone), via greatly improved insulation, replacement of hydrocarbon energy systems, especially for heating, and higher occupancy levels. Others are perhaps less obvious. New buildings should clearly be built to the passivhaus standard, or similar, making zero demand for heating, but there are multiple options for securing that aim, from those dependent on plastics and other oil



industry products, to those using more natural products (such as hempcrete)<sup>134</sup>. In the latter case, the demand on natural systems needs to be understood and carefully managed. In general, it makes sense to make the best of the buildings we have, since the energy demand in doing so is much lower than building anew.

Given the ecological and climate emergency that we are in, we should maybe be campaigning for a *presumption against development*<sup>135</sup>, that is to say, new developments would have to show a measurable and feasible improvement in ecological and material footprint, over the status quo, based on both construction inputs and ongoing energy and material costs.

Solutions that integrate natural systems can be encouraged<sup>136</sup>. This includes increasingly common elements like green roofs and walls, but also the use of plantings, and exploitation of aspect, to capture and store ambient energy using features such as thermal mass such as stone and water.

### Some viable policy ideas

- Apply a presumption against development, whereby new builds have to demonstrate quantifiable footprint reduction using a full input-output accounting method.
- Where buildings cannot be refurbished or repurposed, ensure the materials are re-used in the most energy and material-efficient way which will generally be closest to their existing form<sup>137</sup> (e.g. salvage and re-use of doors, floorboards, piping and wiring, structural timber, brickwork cut into usable panels).
- Establish a systematic approach to reducing energy demand in the domestic, public and commercial sectors. We know what to do, e.g. establish a street by street insulation and boiler replacement scheme, but there seems to be considerable inertia in developing the necessary financial vehicles to make it happen<sup>138</sup>.
- Use available data (collaborating with energy companies) to identify over-heating and issue an “18°C challenge”: bring over-heated homes down and make a guarantee of minimum temperature, starting with at-risk groups.

---

134 Asdrubali, F., D'Alessandro, F., & Schiavoni, S. (2015). A review of unconventional sustainable building insulation materials. *Sustainable Materials and Technologies*, 4, 1–17. <https://doi.org/10.1016/j.susmat.2015.05.002>

135 Davey, B. (2019). Land planning policy at the limits to growth. *Feasta Website*. <http://www.feasta.org/2019/05/30/land-planning-policy-at-the-limits-to-growth/>

136 Julia Watson, & Taschen GmbH. (2019). *Lo–TEK: Design by Radical Indigenism*.

137 Wainwright, O. (2020, January 13). The case for never demolishing another building. *The Guardian*. <https://www.theguardian.com/cities/2020/jan/13/the-case-for-never-demolishing-another-building>

138 Jones, P. (2018). A 'smart' bottom-up whole-systems approach to a zero-carbon built environment. *Building Research & Information*, 46(5), 566–577. [http://orca.cf.ac.uk/109635/3/Phil%20Jones%20BRI\\_28Aug17.pdf](http://orca.cf.ac.uk/109635/3/Phil%20Jones%20BRI_28Aug17.pdf)

Gupta, R., & Gregg, M. (2018). Targeting and modelling urban energy retrofits using a city-scale energy mapping approach. *Journal of Cleaner Production*, 174, 401–412. <https://radar.brookes.ac.uk/radar/file/b3546cac-6b2c-4cd0-b519-eff015802ac0/1/fulltext.pdf>

- Work with energy suppliers to develop a “warmth offer” rather than merely an energy supply. The company would contract to guarantee a minimum temperature (say 18.5° for 10 hours in specified rooms). This would be supplied by a combination of insulation retrofit, installation of more efficient heating systems and energy supply. Reverse tariffs (increasing tariff with increased consumption) could then be used to disincentivise frivolous heating.
- Establish a rotating retrofit fund, pump primed (Pension Fund, utility companies, central government?) and recharged by a share of energy savings and possibly a share of enhanced house values on sale.
- Use lower tech solutions where feasible, e.g. Curtains and window quilts: a low-tech but effective intervention. Establish workshops in districts teaching sewing skills and making insulating curtains: could be the basis for small social businesses. Establish an ARP<sup>139</sup>-like patrol to encourage residents to use their curtains after dark in winter. Draft-proofing. Use plantings and water bodies to reduce heat loss (and summer heat gain) and to store heat / reflect sunlight.
- Use local investment to build local wealth and minimise emissions. Money would be used efficiently by preferring lower tech and natural solutions. Incentives would thereby be created for lower energy use and emissions reduction (as in the warmth service model).
- Publicise the co-benefits of these changes: healthy temperatures, reduced expenditure and debt (though beware rebound: spending released money on higher carbon activities and products).
- Conduct audits of all public buildings for energy waste and impose action plans. Work with the commercial sector on a similar model. Encourage consumer boycotts of profligate energy wasters (e.g. cafes with patio heaters, supermarkets with open freezers and fridges, shops that leave the door open in winter).

## 16) Conclusion

The Viable Economy and Society, based on the values of stewardship, justice, conviviality, solidarity, co-operation, equality and respect, seeks to to redress the parlous state we are in, ecologically, socially and economically. Its proposals, even if they need further development, show us how we can set out on a path to a resilient, more localised, stable economy that delivers what we all need: a frugal abundance or true prosperity, where people live in an increasingly equitable and harmonious society, locally and globally, deciding on rather than following economic rules, and not merely treading lightly on the earth, but protecting and restoring those systems that make life possible.

### About the cover.

139 ARP wardens patrolled the streets in the anti-fascist war of 1939-1945, ensuring that citizens extinguished lights that could be visible from the air. A modern version could check for unnecessary heat leakage using infra-red detectors.

The bee logo is based on the design by Marc Roberts for our Steady State Manchester logo, later updated by Sarah Spanton. To us the bees suggest,

- \* Sociability: conviviality and co-operative, collective action;
- \* Industry, or economy: the satisfaction of necessary needs;
- \* Ecology: the natural world of interdependence, and its fragility.

And the bee is also the symbol of our city, Manchester, that we want to see leading through example, as a society and economy for all, not just here, but in other places, and other times too.



# Values

- justice
- stewardship
- conviviality
- solidarity
- co-operation
- equality
- respect

# Problems

- Malaise !
- Economic
- Social Mess !
- Ecological
- Crisis !



# Viable Economy

- A resilient, more localised, stable economy that delivers what we all need.
- A frugal abundance or true prosperity.
- Where people live in an increasingly equitable and harmonious society, locally and globally.
- Deciding on rather than following economic rules.
- Treading lightly on the earth.
- Protecting and restoring those systems that make life possible.

Summary of the Viable Economy and Society

## 17) Appendix: Further reading

There is a large literature relevant to The Viable Economy and Society, much of which we reference in the footnotes to the text. This is a short selection of works we have found particularly helpful.

Blewitt, J., & Cunningham, R. (Eds.). (2014). *The Post-Growth Project: How the End of Economic Growth Could Bring a Fairer and Happier Society.* London: London Publishing Partnership. All chapters available at <http://bit.ly/1zJ3uu9>

D'Alisa, G., Demaria, F., & Kallis, G. (Eds.). (2014). *Degrowth: A vocabulary for a new era.* Routledge.

Davey, B. (Ed.). (2012). *Sharing for Survival.* Dublin: FEASTA.

Jackson, T. (2017). *Prosperity without growth: Foundations for the economy of tomorrow* (Second Edition). Routledge, Taylor & Francis Group.

Lewis, M., & Conaty, P. (2012). *The Resilience Imperative: Cooperative Transitions to a Steady-State Economy.* New Society Publishers.

Smith, P. B., & Max-Neef, M. A. (2011). *Economics unmasked: from power and greed to compassion and the common good.* Totnes, Devon, UK: Green Books.

Victor, P. A., & Jackson, T. (2013). *Green Economy at Community Scale.* Toronto: The Metcalf Foundation. <http://bit.ly/1EwKZsQ>

We also encourage you to read our previous reports:

Steady State Manchester. (2012). *In Place of Growth: Practical steps to a Manchester where people thrive without harming the planet.* Manchester: Steady State Manchester. <http://bit.ly/1bTiASu>

Steady State Manchester. (2012). *Living Well Practical Solidarity and Steady State Economics.* Manchester: Steady State Manchester. <http://bit.ly/1bTpEyx>

Steady State Manchester. (2014). *In Place of Pay Inequality .* Manchester:

Steady State Manchester. <http://bit.ly/1tBTRoJ> Steady State Manchester. (2017). *Policies for the City Region.* <https://bit.ly/2UmgKWb>

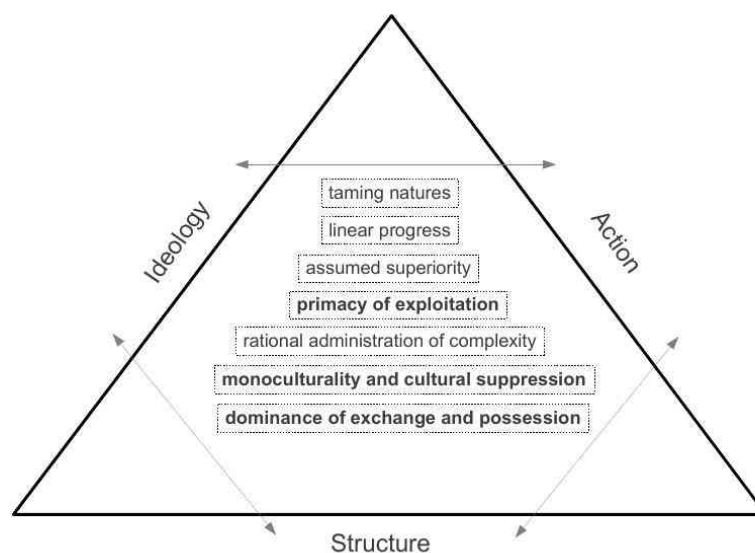
And also the regular blog posts on our website <http://steadystatemanchester.net>

## Section 2: Social analysis of present day realities.

The first piece in this section, from 2017, overlaps in some respects with the Viable Economy and Society. However, it takes as its starting point the post-industrial settlements of Greater Manchester in particular, and of the global North in general. It considers the problems of these places, marooned by footloose capital, and the prescriptions on offer from progressive thinkers. Each of these are inadequate to the contextualised problem so an alternative approach in times of pancrisis is considered.

The second piece, from 2018, considers the contribution that social theory can make to the emerging field of “sustainability science”. It interrogates the Sustainable Development Goals as calling for a social science analysis. The approach offered here is our own framework of concept of Ideology-Action-Structure Complexes (IASCs). The chapter presents a case study of sustainable living groups, which used participative action research. In another piece, available as an open access paper<sup>140</sup>, we have used the IASC framework to look at consumption imperatives.

Finally, a short piece from 2021 considers how both the pandemic and artworks reveal the role of the invisible workers and provisioning systems that enable the comfortable lives of a minority of the global population.



*Some key Ideology-Action-Structure Complexes*

---

140 Kagan, C & Burton, M.H. , (2014). Culture, identity and alternatives to the consumer culture. (In dossier: Educação, Cotidiano e Participação: desafios e contribuições para a formação). **Educar Em Revista (Brazil)** 53, 75 – 89  
<http://ojs.c3sl.ufpr.br/ojs/index.php/educar/article/view/36583>



# After peak capitalism: the livelihood challenge

Mark Burton, 2017

## Summary

*The former industrial towns of the global North have already seen capitalism peak locally<sup>141</sup>. Globally we may be living through a similar peaking as the system exhausts both its options to fix its internal contradictions, and more critically, the capacity of the planetary systems that sustain it. This essay begins with the first sense of peak capitalism and moves on to the second. Strategies, mainstream and alternative for economic and social restoration, are criticised the context of the relentless expansion of global capitalism that, having created these places in conjunction with colonial pillage, has now moved on. It is suggested that the reform strategies, whether proposed by mainstream or critically inclined bodies and campaigners, is inadequate to scale of the challenge posed by footloose capital. Moreover, such strategies, insofar as they require growth in the material scale of the economy, are ecologically illiterate and will both hasten and be rendered powerless by the coming resource and climate crisis and catastrophe. Given this picture, the counsel of the degrowth and similar movements, North and South, to live better with less, makes sense, as practice and as policy. Given that a global economic and social collapse will happen, the only policy and practice approaches that make sense today are those that provide scalable resources that will aid (but not guarantee) communities to make a livelihood under turbulent and harsh conditions. Helpful guidance can be found from permacultural thinking on materially and socially retrofitting urban and suburban human settlements.*

---

141 Based on the revised version published November, 2017 at uncommontater.net. Licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License. I am grateful to Carolyn Kagan, Brian Davey, Jonathon Silver and Ciaran Mundy, Mike Hodson, John Mason and Deanne Bell for encouragement and/or helpful comments and suggestions on earlier drafts though they can't be held responsible for the resulting product.

## Introduction

Make a daytime visit to a post-industrial, peripheral town, like Bolton or Oldham in Greater Manchester, or for that matter some of the suburbs of relatively prosperous cities (such as Moston in Manchester). What do you see? Young men sitting around. Empty shops, betting shops, bargain shops and charity shops<sup>142</sup>. Those businesses that are prospering are either those providing essential goods and services (food, telecoms, clothing, pharmacy products), or the legal drugs, nicotine and alcohol. It doesn't look prosperous. It doesn't look hopeful. Even compared to some years ago, these places look depressed, despite low unemployment and “respectable” GDP growth rates nationally and regionally over recent years and notwithstanding the efforts of local government to improve these places despite vicious central government-imposed cuts to their budgets.

It is instructive to compare statements from different quarters:

*“Almost all (Greater Manchester) boroughs had higher unemployment rates than England as a whole, with Manchester, Rochdale, Salford and Oldham having the highest.”*

*“In 2013/2014, the proportion of households receiving Working Tax Credit or Child Tax Credit while in work was higher in Greater Manchester (at 14.1%) than England as a whole (11.6%). The three boroughs with the highest proportion of claimant households were Bolton, Oldham and Rochdale.”*

*“In 2013, Manchester has 14.9% of households in fuel poverty, a 4% higher fuel poverty ratio than the Greater Manchester average of 10.9%. The Greater Manchester rate of fuel poverty (10.9%) remained above that of the national average (10.4%). The three boroughs with the highest levels of fuel poverty were Manchester, Oldham and Bury.”*

Greater Manchester Poverty Monitor<sup>143</sup>

*“The region’s growth rate – as measured by Gross Value Added) – exceeded that of South East England (4.6% compared to 2.8% for 2012–13, the most recent available figures.)”<sup>144</sup>*

---

142 Shortly after the first draft of this paper was published, this appeared on the particularly stark case of Bolton: <https://amp.theguardian.com/cities/2017/aug/22/bolton-decline-northern-town-centre-slump>

143 <http://www.gmpovertyaction.org/poverty-monitor/>

144 <http://gmlep.com/performance-report-charts-progress-towards-greater-manchesters-goals/>

*“Our vision is that, by 2035, the Greater Manchester city region will be one of the world’s leading regions, driving sustainable growth across a thriving North of England. It will be ever more productive, innovative, creative, known for the excellent quality of life enjoyed by our residents who are able to contribute to and benefit from the prosperity that growth brings.”<sup>145</sup>*

Greater Manchester Combined Authority

*“Manchester has established itself as a premier league European city with a diversified economy.*

*“We’ve now been ranked a top 10 global city for FDI Strategy by fDi Global Cities of the Future, and in Lonely Planet’s ‘best in travel’*

*“The city’s profile has now never been stronger, with significant developments in key sectors, workforce skills, and quality of life to name a few. Our infrastructure is seeing remarkable development with Metrolink continuing its expansion across the region and Manchester Airport, which connects Manchester to over 200 destinations worldwide, recently reporting its 38th month of consecutive passenger growth.*

*“Greater Manchester is also finding itself at the centre of some seismic shifts in the political landscape to which it must respond. With Brexit likely to significantly change the way the UK deals with the rest of the world in terms of trade, FDI, and research, it’s vital that we make clear our continuing international ambitions.”*

Councillor Sir Richard Leese, leader, Manchester City Council<sup>146</sup>

To be fair, this mismatch is acknowledged by those promoting a “boosterist” strategy to the region, but the strategy implicit in the dominant narrative is at worst that of extractivist trickle-down, and at best the promotion of growth coupled with a *post hoc* redistribution. As I will argue, even the more radical alternative proposals fall short of the challenge imposed on the localities it once constructed, by the capitalist system in its endless global evolution.

To seek an explanatory perspective, I will try to stand back and sketch the broad canvas of economic and social change, putting the emphasis on what I shall call the *livelihoods challenge* – how can urban centres “earn their living” and find meaning and purpose for their communities and the lives of their

---

145 [http://www.greatermanchester-ca.gov.uk/download/downloads/id/201/gm\\_work\\_and\\_skills\\_strategy\\_and\\_priorities\\_2016\\_to\\_2019\\_executive\\_summary.pdf](http://www.greatermanchester-ca.gov.uk/download/downloads/id/201/gm_work_and_skills_strategy_and_priorities_2016_to_2019_executive_summary.pdf)

146 <http://gmlep.com/manchester-leaders-launch-strategy-take-city-region-global/>

members? In doing this, I will also widen the horizon to consider the absolute limits that confront not just the present extraction-expropriation-accumulation regime but all of humanity.

I use the example of Greater Manchester's less favoured areas but the analysis is also relevant to other post-industrial peripheral towns, neighbourhoods, and secondary cities.

## **What capitalism delivered, capitalism takes away.**

The towns and cities of England's now post-industrial regions grew as a result of the capitalist-industrial revolution. Moving into urban centres from the countryside, the accumulation regime we call capitalism opened factories, mined coal, established transport links and a service infrastructure (legal, financial, educational). A mass of former peasants, expelled from the land as the result of capitalist appropriation (enclosures) and capitalisation (mechanisation) filled the cities, first from the English countryside, later from the Celtic lands and ultimately from the colonies and ex-colonies of the global South, places already violently enrolled into the early world system of extraction-expropriation-accumulation<sup>147</sup>. As industrial and political struggles led to improvements in living standards<sup>148</sup>, housing spread beyond the limits of the walkable city, enabled by cheap hydrocarbons, first coal and the railway, later petrol and the car. A commercial and service sector increased in scale, with governmental support becoming semi-autonomous from, though reciprocally tied to, the accumulation regime, especially during and after the 1939-45 war. By the late 1960s, the landscape of Greater Manchester had assumed the overall shape we recognise today. More than a basis for livelihoods, however harsh, the industrial city also offered a pattern of life – a structure for living where most people had a place, a role, a meaning. I do not mean to idealise or romanticise this: in many ways it was a less tolerant environment than the present one, with women as usual facing additional exploitation, often of the double shift, industrial and domestic. However, at the same time, through one of the contradictions of capitalist production, the social nature of production, it did witness the upsurge of a distinctive working class culture that at its peak had a richness of educational and cultural institutions and resources that so impressed the likes of Engels and Morris<sup>149</sup>.

From the late 60s onwards the great moderation – the truce between capital and labour, began to falter and fracture (there are various competing explanations, including the cumulative effects of the falling rate of profit and

---

147 Beckert, S. (2015). *Empire of cotton: a global history* (First Vintage Books edition). New York, NY: Vintage. A good summary is that by Cushion, S. (2016). Review of "Empire of Cotton: A Global History." *Reviews in History*. <https://doi.org/10.14296/RiH/2014/1873>

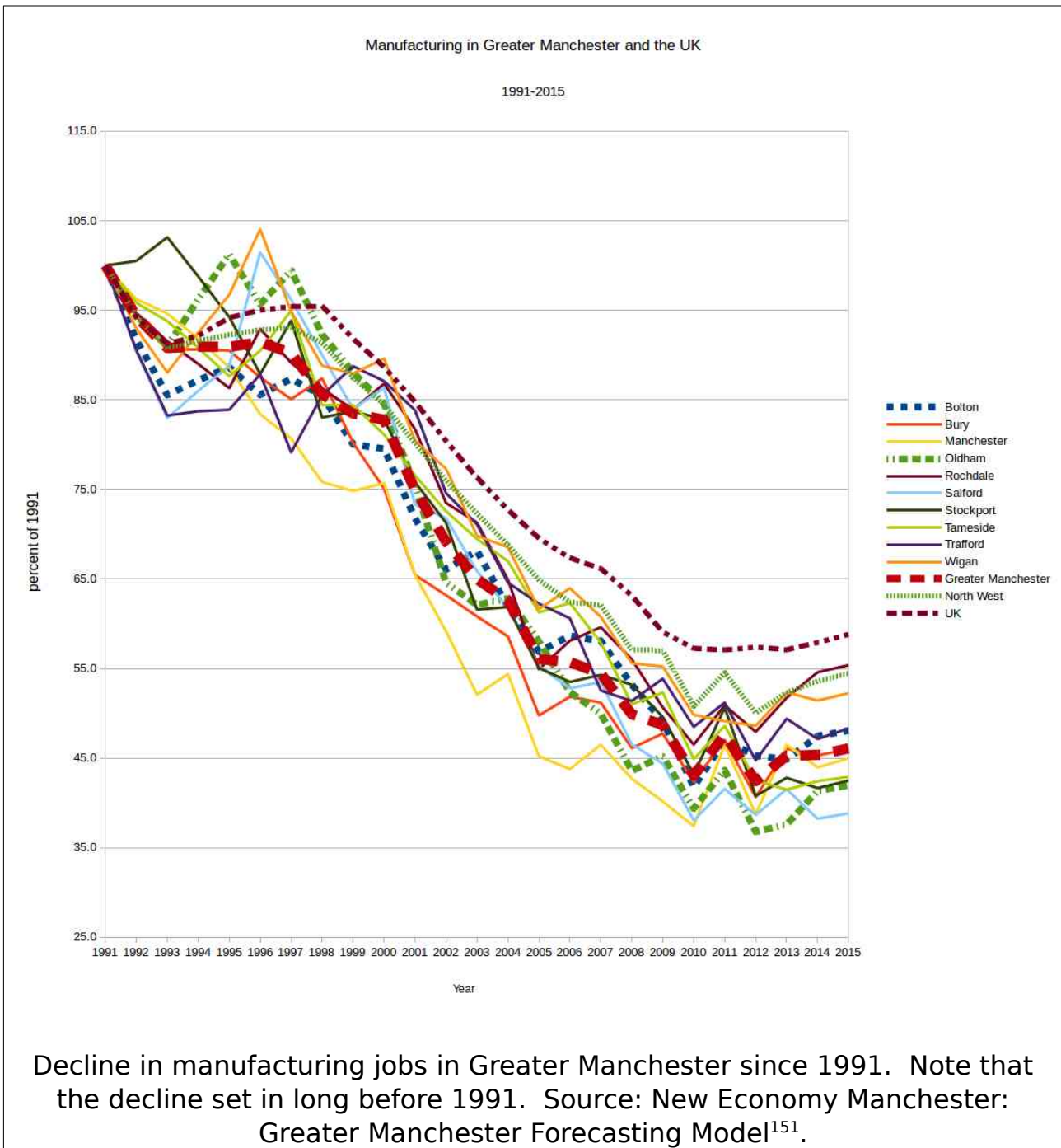
148 Noted by Engels in the 1892 preface to the *Condition of the Working Class in England*, <https://www.marxists.org/archive/marx/works/1892/01/11.htm>

149 We discuss this in our report *In Place of Growth* (2012) Historical memory and lived culture, pp. 39-40 [https://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth\\_ipog\\_-\\_content\\_final.pdf](https://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth_ipog_-_content_final.pdf)

the erosion of financial regulation). Factories closed and jobs in the industrial sector were lost (see Figure 1). By 2015, Greater Manchester had only the same proportion (10.2%) of manufacturing industry in its economy as the UK as a whole (10.1%)<sup>150</sup>. Capital continued to invest and accumulate, exploiting labour as it did, but increasingly this was happening in other places. As the Bolshevik model of socialism collapsed (in the former Soviet bloc) or was reformed (in the Far East), production shifted there – either by firms moving production to new plant or subcontractors there, or by being out-competed by new arrivals. Unlike German firms that had benefited from free post-war modernisation, British industry, in large part, did not adapt by diversification and specialisation.

---

150 ONS (2017) *Combined Authority Economic Indicators*.  
<https://www.ons.gov.uk/economy/economicoutputandproductivity/output/articles/combinedauthorityeconomicindicators/2017-03-14#greater-manchester-combined-authority>



These shifts were for a time mitigated by two factors. Firstly by the expansion of State-funded, but now less frequently State-provided, public services. Secondly, by the growth of other service industries, especially in the fields of entertainment, retail, and finance. This had divergent effects on the workforce. While there was an expansion of professional and managerial posts, supported by the expansion of one of the public services, Higher Education, there was

151 Own chart based on data at <http://www.neweconomymanchester.com/publications/greater-manchester-forecasting-model> (website no longer extant but spreadsheet available at [https://web.archive.org/web/20190329191731/http://neweconomymanchester.com/media/1883/final\\_gmfm2017\\_110817\\_publish.xlsm](https://web.archive.org/web/20190329191731/http://neweconomymanchester.com/media/1883/final_gmfm2017_110817_publish.xlsm) ). Later version of the data here: [https://greatermanchester-ca.gov.uk/media/1730/final\\_gmfm2018\\_baseline\\_web.xlsm](https://greatermanchester-ca.gov.uk/media/1730/final_gmfm2018_baseline_web.xlsm)



also the expansion of the low wage, privatised, contracted-out and eventually zero-hours, precarious but employed workforce. And for many of the former industrial centres there were few jobs, with unemployment becoming a shared experience across generations. If it is bad in Greater Manchester, there are areas of the country where there has been even less opportunity to diversify following the collapse of the industrial monocultures in those places. Yet the illusion (and in some ways the reality) of prosperity was sustained through several mechanisms: i) the rise of in-work welfare benefits, ii) through readily available, but expensive credit, iii) through the continuing government policy of cheap food, and iv) via the astonishing flow of cheap consumer goods from the global South, whose sale in the global North at prices that although low by prior standards are inflated from the production costs in the South, boosted reported levels of GDP<sup>152</sup>.

I will come back to the historical perspective because I want to use it in arguing for the limits of economic renewal strategies of every ilk. But first let's turn to consider those strategies on offer to confront the problem of post-industrial decline.

## Strategies on offer

The dominant mainstream approach has been described by one group of critics as follows.

*“At present, cities and city regions in Europe and North America pursue fairly standard policy mixes of disclosed and undisclosed policies. The explicit public policy is to boost skills through education and invest in infrastructure to extend the area of agglomeration . . . . . This common focus on improving skills and infrastructure is backed by a supplicant posture towards foreign firms and investors bringing inward investment. . .*

*In parallel there are the undeclared city and regional planning policies which privilege private developers of . . . flats, leisure, offices and retail - through planning permissions, land deals and financial sweeteners, with no questions asked about tax avoidance, financial engineering or long term sustainability.<sup>153</sup>*

It should be added that this mix is leavened by the almost magical incantation of phrases like *“stimulating growth to ensure that the jobs are created and safeguarded”, “create a second growth pole”, “deliver our ambitious growth agenda”, “seizing the growth potential of..”, “A high level of economic growth*

---

152 Smith, J. (2016). *Imperialism in the twenty-first century: globalization, super-exploitation, and capitalism's final crisis*. New York: Monthly Review Press; Smith, J. (2012). The GDP Illusion: Value Added versus Value Capture. *Monthly Review*, 64(3), 86–102.

153 Engelen, E., Froud, J., Johal, S., Salento, A., & Williams, K. (2016). *How Cities Work: a policy agenda for the grounded city*. Manchester: University of Manchester, CRESC. Retrieved from <http://www.cresc.ac.uk/medialibrary/workingpapers/wp141.pdf> pp. 23-24.

*is being planned..”, “driving growth within the North”<sup>154</sup>. Wherein a largely untheorised notion of “economic growth” becomes both goal and means by which the local economy will be restored to health. In addition to the ecological illiteracy of such talk, the constant repetition of the largely content-free growth mantra demonstrates the lack of realism about the driving forces for the shift of livelihood away from these places, and the prospects for regaining a local accumulation regime that shares its gains with the deprived places and populations that are our concerns here.*

If that is the hegemonic approach, what alternatives are on offer? Here the concern is with those critical voices that are engaging both with the limitations of the dominant approach while at the same time making pragmatic proposals for another way. These alternatives can be found in the place-focussed work of the CRESC<sup>155</sup> collective of critical Manchester academics (quoted above), the Centre for Local Economic Strategies<sup>156</sup> and their associates in local governments such as Preston<sup>157</sup>, and in the more broadly nationally focussed work of the New Economics Foundation<sup>158</sup> and Keynesian groups such as PRIME<sup>159</sup>. I will do a little violence to them by treating them as a family of approaches, recognising that this means glossing over the differences in their approaches, and indeed functions, as policy-focussed bodies<sup>160</sup>. To this mix could be added the more orthodox, broadly centre-left bodies like IPPR<sup>161</sup> and the flurry of broadly “National Welfarist<sup>162</sup>” and Keynesian policy-making that has been undertaken by the resurgent Labour Party under the Corbyn-McDonnell leadership<sup>163</sup>.

The key ideas (not necessarily shared by all of them) are:

- Use government spending to boost the stalling economy, investing in the sectors that will make the most difference for the most people, especially via infrastructure and housing.

---

154 Sources for all these phrases can be found in my previous working paper *So What Would You Do? An Alternative Strategy for the City Region*. November, 2016

<https://steadystatemanchester.files.wordpress.com/2016/11/so-what-would-you-do-v2-0.pdf>

155 <http://www.cresc.ac.uk/publications/>

156 <https://cles.org.uk/>

157 <https://www.theguardian.com/cities/2017/apr/11/preston-cleveland-model-lessons-recovery-rust-belt>

158 <http://neweconomics.org/>

159 <http://www.primeeconomics.org/>

160 Again, see “So What Would You Do?” for more detail:

<https://steadystatemanchester.files.wordpress.com/2016/11/so-what-would-you-do-v2-0.pdf>

161 <http://www.ippr.org/north>

162 See Norfield, T. “Corbyn’s National Welfarism”

<https://economicsofimperialism.blogspot.co.uk/2016/11/corbys-national-welfarism.html?m=1>

163 e.g. <http://www.labour.org.uk/index.php/manifesto2017> and

[http://www.labour.org.uk/page/-/PDFs/9472\\_Alternative%20Models%20of%20Ownership%20all\\_v4.pdf](http://www.labour.org.uk/page/-/PDFs/9472_Alternative%20Models%20of%20Ownership%20all_v4.pdf) also <http://www.burnhamformayor.co.uk/andy-burnham-manifesto-for-a-greater-manchester>

- Reduce the strength of the financial sector / City of London / speculative casino finance, relative to other sectors and make banking serve the rest of the economy through effective reform and creation of new institutions.
- Shift forms of company ownership from shareholder-centred to co-operative / mutual / stakeholder-orientated forms.
- Build on those elements of the local/regional economies that are place-based and resilient (anchor institutions; foundational services and goods), harnessing their economic power to strengthen the rest of the local economy, especially small and medium businesses, plugging the leakage of money out of the locality.
- Reform welfare, now little more than a residual “deserving poor” model providing both a minimal safety net for those displaced by voracious capitalist expropriation and accumulation while incentivising them as free independent sellers of labour power. Reform it so it provides a secure base from which citizens can innovate, contribute to community life and prosperity-creating business.
- Tackle low pay via legislation, exhortation, charters, and public sector policy and procurement.
- Constitutional and democratic reform, returning real power to local government and communities.

Our own work<sup>164</sup>, and that of other ecologically-inspired critics<sup>165</sup> also has a similar flavour, the main difference being in the emphasis on reducing the material scale of the economy (energy, material flows, emissions)<sup>166</sup> and a more radical (though still relative) re-localisation of production and supply<sup>167</sup>.

All these alternative approaches make valuable contributions, so far as they go, but it is arguable that, like the mainstream approach identified above, neither alone, nor together, do they overcome the fundamental problem imposed by the nature of capitalist expansion and succession.

---

164 See our policy interventions here: <https://steadystatemanchester.net/treading-lightly-for-shared-prosperity-policies-for-greater-manchester/>

165 E.g. LocaliseWM <http://localisewestmidlands.org.uk/> , Feasta <http://www.feasta.org/> , Greenhouse think tank <http://www.greenhousethinktank.org/>

166 Kallis, G. (2017). Radical dematerialization and degrowth. *Philosophical Transactions of the Royal Society A: Mathematical, Physical and Engineering Sciences*, 375(2095), 20160383. <https://doi.org/10.1098/rsta.2016.0383>, Kosoy, N., Brown, P. G., Bosselmann, K., Duraiappah, A., Mackey, B., Martinez-Alier, J., ... Thomson, R. (2012). Pillars for a flourishing Earth: planetary boundaries, economic growth delusion and green economy. *Current Opinion in Environmental Sustainability*, 4(1), 74–79. [http://degrowth.org/wp-content/uploads/2012/11/Kosoy\\_2012\\_Pillars-for-a-flourishing-Earth.pdf](http://degrowth.org/wp-content/uploads/2012/11/Kosoy_2012_Pillars-for-a-flourishing-Earth.pdf), Jackson, T. (2017). *Prosperity without growth: foundations for the economy of tomorrow* (Second Edition). London ; New York: Routledge, Taylor & Francis Group.

167 We offer a comparative analysis of four alternative policy interventions in the context of the Greater Manchester devolved powers and Mayoral election <https://steadystatemanchester.net/2017/07/19/policies-policies-but-are-they-any-good/>

## Footloose capital

To understand that, let's broaden the historical perspective already sketched. I deliberately presented it initially in restricted – Britain-centric terms.

Capitalism, however, knows no boundaries and cannot be understood as a system without a recognition of its imperialist-global dimension. Capitalism, unlike other systems that have markets and private ownership, acts as if designed to endlessly accumulate more and more capital. This works through the formula elucidated by Marx, of M-C-M' where money capital (M) is invested in the production process, making commodities (C), sold at a profit so that more money capital (M') is then available for investment. This rests on the expropriation of surplus labour, effectively the defrauding of workers by retaining the difference between the value realised in exchange and the value of the socially necessary labour time, i.e. of labour power, expended in the production. The process is greatly facilitated by the subsidies of cheap energy, cheap food and cheap materials. In Jason Moore's formulation<sup>168</sup>, capitalism in all epochs<sup>169</sup> resolves its contradictions of over and under production via searching for the “four cheaps”: labour, energy, food and materials. It was the search for these that ultimately left the industrial regions of the UK as surplus to requirements: beached economies and communities. In expanding then, capitalism has moved on, situating its main points of value extraction in the new industrial zones of the majority world (though its relentless appropriation outside the global North has always been a feature<sup>170</sup>), while devastating enormous tracts in the extraction of energy, materials and food by the combination of expropriation and capitalisation (primitive and capitalist accumulation).

To re-iterate, this means that the economic *raison d'être* for the Boltons and Oldhams, has, if not entirely disappeared (a point to return to), severely diminished. Even in those post-industrial cities that are (in their own terms) more successful (e.g. Cleveland, Pittsburgh) “success” has involved an exodus of the lower waged workforce, as the city focussed on new, high skill, industry that has no need for the former industrial proletariat<sup>171</sup>. The specifics of each situation differ, from the Welsh valleys to the Lancashire mill towns, to the former steel towns of the North East, to the North American rust belt or the northern French coal and rust belt, but in each case the overall logic is that of

---

168 Moore, J. W. (2015). *Capitalism in the web of life: ecology and the accumulation of capital* (1st Edition). New York: Verso; Moore, J. W. (2017). *World Accumulation and Planetary Life*. Audio recording, London. Retrieved from [https://soundcloud.com/goldsmithsuol/jason\\_moore](https://soundcloud.com/goldsmithsuol/jason_moore)

169 Which, like Dussel, he dates to around 1492 and the colonisation of the Americas.

170 “For every Amsterdam there is a Vistula Basin. For every Manchester, a Mississippi Delta.” Moore, J. W. (2015). *Capitalism in the web of life: ecology and the accumulation of capital* (1st Edition). New York: Verso. p. 154. Also, Chapter 13, Dussel, E. (2001). *Towards an unknown Marx: a commentary on the manuscripts of 1861-63*. London: Routledge. [http://enriquedussel.com/txt/Textos\\_Libros/43.Towards\\_an\\_Unknown\\_Marx.pdf](http://enriquedussel.com/txt/Textos_Libros/43.Towards_an_Unknown_Marx.pdf)

171 R. Piiparinen, Population growth as the cure for the incredible shrinking city? *Newgeography*, 17/5/2014. <http://www.newgeography.com/content/004316-population-growth-cure-incredible-shrinking-city>

capital moving on, pulling the carpet from under the feet of the former working class communities<sup>172</sup>. What new industry gets established tends to require a smaller and different workforce: hence what a cynic might identify in Manchester's leaders' meta-text – “We have the wrong population for economic success, so we'll attract a different set of people with our developer sweetheart deals that exclude affordable and social housing”<sup>173</sup>.

## What's wrong with the strategies on offer?

So these post-industrial settlements have been left behind by the very system that created them. Bearing in mind this broad canvas, both the mainstream and the alternative strategies seem flawed in the following five ways.

### 1) A dependence on “growth”

**Reliance on economic “growth”<sup>174</sup>** is characteristic of all but the ecologically radical alternatives. Economic growth is pretty much a code word for capitalist accumulation but whether it is understood in conventional bourgeois terms, or critically, its continual pursuit is ever more implausible. Growth rates across the OECD countries have been in decline since the late 1990s. And indeed, the peaks of that time, or of the previous peak in the mid 1980s were lower than the rate in 1972, just before the first big commodity price shock. This experience of “secular stagnation” has been mitigated by the injection of billions of fiat money by the commercial and central banks, a response to the lack of demand for the extraordinary production of the global economy in the context of falling real wages, this latter itself a (neoliberal) policy choice to fix the twin problems of labour militancy and falling profits<sup>175</sup>. Just as capital ran out of our towns, so it is running out of road on a global scale as Moore's “four cheaps” get less cheap and new markets harder to find. Technological optimism (or “technolatry”) also seems misplaced: the boosts to accumulation that came from the great technological leaps of the public utilities, the railways, the internal combustion engine and digitalisation seem unlikely to be repeated – the last of these is now faltering as miniaturisation reaches its limits and it produced smaller productivity leaps than the previous industrial revolutions<sup>176</sup>. Likewise, the privatisation boost to capital's profits (favoured by the orthodox approach) is a one-off: once you've sold everything, what do you do next?

---

172 For a review of the salient trends in the UK context, in the wake of recent electoral upsets see Tom Hazeldine, The revolt of the rustbelt. *New Left Review* 105, May-June 2017.

<https://newleftreview.org/II/105/tom-hazeldine-revolt-of-the-rustbelt>

173 <https://steadystatemanchester.net/2017/02/23/what-kind-of-a-city-and-region-do-we-want/>

174 I always write “growth” in inverted commas when it is qualified by the adjective “economic”, to indicate that the growth is problematic, or, it has been said, malignant.

175 W Streeck, How will capitalism end. *New Left Review*. 87, May-June 2014

<https://newleftreview.org/II/87/wolfgang-streeck-how-will-capitalism-end>

176 R. Gordon, 'Is US Economic Growth Over? Faltering innovation confronts the six headwinds', NBER *Working Paper* no. 18315, August 2012. <http://www.nber.org/papers/w18315>



The bigger problem is that capitalism is hitting the limits imposed by the finite nature of the planet. This is such a fundamental, existential problem that it will be reviewed below as the fifth strategic flaw of the proffered remedies.

## 2) The requirement for a surplus, and scale.

Perhaps, however, some of the alternative strategies do not require growth/accumulation in the aggregate but only local profitability; that is, the redistribution of profit from other places to the locality, municipality or region. But the question remains: beyond relatively marginal shifts (for example by utility companies letting maintenance contracts to local firms<sup>177</sup>, or anchor institutions purchasing from local suppliers<sup>178</sup>), where is this to come from? That is to say, when the centres of value creation are elsewhere, what kinds of production can replace those that provided livelihoods for the hundreds of thousands who worked in each industrial zone? Many of the alternative strategies focus on the circuits of exchange and distribution rather than on value creation. The potential “replacement economies”, on the other hand, whether high end technology companies, the “green services economy” (now employing approx 3% of Greater Manchester's workforce), the media sector, for example – none of these would appear to have the necessary scale, neither individually nor together. The scale of the challenge is illustrated by considering the historical dimensions of industrial Bolton; see Appendix 1. There manufacturing now contributes just 15.17% to the local economy (as measured by GVA), while the unproductive sectors (i.e. those that do not generate value in themselves) of real estate (14.89%), wholesale and retail trade (12.45%), and health and social work (9.42%), together account for 36.76%<sup>179</sup>. Does this look like a basis for a livelihood for the town when there is no attempt being made to step outside the parameters of the capitalist circuits?

3) **The limits of radical monetary theory.** Couldn't the government just invest to stimulate those elements of the economy that enable a region to make a livelihood? This is the argument increasingly heard on the Keynesian left. There is also the argument that, with adequate regulation and control, the private financial sector can also make these investments<sup>180</sup>. The idea is fine, so far as it goes, and is actually welcome since it is an effective counter to the austerity orthodoxy that assumes national budgets operate like household budgets<sup>181</sup>. However, credit cannot be increased indefinitely: it has to be repaid

---

177 Sitkin, A. (2013). Enfield: new directions with big business. *Soundings*, (55), 124–134.

178 Brown, M., & O'Neill, M. (2016). The Road to Socialism is the A59: The Preston Model. *Renewal*, 24(2), 69–78. [https://www.lwbooks.co.uk/sites/default/files/ren24.2\\_08interview\\_brown.pdf](https://www.lwbooks.co.uk/sites/default/files/ren24.2_08interview_brown.pdf)

179 From data in <http://www.neweconomymanchester.com/publications/greater-manchester-forecasting-model>

180 Pettifor, A. (2017). *The production of money: how to break the power of bankers*. London: Verso.

181 I have written about this: Burton, M. (2015). Debt dynamics in the UK and beyond: how propaganda impedes effective political action. In S. M. Değirmencioğlu & C. Walker (Eds.), *Social and psychological dimensions of personal debt and the debt industry* (pp. 123–127). Basingstoke, Hampshire: Palgrave Macmillan. Draft freely available at



and under capitalism, that repayment is ultimately on the basis of profits made in the industrial sector (see Appendix 2: The labour foundation of interest). It is true that the government can create jobs by, for example, investing in infrastructure and that creation is not just in the work that has to be done to build, but via the so called multiplier, it extends to other sectors of the economy<sup>182</sup>. Nevertheless, the circulation of money that this investment generates cannot float above the real economy – but it has to feed into the local M-C-M' circuit and be backed by the generation of value there. If this does not happen, the purchases will be of (enough) goods and services produced elsewhere to build up international debt, something that is already with us as the balance of payments deficit: the UK current account deficit was £16.9 billion in the first quarter of 2017<sup>183</sup>. The same goes for bank credit – credit is an advance on the returns that ultimately rest on the expropriation of surplus value. The phenomenon of financialisation has led to the expansion of the other circuit that bypasses commodity production altogether M-M'. But when capitalism moves into this phase, of hypertrophic financialisation, the result is always the same, a crash and the destruction of value.

The alternative is for the government to step outside the capitalist frame and run a socialist economy. That would mean direct control and public ownership of the strategic sectors and sectors of the economy needed for social and environmental good, and strict control of private profits, capping them and redistributing any excess to the workforce and community once necessary re-investment has been covered. However, actually working socialist economies at scale are hard to find<sup>184</sup>, and it seems unlikely that we will witness such a profound and extensive shift in social forces and relations necessary for this before the other crises of late capitalist “civilisation” (explored in the next section) catch up with us.

Yet piecemeal solutions that only accomplish a little of this transformation are unlikely to work. Consider as an example the neo-Keynesian proposal of the “Job Guarantee” or the “State as employer of last resort”. Once the likely opposition to its establishment was overcome<sup>185</sup>, the State would pay people the minimum (or living) wage to work to fulfil community needs. There could

---

[https://www.academia.edu/14883651/Debt\\_dynamics\\_in\\_the\\_UK\\_and\\_beyond\\_how\\_propaganda\\_impedes\\_effective\\_political\\_action](https://www.academia.edu/14883651/Debt_dynamics_in_the_UK_and_beyond_how_propaganda_impedes_effective_political_action)

182 Although the impact of Keynesian demand stimulation is questionable for today's Western economies: <https://thenextrecession.wordpress.com/2017/07/13/will-reversing-austerity-end-the-depression/> See also Norfield's critique of the multiplier and Keynesian demand stimulation policies <https://economicsofimperialism.blogspot.co.uk/2011/09/capitalist-crisis-keynesian-delusions.html?m=0>

183 Office of National Statistics  
<https://www.ons.gov.uk/economy/nationalaccounts/balanceofpayments/bulletins/balanceofpayments/jantomar2017>

184 “...among all the errors we may have committed, the greatest of them all was that we believed that someone really knew something about socialism, or that someone actually knew how to build socialism.” Fidel Castro, speech at the University of Havana, 17/11/2005.  
<http://www.walterlippmann.com/fc-11-17-2005.html>

185 Guinan, J. (2014). Modern money and the escape from austerity. *Renewal*, 22(3–4), 6–21.

be collective, community-led determination over the content, or people could identify their own projects. Their incomes would increase demand in the economy, creating further jobs (let's for now ignore the impact of this in a country with a significant trade deficit), building their own skills and confidence. As the economy recovers, they leave this government-funded employment and move into the “normal” economy. As such it is a self-adjusting model, responding to fluctuations in the capitalist business cycle<sup>186</sup>. But suppose the deep structural factors causing secular stagnation (discussed above) are too strong for this intervention and many people end up on these schemes for a long time. Once you've done up the local community centre, built a cycle track, weeded the park, you would begin to run out of things to do. Would this really provide the scale of meaningful activity needed in the more depressed local economies? Would it enable a local economy to earn its livelihood. Or would it be vulnerable to the next right wing government's round of cuts? What would people actually do all day? It is hard to say, but it does seem like a relatively feeble intervention for the scale of the problem. The problem is that this, like other such interventions, is unlikely to change the fundamental dynamic of footloose capital's trail of destruction - construction - destruction that caused the problems we've identified.

#### 4) National welfarism and imperialism.

Despite the parlous state of the post-industrial areas, there is a paradox: the global North, including its disadvantaged sectors, continues to benefit from exploitation and appropriation in the global South<sup>187</sup>. Much policy of both right and left is “National Welfarist”, exploiting and defending that privileged position. Capturing wealth and keeping it local leaves this problem untouched. As such these policy frameworks tend to have an imperialist component, usually but not always<sup>188</sup> hidden, something that is ethically reprehensible.

---

186 Tcherneva, P. R. (2012). The Job Guarantee: Delivering the Benefits That Basic Income Only Promises – A Response to Guy Standing. *Basic Income Studies*, 7(2). <https://doi.org/10.1515/bis-2013-0010>

187 Smith, J. (2016). *Imperialism in the twenty-first century: globalization, super-exploitation, and capitalism's final crisis*. New York: Monthly Review Press; Norfield, T. (2017). *The City: London and the global power of finance*. Chapter 7, The Imperial Web. London: Verso; Amin, S. (2010). *The law of worldwide value*. New York: Monthly Review Press; Evans, T L. (2011). *Understanding the Political Economy of Enforced Dependency in the Globalized World: A Springboard for Sustainability-oriented Action*. FEASTA. Retrieved from [http://www.feasta.org/documents/enforced\\_dependency/enforced-dependency.pdf](http://www.feasta.org/documents/enforced_dependency/enforced-dependency.pdf)

188 See this critique of the imperialist militarism of a prominent Left Labour commentator, <https://libcom.org/blog/paul-masons-workers-bombers-13102017>

## 5) Limits to growth.

It is the environment of a finite planet, however, that places absolute constraint and limits on strategies for economic revival, both orthodox and alternative<sup>189</sup>. To understand this problem there is no better place to start than the classic study, *The Limits to Growth*<sup>190</sup> conducted by a team of systems scientists led by Donella Meadows at Massachusetts Institute of Technology and published in 1972<sup>191</sup>. They used Systems Dynamics<sup>192</sup> to model trends in the relationship between five major areas: population and industrialisation, pollution, resource depletion and land availability for food. There were 12 scenarios, each with a different pattern of world development from 1900 to 2100. Every component in the model was represented in mathematical equations informed by the laws of physics and populated with empirical data up to 1970. The 12 scenarios were arranged into three broad groups. The 'standard run' or business-as-usual scenario assumed the same economic, social and physical patterns observed to date. Six 'technological scenarios' started with the same basic pattern, but assumed new advances in technology or that society would increase the amount of resources available, increase agricultural productivity, reduce pollution, or limit population growth. The final set of five 'stabilisation' scenarios looked at what would happen if either population growth, or industrial output, were stabilised.

Only four scenarios managed to avoid overshoot and collapse. These scenarios involved stabilising population with restrictions on industrial output. They also utilised technological measures such as recycling and controlling pollution. Technical solutions on their own merely postponed the overshoot and collapse. The 'standard run' scenario led to a collapse as a result of resource depletion which led to a recession in industrial growth from around 2015.

Why? As more and more people achieve higher and higher levels of affluence, they consume more and more of the world's resources. Consumption increases each year and population, industrialisation, pollution, food production and resource depletion all follow an exponential growth curve. Material growth cannot continue indefinitely because the earth is physically limited. Eventually, the scale of activity exceeds the carrying capacity of the environment, resulting

---

189 The following paragraphs draw on a talk I gave in May, 2017 on "Living within Limits to Growth" <https://steadystatemanchester.files.wordpress.com/2017/05/newcastle-talk-outline-notes-with-graphics.pdf> which drew on a number of sources, especially Jackson, T., & Webster, R. (2016). *LIMITS REVISITED A review of the limits to growth debate* (p. 24). London: ALL-PARTY PARLIAMENTARY GROUP ON LIMITS TO GROWTH. Retrieved from <http://limits2growth.org.uk/revisited>

190 Meadows, D. H., Meadows, D. L., Randers, J., & Behrens, W. W. (1974). *The Limits to growth : a report for the Club of Rome's project on the predicament of mankind*. London: Pan Books. Available online at <http://www.donellameadows.org/wp-content/userfiles/Limits-to-Growth-digital-scan-version.pdf>

191 An excellent recent summary and discussion on which I've drawn here is Jackson, T., & Webster, R. (2016). *LIMITS REVISITED A review of the limits to growth debate* (p. 24). London: ALL-PARTY PARLIAMENTARY GROUP ON LIMITS TO GROWTH. Retrieved from <http://limits2growth.org.uk/revisited>

192 <http://www.systemdynamics.org/what-is-s/>

in a sudden contraction - controlled or uncontrolled. First, the resources supporting humanity - food, minerals, industrial output - begin to decline. This is followed by a collapse in population.

It is important to understand that contraction or collapse happen, not because physical resources disappear entirely, but because the quality of a resource declines as more and more of it is extracted. It therefore requires more and more energy and investment to extract usable high-quality resources from raw materials (the key concept here is *diminishing Energy Return on Investment*<sup>193</sup>). This diverts resources away from productive industry and agriculture and eventually the process, and hence the system, becomes unsustainable. Recent studies<sup>194</sup> suggest that, for the USA, as energy expenditure rises above about 5.5% of national income (it was 5% in 2014), recession becomes likely.

Limits to Growth's thirty year update, published by the Club of Rome in 2004<sup>195</sup>, and two modelling studies in 2008 and 2014 from the University of Melbourne<sup>196</sup> concluded that the world is pretty much following Limits to Growth's 'standard run' projection. Historical data show that the global population and economy have developed broadly in the way Meadows et al. modelled them in 1972. As Hall and Day note, "We are not aware of any model made by economists that is as accurate over such a long time span."<sup>197</sup>

More recent work on the concept of Planetary Boundaries has helped improve our understanding of the limits to human impact on the earth's systems. A large cross-disciplinary team led by Johan Rockström of the Stockholm Resilience Centre identified a set of nine ecological processes that regulate the land, ocean and atmosphere<sup>198</sup>. For each process they identified a series of thresholds beyond which human activity would cause unacceptable

- 
- 193 Or Energy Return on Energy Invested (EROEI). Howard Odum's concept of "emergy" or net energy yielded is also relevant. Conventional oil has a very high EROEI (a ratio per unit invested of between 6 and 17, depending on source) while unconventional oil and gas have far lower EROEI (not much greater than 1) and first generation biofuels, e.g. maize ethanol, have very low EROEI (around 1). However, these calculations depend a lot on the assumptions and data sources.
- 194 Murphy, D.J.; Hall, C.A. Energy return on investment, peak oil, and the end of economic growth. *N. Y. Acad. Sci.* 2011, 1219, 52–72.  
Aucott, M., & Hall, C. (2014). Does a Change in Price of Fuel Affect GDP Growth? An Examination of the U.S. Data from 1950–2013. *Energies*, 7(10), 6558–6570.  
[https://www.researchgate.net/publication/270904271\\_Does\\_a\\_Change\\_in\\_Price\\_of\\_Fuel\\_Affect\\_GDP\\_Growth\\_An\\_Examination\\_of\\_the\\_US\\_Data\\_from\\_1950-2013](https://www.researchgate.net/publication/270904271_Does_a_Change_in_Price_of_Fuel_Affect_GDP_Growth_An_Examination_of_the_US_Data_from_1950-2013)
- 195 Meadows, D. H., Randers, J., & Meadows, D. L. (2005). *Limits to Growth : the 30-Year Update*. London: Earthscan.
- 196 Turner, G. (2014) 'Is Global Collapse Imminent?', MSSI Research Paper No. 4, Melbourne Sustainable Society Institute, The University of Melbourne. ISBN: 978 0 7340 4940  
[https://www.researchgate.net/publication/267751719\\_Is\\_Global\\_Collapse\\_Imminent\\_An\\_Updated\\_Comparison\\_of\\_The\\_Limits\\_to\\_Growth\\_with\\_Historical\\_Data](https://www.researchgate.net/publication/267751719_Is_Global_Collapse_Imminent_An_Updated_Comparison_of_The_Limits_to_Growth_with_Historical_Data)
- 197 Hall, C., & Day, J. (2009). Revisiting the Limits to Growth after peak oil. *American Scientist*, 97, 230–237. <http://www.esf.edu/efb/hall/2009-05Hall0327.pdf>
- 198 Rockström, J., Steffen, W., Noone, K., Persson, Å., Chapin, F. S., Lambin, E. F., ... Foley, J. A. (2009). A safe operating space for humanity. *Nature*, 461(7263), 472–475.  
<https://doi.org/10.1038/461472a>

environmental change. Building on this they also defined a set of 'planetary boundaries' which taken together represent a 'safe operating space' for humanity.

The nine planetary boundaries relate respectively to: climate change, ocean acidification, biodiversity loss, interference with global nitrogen and phosphorous cycles, ozone depletion, global freshwater use, land system change, atmospheric aerosol loading and chemical pollution. For each process, the team identified a 'zone of uncertainty' and a 'danger zone'. Crossing over these thresholds could mean "non-linear, possibly abrupt and irreversible earth system responses" with disastrous consequences for society. In 2015 the team found that four of these planetary boundaries had already been crossed. Biodiversity loss, damage to phosphorous and nitrogen cycles, climate change and land use were now all in or beyond the 'uncertainty zone'.

Further work from the Stockholm team identifies the problem of multiple simultaneous systemic stresses and shocks. They present worked examples for both the global financial crash and the global food crisis of 2008.

*"In both cases the global energy system, in particular the global conventional-oil system, played a central role. The causal role of the global energy system therefore deserves special attention. **Only enormous inputs of inexpensive high-quality energy can create and sustain the unprecedented connectivity and complexity of human civilization**<sup>199</sup>."*

They note that,

*"Global adjustment to worsening energy scarcity is unlikely to be smooth. The rising cost of energy stimulates boom-bust investment cycles and alternating episodes of glut and scarcity."<sup>200</sup>*

In other words, much the same scenario that Limits to Growth presented.

So far I've hardly mentioned climate change. The nature of Greenhouse Gas pollution, global warming and climate change was poorly understood in the 1970s. Now we know much more. The situation is dire:

- Average temperatures are now some 1.3 degrees above the pre-industrial level.
- Atmospheric levels of carbon dioxide have passed the 410 ppm level.
- Annual global fossil fuel emissions have increased more five fold since I was born.

---

199 My emphasis.

200 Steffen, W., Richardson, K., Rockström, J., Cornell, S. E., Fetzer, I., Bennett, E. M., ... Sorlin, S. (2015). Planetary boundaries: Guiding human development on a changing planet. *Science*, 347(6223), 1259855–1259855. <https://doi.org/10.1126/science.1259855>



- There is only about 4 years left of the global carbon budget that can be used if we are to have a 2/3 chance of keeping temperature rise to below 1.5 degrees<sup>201</sup> (the aspiration of the Paris agreement).
- Studies are now indicating that even the 2 degree target has only a 5 per cent chance of being kept to<sup>202</sup>.
- Positive feedback effects include warming causing the release of GHGs by tropical forests so they change from being carbon sinks to carbon emitters, release of stored GHGs from the Arctic tundra and seas, reduction in reflectivity of polar regions as the ice cover reduces, and ocean acidification reducing the capacity for future carbon buffering<sup>203</sup>.

The causes are clear. The respectably cautious International Panel on Climate Change, in its summary for policy-makers, said:

*“Globally, economic and population growth continue to be the most important drivers of increases in CO2 emissions from fossil fuel combustion. The contribution of population growth between 2000 and 2010 remained roughly identical to the previous three decades, while the contribution of economic growth has risen sharply (high confidence). Between 2000 and 2010, both drivers outpaced emission reductions from improvements in energy intensity” IPCC, 2013<sup>204</sup>*

The mechanisms most responsible are the burning of fossil fuels (releasing pre-historically sequestered carbon) and the change in land use identified in the Rockström work (reduced uptake and additional release of carbon); the impacts of both are then amplified by the positive feedback loops of the planetary systems.

*Limits to Growth* didn't frame the problem in terms of *economic* growth but we need to. Standard economic theories and models treat the economy in isolation from the society in which it is embedded, and crucially from the physical and biological environment on which it depends<sup>205</sup>. The laws of

---

201 See summary from Carbon Brief [https://www.carbonbrief.org/analysis-four-years-left-one-point-five-carbon-budget?](https://www.carbonbrief.org/analysis-four-years-left-one-point-five-carbon-budget?utm_content=buffer56a18&utm_medium=social&utm_source=twitter.com&utm_campaign=buffer)

202 Raftery, A. E., Zimmer, A., Frierson, D. M. W., Startz, R., & Liu, P. (2017). Less than 2 °C warming by 2100 unlikely. *Nature Climate Change*. <https://doi.org/10.1038/nclimate3352>

203 For a summary of the main feedbacks: [https://climate.nasa.gov/nasa\\_science/science/](https://climate.nasa.gov/nasa_science/science/)

204 IPCC. (2014). Summary for Policymakers. In *Climate Change 2014, Mitigation of Climate Change. Contribution of Working Group to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change*. Cambridge: Cambridge University Press. [http://report.mitigation2014.org/spm/ipcc\\_wg3\\_ar5\\_summary-for-policymakers\\_approved.pdf](http://report.mitigation2014.org/spm/ipcc_wg3_ar5_summary-for-policymakers_approved.pdf) The 2021 update for the COP26 meeting is even clearer: Bordera, F Valladares, A Turiel, F Puig Vilar, F Prieto, and T Hewlett. 'Leaked Report of the IPCC Reveals That the Growth Model of Capitalism Is Unsustainable.' *Monthly Review*, 23 August 2021. <https://mronline.org/2021/08/23/leaked-report-of-the-ipcc-reveals-that-the-growth-model-of-capitalism-is-unsustainable/>.

205 For an entertaining discussion see <https://www.kateraworth.com/2012/07/23/why-its-time-to-vandalize-the-economic-textbooks/> Or as Moore puts it, “capitalism as *world-ecology*, joining capital, power and nature in a [to quote Marx in the *Grundrisse*] “rich totality of many determinations”. Moore (2015: 45) see note 19 on page 64.

physics are actually suspended in conventional economic theory<sup>206</sup>: they alone should make it clear that expansion of the economy cannot go on indefinitely. Endless growth is inherent in the M-C-M' circuit: M' is bigger than M by definition while in each cycle there is more C. In general this means that there are more materials and energy flowing through the system and although the correlations between money, commodities, energy and materials are not perfect, in general the bigger the economy in either M or C terms, the larger in terms of the physical flows of energy and materials<sup>207</sup>.

The limits to growth, then, fatally undermine the strategy, explicit or implicit in most of the proffered economic solutions, of making capitalism work for us.

## Degrowth, or a better collapse?

Supposing it were possible to escape the likely catastrophic scenario of collapse, what alternative might actually work? What would be feasible as a credible response to the problems of places like Bolton and Collyhurst without looking to the malign system that got us here to save us<sup>208</sup>. How can places make a living without continuing to destroy the planetary systems that make a living possible? There is no simple solution – indeed in some ways there is no answer to the question as posed. But it is possible to imagine a future that, while characterised by the collapse of livelihood and society, is not entirely bleak, that does have some possibilities for a resurgence of decent livelihoods and well-being.

To set the scene, it is helpful to recognise (to “periodise”) the capitalist epoch as an interlude characterised by the roving exploitation of labour, supported by the equally roving exploitation of cheap energy, land (food, timber, etc.), minerals and markets. We have to imagine a world without it, above all a world that is more (but not entirely) locally organised, that does without the massive expenditures of energy, yet that supports a degree of organised human society. This is the vision shared by a number of counter-hegemonic movements, both in the global North and South: degrowth<sup>209</sup>, transition towns<sup>210</sup>, permaculture

---

206 Video that explains this from Clive Spash: <https://vimeo.com/95454471>

207 Burton, M. (2009). Sustainability: Utopian and Scientific. In this collection. Burton, M. (2014, September 21). Less levity Professor Stern! Economic growth, climate change and the decoupling question. In this collection.; Burton, M. (2016, April 15). New evidence on decoupling carbon emissions from GDP growth: what does it mean? In this collection; Wiedmann, T. O., Schandl, H., Lenzen, M., Moran, D., Suh, S., West, J., & Kanemoto, K. (2015). The material footprint of nations. *Proceedings of the National Academy of Sciences*, 112(20), 6271–6276. <https://doi.org/10.1073/pnas.1220362110>

208 Tanuro, D. (2013). *Green Capitalism: Why it Can't Work*. London: The Merlin Press Ltd.

209 D'Alisa, G., Demaria, F., & Kallis, G. (Eds.). (2014). *Degrowth: a vocabulary for a new era*. Abingdon, Oxon ; New York, NY: Routledge.

Sekulova, F., Kallis, G., Rodríguez-Labajos, B., & Schneider, F. (2013). Degrowth: from theory to practice. *Journal of Cleaner Production*, 38, 1–6. <https://doi.org/10.1016/j.jclepro.2012.06.022>

210 Hopkins, R. (2008). *The Transition Handbook: From Oil Dependency to Local resilience*. Totnes: Green Books.



and ecological design<sup>211</sup>, suma qamaña / sumak kawsay / buen vivir / vivir bien<sup>212</sup>, ubuntu, ecological swaraj<sup>213</sup>, Melanesian socialism<sup>214</sup>, post-extractivism<sup>215</sup>. There are precedents in the work of early socialist writers such as Robert Blatchford<sup>216</sup> and William Morris<sup>217</sup>, anarchists like Pyotr Kropotkin<sup>218</sup>, Colin Ward<sup>219</sup> and Murray Bookchin<sup>220</sup> and thinkers from the Marxist tradition such as Raymond Williams<sup>221</sup>, Cornelius Castoriadis<sup>222</sup> and André Gorz<sup>223</sup>. These diverse approaches imply a return to a low energy, low throughput, low production, low population baseline. This is not necessarily the pre-capitalist one since, utilising the benefits of industrial capitalism's technological innovations, there would be more efficient harnessing of energy, better materials, etc., but all at a far lower level than now. Similarly, notions of the “circular economy”, at present deeply flawed by the dominant assumption that they can enable and enhance economic growth<sup>224</sup>, take on a real relevance,

- 
- 211 Holmgren, D. (2007). *Essence of Permaculture*. Hepburn, Australia: Holmgren Design Services. (available at [http://www.holmgren.com.au/DLFiles/PDFs/Essence\\_of\\_PC\\_eBook.pdf](http://www.holmgren.com.au/DLFiles/PDFs/Essence_of_PC_eBook.pdf) ).
- 212 [http://www.boell.de/downloads/endif\\_buen\\_vivir.pdf](http://www.boell.de/downloads/endif_buen_vivir.pdf) and <https://steadystatemanchester.files.wordpress.com/2013/03/translations-buen-vivir-concepts.pdf>
- 213 Kothari, A., Demaria, F., & Acosta, A. (2014). Buen Vivir, Degrowth and Ecological Swaraj: Alternatives to sustainable development and the Green Economy. *Development*, 57(3–4), 362–375. <https://doi.org/10.1057/dev.2015.24> Note that the point is not to romanticise or idealise indigenous lifestyles and cosmologies but to use aspects of them as inputs to an alternative world view and set of guidelines – what Dussel has called “transmodernity”: <http://www.enriquedussel.com/txt/Transmodernity%20and%20Interculturality.pdf>
- 214 <http://www.youtube.com/watch?v=jtnL1Jp0K0>
- 215 Lang, M., & Mokrani, D. (Eds.). (2013). *Beyond development: alternative visions from Latin America* (1. transl. ed). Amsterdam Quito: Transnational Inst. Available at <https://www.tni.org/en/publication/beyond-development>. See especially the chapters by A Acosta, E Gudynas and M Svampa.
- 216 Blatchford's *The Sorcery Shop: An Impossible Romance*, London, Clarion Press, 1907, is actually set in Greater Manchester depicting a rural-urban socialist utopia.
- 217 <https://www.marxists.org/archive/morris/works/1890/nowhere/nowhere.htm>
- 218 Kropotkin, P. A. (1912). *Fields, factories, and workshops; or, Industry combined with agriculture and brain work with manual work*. New York and London,: Thomas Nelson & Sons.
- 219 Ward, C., Wilbert, C., & White, D. F. (2011). *Autonomy, solidarity, possibility: the Colin Ward reader*. Oakland, CA: AK Press. <https://libcom.org/files/Colin-Ward-reader.pdf>
- 220 e.g. Bookchin, M. *Social Ecology and Communalism*. Oakland: AK Press. 2007.
- 221 Williams, R. (1982). *Socialism and Ecology*. London: SERA.
- 222 See Cattaneo, C., D'Alisa, G., Kallis, G., & Zografos, C. (2012). Degrowth futures and democracy. *Futures*, 44(6), 515–523. <https://degrowth.org/wp-content/uploads/2012/11/Introduction-Degrowth-futures-and-democracy.pdf>
- 223 Marcuse, H., Bosquet, Michel (André Gorz), Morin, E., Mansholt, S., & others. (1975). *Ecología y Revolución Herbert Marcuse, Michel Bosquet (Andre Gorz), Edward Morin, Sicco Mansholt et al.* (Nueva edición. First published in French by Le Nouvel Observateur, 1975). Argentina: EBOOK. Retrieved from [http://www.slideshare.net/Research\\_and\\_Degrowth/ecologa-y-revolucin-herbert-marcuse-michel-bosquet-andre-gorz-edward-morin-sicco-mansholt-et-al-1975-1972-pdf-ebook-nueva-edicin-argentina](http://www.slideshare.net/Research_and_Degrowth/ecologa-y-revolucin-herbert-marcuse-michel-bosquet-andre-gorz-edward-morin-sicco-mansholt-et-al-1975-1972-pdf-ebook-nueva-edicin-argentina)
- 224 <https://steadystatemanchester.net/2016/10/05/the-circular-economy-is-it-the-solution-to-resource-depletion-and-pollution/>

with durability, re-usability and a zero waste philosophy paramount. Within this mix, notions of radical economic localisation, stewardship of nature and solidarity among people(s) figure strongly<sup>225</sup>.

But how do we get to this post-capitalist future? Frankly, it will be a bumpy ride. As Streeck points out, the idea that capitalism will end with the triumph of something far better (classically socialism), seems highly unlikely<sup>226</sup>.

Meanwhile it seems unlikely that a residual or mitigated capitalism will offer those elements, missing from much of post-industrial life, of meaning, identity, the structure of life and the regulation of community living. What seems more likely is the extreme dislocation and conflict that come with, are already coming with, simultaneous climactic, energy, food and economic-financial shocks. This doesn't directly answer the question implied earlier: what is the future for people in post-industrial centres? How will they make a livelihood? It suggests that there isn't any simple prescription: there is no set of steps that, if followed, will lead to the solution. The point is that in a scenario of collapse, an entirely different approach is needed, that of strategies for survival as the capitalist world system collapses.

Is there any possibility of a happy outcome? I am doubtful but the work of David Holmgren, one of the founders of permaculture<sup>227</sup>, is helpful in suggesting a possibility. Holmgren wrote "Future Scenarios" in 2007<sup>228</sup>. It reviewed possible futures under conditions of increasing energy scarcity (chiefly via peak oil) and climate change (though he focusses more on energy than climate). Holmgren identifies four Energy Descent Scenarios, each emerging from a combination of either fast or slow oil decline and either mild or severe climate change over the next 10-30 years.

- *Brown Tech*: Top Down Constriction, slow oil decline, fast climate change. This involves centralised energy systems, high-tech efficiency, non-conventional oil and gas, coal, nuclear power and conventional agriculture, high density cities, electric private transport, abandonment of the hinterlands and mass migration.
- *Green Tech*: Distributed Powerdown, slow oil decline, slow climate change. This involves distributed energy networks, energy conservation, gas, wind and solar power sources, forestry and organic agriculture. Settlements would prioritise compact towns, electric public transport and telecommuting.

---

225 For a short overview of this perspective see Steady State Manchester, (2014) *The Viable Economy*. Manchester. <https://steadystatemanchester.files.wordpress.com/2014/11/the-viable-economy-master-document-v4-final.pdf>

226 Cited above.

227 Mollison, B., & Holmgren, D. (1990). *Permaculture one*. 5th rev. ed. (pbk). Tagari, Tyalgum, NSW. <https://www.eco-logicbooks.com/product/permaculture-one/>

228 Available at <http://www.futurescenarios.org>

- *Earth Steward*: Bottom Up Rebuild, fast oil decline, slow climate change. Here the energy sources would be distributed local hydro and biogas. Materials would be salvaged from the former industrial base. Forestry, organic agriculture and horticulture (“garden agriculture”) would be practised. Suburbia would be progressively ruralised and mobility minimised.
- *Lifeboats*: Civilization Triage, fast oil decline , fast climate change. Energy would be distributed and local. “Forest and rangeland hunting and harvesting become the predominant use of resources over large regions supporting nomadic bands.” Industrial salvage would provide materials and agriculture would be practised in oases. In the context of the progressive collapse of most forms of economy and social organisation, people live in hamlets and gated communities and have gang/nomadic lifestyles. Inevitably this scenario involves a substantial population crash.

The energy and climate parameters, which slot each scenario into a quadrant determined by the two dimensions, are suggestive but the scenarios are worth considering relatively independently, particularly since (as written, ten years ago), the Green Tech and Earth Steward scenarios underestimated the pace of climate change. They also represent differences of philosophy and scale: Brown Tech, for example, is associated particularly with the national scale, and Lifeboats with the family and individual level. Holmgren also suggests ways in which there could be progression between the scenarios and / or nested relationships among them: they are, after all “ideal types”.

In more recent work, Holmgren discusses the idea of “retrofitting suburbia”. This is close to ideas we have discussed in *Steady State Manchester* of the *retrofit garden city*<sup>229</sup>, *Urbalism*<sup>230</sup> and *Continuous Productive Urban Landscapes*<sup>231</sup>. Holmgren makes the point that suburbia is where most people live and that there are opportunities for food production and energy / water harvesting there (so long as there is not too much retrofitted densification).

To begin to answer the question of prospects for a feasible energy descent transition to a combined Green Tech / Earth Steward scenario<sup>232</sup>, it is worth looking at Holmgren's piece “*A History from the Future*”<sup>233</sup>. The story is set in

---

229 <https://steadystatemanchester.net/2017/03/07/greater-manchester-towards-a-retrofit-garden-city/>

230 [http://turnstone.tv/NEW\\_UTV/the-urbal-fix.html](http://turnstone.tv/NEW_UTV/the-urbal-fix.html)

231 Viljoen, A., Bohn, K., & Howe, J. (Eds.). (2005). *Continuous productive urban landscapes: designing urban agriculture for sustainable cities*. Amsterdam: Architectural Press.  
[http://library.uniteddiversity.coop/Food/Continuous\\_Productive\\_Urban\\_Landscapes.pdf](http://library.uniteddiversity.coop/Food/Continuous_Productive_Urban_Landscapes.pdf)

232 Not dissimilar from my own futurist piece: “A Green Deal for the Manchester-Mersey Bioregion” (2009) <https://greendealmanchester.files.wordpress.com/2009/08/outline-for-a-green-deal-for-the-manchester-mersey-bioregion-v-4-4.pdf>

233 D. Holmgren (2016) *A History from the Future*. Excerpt from the forthcoming book, *RetroSuburbia*. <https://www.holmgren.com.au/a-history-from-the-future/>

Victoria, Australia: while the detail is in some ways is specific to the ecology and settlement patterns there, the broad outline is relevant elsewhere. It is hard to summarise the narrative, but the following are key points:

- A financial crash accompanied by the bursting of the property price balloon leads to increasing fragmentation and dislocation.
- The global economic collapse leads to a radical reduction in carbon emissions but the decline in oil prices leads to a steep fall in production and a second energy crisis - an example of the extreme turbulence in the global system.
- Some lands become unusable due to climate change and the energy costs of exploiting them. Forest and scrub regrows and via biochar, becomes a resource for soil restoration elsewhere (including via exports to China) and carbon sequestration. These lands become resources for foraged food and seasonal bee fodder. Biochar and forestry provides more jobs than the former centralised energy generation system.
- Low impact / high yield growing methods, practised on a garden scale become more widespread, providing food supplies.
- Cities become depopulated with people moving out to relatively self-sufficient small towns and their rural areas. Later, there is a move back to city suburbs, which become progressively refurbished on a lower density and lower intensity basis.
- People spend much less time travelling for work and for leisure. However some people work on a travelling basis in the rural environment.
- There is conflict between national level governments that try to implement a mix of brown and green tech solutions from above, and local communities and their emerging governance. Ultimately there is a reconfiguration of national entities.
- Bicycles and small scale renewable energy become dominant, although in some areas forest biomass powers retrofitted buses, lorries, etc.
- The radical retrofitting of personal and collective behaviour, more than retrofits to the built and biological environment account for eventually greater household and neighbourhood well-being.
- Complementary and community currencies become dominant along with barter and other means of exchange.

The narrative combines elements of all four future scenarios with the Green Tech and Earth Steward one dominating. It is important to recognise that Holmgren's piece does not provide a roadmap or a set of policy proposals. Rather, it suggests a way that during a collapse of capitalism, communities might reconstruct working local economies, via a dual process of, firstly building upwards from the innovative nodes of the now marginal, alternative, ecological and solidarity economy, and secondly salvaging or re-purposing

elements of the current system, including its store of knowledge and positive social values (which could be seen as the up-side of the enlightenment tradition<sup>234</sup>).

Looking at the future in this way suggests a way of returning to, and indeed salvaging from and repurposing, the alternative policy frameworks that were criticised above for being inadequate to the damage caused by capitalism. The frameworks do not represent solutions or strategies for leaving the disaster, in themselves. They do, however, identify some of the things that can be done in preparation for *a better descent*, or indeed *a better collapse*<sup>235</sup>, strengthening communities, developing stores of social and technical capital that will be invaluable when the collapse comes. The more localised the economy, the less leaky it is, more able to retain wealth, the more experience of localised decision-making, the more cooperative our social and economic life, the more we have begun to exercise stewardship, and the more we have empowered people to invent their own solutions – then the more prepared our populations, communities and local economies will be when the inevitable collapse comes. Note how this prioritisation of the local, within an overall model of subsidiarity, itself mimics the principles of ecological design – that is the use of properties of stable ecosystems to design human settlements<sup>236</sup>. There is an irony here: while localisation and related strategies were criticised above for being inadequate to the scale of the challenge of *finding a solution within the context of global capitalism*, they do take on an urgent relevance *in the context of capitalism's ugly collapse*.

This gives us a political, social, economic and ecological agenda to struggle for in the face of a capitalism that has run out of road, an increasingly paranoid and desperate elite, and the mobilisation of obscurantist, divisive propaganda and movements.

For the Northern, post-industrial towns a *better collapse* might include,

- Highly intensive use of land close to the urban areas, both current poorly utilised farm land and intra-urban gardens, parks, and former industrial areas once they have been assessed for toxic residues. The new mixed model would combine elements of traditional mixed farming and hill farming (with deer, sheep, even llamas and alpacas – efficient converters of rough vegetation in the more marginal lands), horticulture/market

---

234 For there is also a downside: see Dussel, E. (2008). *Meditaciones anti-cartesianas: sobre el origen del anti-discurso filosófico de la Modernidad*. *Tabula Rasa*. (Bogotá - Colombia), no volume no. (No.9), 153–197. English version: *Anti-Cartesian meditations: on the origin of the philosophical anti-discourse of modernity*. <http://www.enriquedussel.com/txt/anti-cartesianmeditations.pdf>

235 A concept (actually *fracasar mejor*, to fail better) from the Spanish eco-philosopher Jorge Riechmann: Riechmann, J. (2015). *Autoconstrucción: la transformación cultural que necesitamos*. Madrid: Los Libros de la Catarata. Riechmann, J. (2013). *Fracasar mejor: fragmentos, interrogantes, notas, protopoemas y reflexiones*. Tarazona (Zaragoza), España: Olifante. We develop this line of thought in the Postscript to this collection.

236 Odum, H. T. O. and E. C., & Odum, E. C. (2001). *A prosperous way down : principles and policies*. Univ. Press of Colorado.  
Mollinson, B. (1988). *Permaculture: A designer's manual*. Tyalgum, NSW: Tagari.

gardening, cultivation under protection, orchards and an increase in woodland and scrub, used for biomass fuels and timber, particularly on sites unsuited for food production. Historical methods of food production (e.g. carp ponds, running pigs in forests and chickens in orchards) would be combined with newer, intensive organic methods extending perhaps to subterranean mushroom cultivation and low input hydroponics. This implies a shift in livelihoods to a closer relationship with the land, combining subsistence cultivation and specialist roles, including extension and education workers.

- A programme of technology conversion to modes requiring low energy and low material demands: for example by establishing a regional producer of cycle frame tubes and bearings using scrap steel from obsolete high energy products such as private cars. In fact everything is re-used, repurposed and recycled, most of it locally<sup>237</sup>.
- People work more locally as longer commutes become too costly, impractical, and possibly dangerous.
- People downsize their housing as heating costs rise, leading to greater population density and reduced energy demand. This varies from adult children delaying moving out through to co-housing schemes. Space heating relies on biomass, passive solar / heat storage, and high levels of insulation, increasingly using low energy materials such as rammed earth, cellulose, wool, and hempcrete<sup>238</sup>.
- Out of town shopping centres become disused as what retail is left is situated in localities.. As supply chains for mass-produced goods fragment and collapse, people establish tool and equipment libraries, and exchange products from local workshops.
- An explosion of recovered and new craft and artisan know how with a great emphasis on skill sharing and co-learning.
- As fiscal support for human services collapses, co-operatives are set up combining residual government support with mutual aid and local insurance schemes, linked to complementary or substitute currencies and community financial institutions<sup>239</sup>. In the best examples, the trend for closer living means greater availability, and coordination, of mutual support from family, friends and neighbours<sup>240</sup>. A basic range of

---

237 Similar to what is already the norm in many areas of the global South.

238 Asdrubali, F., D'Alessandro, F., & Schiavoni, S. (2015). A review of unconventional sustainable building insulation materials. *Sustainable Materials and Technologies*, 4, 1–17. <https://doi.org/10.1016/j.susmat.2015.05.002> For examples of the use of such materials in modern buildings see <http://info.cat.org.uk/wise/>

239 The experience of Argentina during currency collapse is useful here: Dittmer, K. (2013). Local currencies for purposive degrowth? A quality check of some proposals for changing money-as-usual. *Journal of Cleaner Production*, 54, 3–13. <https://doi.org/10.1016/j.jclepro.2013.03.044>

240 This recalls the example of Local Area Coordination, a way in which informal supports were combined with State funded services, originally in rural Western Australia but also in some experiments in the UK running counter to the market-consumer model of personalised care see



medicines is produced locally combining a resurgence of medicinal herbalism with scientific expertise<sup>241</sup> and personnel from the former multinationally dominated pharmaceutical and chemical industries.

- Law and order becomes highly problematic but the more successful communities reorganise their fire service, police forces and local military into people's militias, combining public order and civil defence functions<sup>242</sup>.

The above is only a sketch of how a collapse might be survived through a combination of re-localisation, appropriate technology and a “social refit”. There might after all be some future for humanity outside capitalism after the general collapse of capitalism as a world system – but the window of opportunity to pass into that future will be narrow, and narrowing with extreme climate change already upon us and both global and local conflict and war increasingly likely. In the meantime, policy initiatives put into place now should be evaluated against criteria from the kind of extreme resilience scenarios described above<sup>243</sup>.

---

<http://lacnetwork.org/local-area-coordination/what-is-local-area-coordination/>

241 One of the strategies Cuba employed when its main trading partner disappeared in the early 1990s.

242 See discussion in the Postscript to this collection.

243 Steady State Manchester has done some initial policy analysis using alternative criteria from its Viable Economy framework. See <https://steadystatemanchester.net/2017/07/19/policies-policies-but-are-they-any-good/> and <https://steadystatemanchester.net/2017/05/09/check-the-party-policies-with-our-viable-economy-tool/>



## Appendix: Industrial Bolton<sup>244</sup>

*By 1850, Bolton's industry comprised bleaching, calico printing, coal mining, heavy chemicals, heavy engineering, leather tanning, papermaking, rope making, textiles and many other smaller industries.*

*An estimate from 1838 stated that 8,621 were working in the cotton trade. In 1911, there were 15,000 men and 21,000 women employed in the textile industry.*

*In the 1921 census, 33,000 were employed in textiles, 7000 in commercial and financial, 4600 in transport and communications, 4000 in coal mining and quarrying, 2200 in woodworking, 2000 in building trades, 900 in paperworks, 900 in agriculture, 800 in painting, 700 in leather working, and 500 in electrical industry.*

*Of the number of mills, in the 1950's there were still 103 cotton mills, in 1966 there were 34, by 1979 just 8 remained.*

*In 1929, there were 247 cotton mills and 26 bleaching and dyeing works.*

*In 1928 there were 60 miles of tramways carrying 58 million passenger - journeys per year. [For comparison, Greater Manchester's Metrolink system has 57 miles of track and carried 37.8 million passengers in 2016-7.]*

### Employment in Bolton: 2015 (,000s)<sup>245</sup>

|  |        |
|--|--------|
| A : Agriculture, forestry and fishing                                    | 0.22   |
| B : Mining and quarrying   | 0.02   |
| C : Manufacturing  | 10.20  |
| D : Electricity, gas, steam and air conditioning supply                  | 0.04   |
| E : Water supply; sewerage, waste management and remediation activities  | 0.57   |
| F : Construction   | 11.21  |
| G : Wholesale and retail trade; repair of motor vehicles and motorcycles | 22.02  |
| H : Transportation and storage   | 7.53   |
| I : Accommodation and food service activities                            | 6.63   |
| J : Information and communication  | 2.96   |
| K : Financial and insurance activities                                   | 3.37   |
| L : Real estate activities   | 3.56   |
| M : Professional, scientific and technical activities                    | 15.27  |
| N : Administrative and support service activities                        | 10.15  |
| O : Public administration and defence; compulsory social security        | 3.17   |
| P : Education  | 8.57   |
| Q : Human health and social work activities                              | 17.42  |
| R : Arts, entertainment and recreation                                   | 4.03   |
| S : Other service activities   | 5.00   |
| Total employment(000's)  | 131.93 |

Employment rates for the old Bolton county borough in 2011<sup>246</sup> and the larger Bolton Metropolitan Borough in 2015 were 56.6% and 50.2%, respectively.

---

244 From <http://www.bolton.org.uk/industry.html>

245 <http://www.neweconomymanchester.com/publications/greater-manchester-forecasting-model>

246 <https://www.nomisweb.co.uk/census/2011/KS601UK/view/1946157081?cols=measures>

## Appendix 2: The labour foundation of interest.

*“If a proprietor of capital were to pay 5 units of salary, 5 for means of production and obtained 6 of profit (in principle in abstract terms equal to surplus labour), the value of the the product, and also in abstract terms its price, would be 16. The 6 units of profit (that are fundamentally 6 units of surplus value) could be distributed as follows: 2 as industrial profit, 2 as commercial profit and 2 as interest. The surplus value, it can be abstractly postulated, must be equal to the sum of all the profits (including the ground rent, if that applies). This is the concept of the question: it is only living labour that creates the surplus value that takes phenomenal form in differentiated forms of profit. Capitalism, on the contrary, takes the different kinds of profits as fruits of the different types of capital; these gains appear fictitiously as if they were the the reflexive creation of capital, coming from capital itself (for Marx pretensions of creation from nothing.”<sup>247</sup>*

Hence the liberal use of the term “wealth creators” not to refer to those whose toil actually creates value but for those who merely invest.

---

<sup>247</sup> Dussel, E. (2014). *16 tesis de economía política: interpretación filosófica*. Mexico City: Siglo XXI. §7.27 My translation. See also Lapavistas, C. (2013). *Profiting without producing: how finance exploits us all*. London ; New York: Verso. Norfield has a short and helpful treatment of the same question in Norfield, T. (2017). *The City: London and the global power of finance*. London: Verso (pp. 83-85).

# Putting the ‘social’ into sustainability science.

Carolyn Kagan and Mark H Burton, 2018

## Abstract

The Global Goals for Sustainable Development (SDGs) were produced in 2015 to end poverty, protect the planet and ensure prosperity for all. Eight of the 17 SDGs address social dimensions of sustainable development, infused with power relations, although there are inter-relationships between these and environmental, economic and process dimensions. It is clear that action will need to be taken at different levels and by all stakeholder groups if the targets are to be met by 2030. Despite this emphasis on social aspects of sustainable development, sustainability science often neglects *social* science perspectives. In this paper this neglect will be confronted, and the value of both theoretical and empirical social science to sustainability science will be explored. With reference to a prefigurative, participative action research project, it will be argued that the framework of ideology-action-structure complexes is a useful one that along with prefigurative action research can help illuminate the social conditions in which strides to achieving sustainability goals are taken. The core characteristics of a future sustainability social science will be outlined.

## 1 Introduction

<sup>248</sup>The Sustainable Development Goals (SDGs) stem from the United Nations resolution, agreed by 193 countries in 2015 (UN 2015). The 17 SDGs and associated 169 action targets embrace the natural environment, the economy and social dimensions of living. Sustainability science, with its emphasis on environmental, economic and socio-cultural dimensions to complex socio-environmental systems (Kates 2011)<sup>249</sup>, therefore, should have a lot to contribute to the SDGs and their implementation.<sup>250</sup>

---

248 Adapted by permission from Springer Nature Customer Service Centre GmbH. Original publication, pp. 285–298, *Handbook of Sustainability Science and Research*, W. Leal Filho (Ed.), COPYRIGHT Springer Nature] (2018).

249 Full references are at the end of the chapter.

250 Keywords: sustainability social science; Sustainable Development Goals; ideology-action-structure complexes; participatory action research; prefigurative action research

Whereas the earlier Millennium Development Goals referred to countries from the global south, the SDGs refer to all countries and so are of relevance to the core capitalist countries<sup>251</sup> as well. It is from the position of the core capitalist United Kingdom that this chapter is written. Not only are there sustainability challenges for the UK, but there are particular responsibilities to achieve greater environmental, social and economic security. This is due to the historic legacy of industrialisation and the disproportionate contribution made by the UK to extraction from the natural world and carbon and other emissions in pursuit of capital gain, threatening not only the environment but also, with the stress of climate change, to social solidarity within the country.

The overall aim of the SDGs is to form a “*universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity...[they]...are an inclusive agenda. They tackle the root causes of poverty and unite us together to make a positive change for both people and planet*” (UNDP 2015).

The SDGs are ambitious and explicitly grounded in the respect, protection and promotion of human rights and fundamental freedoms (para.19), and, as the title of the report makes clear, with a commitment to transformation, setting the development agenda until 2030. They clearly present a challenge to not only understand current threats to sustainable futures, but to undertake national and international transformations to enable all to live well, within planetary resources and with greater equity. Importantly, the SDGs seek to link the social, economic and environmental aspects of goals (Stafford-Smith et al. 2016). Sustainability science must similarly integrate and link the social, economic and environmental, moving beyond the tendency in the field to see the biophysical environmental challenges as superior to the social, which are often relegated to challenges of implementation (Jerneck et al. 2010; Kajikawa 2008). Indeed, a word cloud derived from titles of 20,000 articles between 1974 and 2010, containing the words ‘sustainability’ or ‘sustainable development’ rendered economics invisible and the only social terms, ‘*community based*’ and ‘*health care*’, very small (Kates 2011).

The discussion will be built on interdisciplinary, critical social science thinking and ways of working, and an epistemological position that recognises the importance of human values in scientific endeavours, in this case the values of stewardship (of environmental and human resources), social justice and solidarity.

The contradictions and paradoxes within the set of SDGs themselves will be discussed, followed by an analysis of the sustainability challenges from an interdisciplinary social science perspective and show how two perspectives, that of ideology-action structure complexes and prefigurative action research can contribute to thinking about transformative change. The argument will be illustrated with reference to a participatory action research project developing local sustainability living groups.

---

251 Core capitalist countries are those wealthy, dominant nations that exploit ‘peripheral’ countries for labour and raw materials. They own most of the world’s capital and technology and have great control over world trade and economic agreements (Wallerstein, 2004).

## 1.1 Impossible contradictions within the SDGs

The social goals of Agenda 30 include: the elimination of poverty and hunger; good health and wellbeing and quality education; gender equality and reduced inequalities; sustainable cities and communities; peace, justice and strong institutions - all laudable social goals. Equally, goals relating to the natural environment - climate action, life below water and life on land are indisputably essential for future survival, not just development.

Of course, these social and environmental dimensions cannot be separated from the economic dimensions, and it is here that contradictions and tensions become clear. Goals 7, 8, 9 and 12 explicitly highlight affordable and clean energy, decent work and economic growth, industry innovation and infrastructure and responsible consumption and production.

The take on economic growth is a traditional one, conflating growth in domestic product (GDP) with societal progress. As Esquivel (2016:11) points out *“Industrialisation is still seen as the main driver of growth, and countries should ‘significantly raise industry’s share of employment and gross domestic product’(Target 9.2). Economic growth is the ‘first and foremost’ generator of domestic resources needed to achieve the SDGs (para.66), tying social protection and other re-distributive policies (Targets 1.3, 5.4, and 10.4) to this ‘grow first, redistribute later’ proviso.”*

Esquivel goes on to argue that the conceptual approach to growth within the SDGs fails to put growth within environmental limits (Raworth 2014), thereby undermining attempts to achieve the environmental goals. It also fails to respond to, or challenge the macro-economic and structural drivers of current patterns of growth, including those of unpaid care and domestic work, making gender and other equalities impossible to achieve. The emphasis is an embedded liberalism one, emphasising strong institutions at national and global levels, enhanced state regulation, and a concern to promote decent work and comprehensive social and environmental policies (Utting 2013:179). However, crucially, the approach does not challenge the ways inequalities in income, wealth and power are produced and reproduced at national and global levels - the province of a critical social science.

Theoretical social science provides an analysis outlining a range of systemic crises threatening sustainability, and the framework of ideology-action-structure complexes (Burton 2013; Kagan and Burton 2014), which both generate and maintain those crises. In both the identification of the crises and the IASCs, it is clear that they are saturated with both power and inequality.

## 2 Systemic Crises Threatening Sustainability and Contextualising the SDGs

The world is in an unprecedented time of turmoil and crisis, and one of the things that (social) sustainability science can do, is try to understand and communicate the nature of these crises. Six crises are outlined below (Burton 2013; Kagan and Burton 2014).

*An ecological crisis*, with climate change and other planetary boundaries being crossed, which is likely to lead to the collapse of support systems for human life. As people's habitats are squeezed more conflicts of the most basic kinds are expected – competition for resources to sustain life. This is the overarching crisis – the one that supersedes all others.

*An energy crisis*, with peak oil leading to rapid escalation of energy costs with profound consequences for the economy, agriculture, supply chains, etc. As people are no longer able to live their energy-rich lives profound changes will be seen in the ways in which people live together, construct communities and organise work, family and leisure lives.

*A demographic crisis*, with worldwide population growth and, in many parts of the world, ageing populations, but in others there are missing middle generations; population movements and displacements due to climate shocks, wars, economic shocks and neoliberal strategies. As hitherto stable patterns of populations change rapidly, existing social relations are put under pressure with the dangers of increased political disruption (as illustrated by the 2016 US Presidential election and the UK BREXIT vote), violence and exploitation.

*An economic crisis*, comprising a structural crisis of Capital and the undoing of the most recent strategies to maintain accumulation while accentuating strategies that attack living standards, previous gains, ecosystems, livelihoods. Governments' pursuit of unselective, aggregate economic growth will serve to deepen the crisis – and so might the SDGs in their pursuit of economic growth.

*A crisis of work* which sees increasingly intensified but at the same time insecure, casualised and precarious work, and high levels of worklessness. Unpaid work, caring and community building, continues to be regarded as predominantly women's work and is undervalued: invisible to economic models. Ageing populations alongside the retraction of public services and social protection provisions, means an increase in informal, unpaid care falling on families, predominantly women. Undocumented and migrant labour has increased and in many places community and solidarity activities have become commodified and moved into the private sphere. At the same time, in many places there has been a growth in the formal care sector workforce, again predominantly women, who are typically low paid and with poor working conditions. They frequently leave their own families in the global south to care for or clean for those in the global north. There has been a decline in real incomes, and increase in people working long hours or holding down multiple jobs, and a growth in poverty amongst working people.

*A social and cultural crisis*, in which the human and cultural capital of our societies is eroded and the humanising practices of social solidarity and cultural production are displaced by a model of passive consumerism,



fuelled by the enormous expansion of consumer credit and household debt, feeding the secondary, speculative, global finance sector whose speculative bubbles triggered the 2008 global crash.

These crises undermine the promise of the SDGs, and share the following characteristics. They:

- 1) are *interdependent*; and have a *systemic nature* (not easily described, not easily predicted, complex and with properties that emerge). They are non-linear, having positive ('vicious') feedback loops and quasi-autonomous subsystems;
- 3) *differentially affect* the poor, women, disabled people, the elderly, children, the working class and those reliant on the informal economy, peasants and members of minority or dominated ethnic groups;
- 4) are *likely to lead to a succession of waves* of misery, conflicts, population movements, hunger and want. Much of this 'future' is here already;
- 5) *their nature is not transparent*, partly because of the complexity of global systems and partly due to the result of obfuscation through ideology and propaganda;
- 6) *present us with perhaps our greatest challenge as social sustainability scientists*, to understand the contribution that can be made, and not to get disheartened by the scale of the problems.

### 3 Ideology-action-structure complexes

A framework (Burton 2013: 803-804) of *ideology-action-structure complexes* (IASCs) in which ideology, action and structure support each other, provides theoretical support for this analysis. Ideology, here, refers not just to ideas, but to socially embedded and embodied systems of thought about the way things are and how they should be. Ideologies reflect structure but not in a simple 1:1 manner. They shape and constrain action without fully determining it.

Structure, refers to the organisation of power, institutions and ordered systems (for example economic arrangements). Action refers to the socially structured practices and everyday activities – conversations, interactions, behaviours – that people engage with collectively and that produce, reproduce, resist and potentially transform both ideology and structure.

Ideology, action and structure therefore, are reciprocally determined and inseparable, forming complexes (*ideology-action-structure complexes*, or IASCs) which are both distinct and shared, multiply determining social realities. The articulation of IASCs can help frame empirical social sustainability scientific projects.

Contemporary ideology-action-structure complexes can be clustered in terms of some key interconnected dimensions deriving from critical sociology, psychology and political economy:

- capitalism (the system whose central purpose is the accumulation of capital through the maximisation of private profit);
- imperialism or colonisation (the domination and exploitation of large regions of the world by a succession of nation states and clusters of states);

patriarchy (current and historic unequal power relationships between men and women whereby women are systematically disadvantaged and oppressed and men hold social status and privilege);  
modernity (the adoption of a rationalistic order in society characterised by a set of divisions: between arts and science, economy, law and humanities, ritual and production, humans and nature); and  
naturalism (in which socially constructed divisions and distinctions are taken to be part of the natural order of things).

Kagan and Burton (2014) suggest seven core IASCs within which other IASCs will be embedded. The last three IASCs will be articulated more fully with reference to issues of sustainability.

1) Linear progress: progress is a culturally located idea, absent in some languages. It implies a linear path from the primitive to the modern, with no detours and no end. It is authoritarian since it defines other paths 'out of scope'. After all, 'you can't stand in the way of progress'!

2) The primacy of exploitation: the system depends on exploitation. The high levels of consumption of the few (globally), mostly living in the core capitalist countries, depend on labour exploitation of varying degrees of savagery and on the ruthless exploitation of the planet's living and mineral resources

3) Mono-culturality and the suppression of other cultural systems: particular cultural forms dominate. Here, culture means the ordinary ways people live, and pass on and share that way of life through traditions, crafts, arts, rituals and the material trappings of everyday life.

4) Assumed superiority: 'European civilisation' (promulgated, now, largely by the USA) is seen to be the pinnacle. It follows then that other cultures (and hence peoples) are inferior. This is deeply ingrained in our education, culture, foreign and domestic policies. The assumption appears savagely in the far right and more subtly elsewhere.

5) The rational administration of complexity: the administrative impulse to order and simplify rather than describing the dimensions and layers of complexity and working with the flow. By reducing complexity to a few elements, controlling them, the hope is to manage the complex system itself.

For example, urban regeneration in the UK focused on developer-led fixing of decaying infrastructure, bringing in private money (and taking out profits) – mostly housing and retail, with a nod to social projects, jobs and resident participation (Power 2012 on unfulfilled promises of regeneration delivered through Olympic infrastructure in East London; Woolrych, Sixsmith and Kagan 2007). And yet the problems in areas of multiple deprivation in which urban regeneration is targeted extend well beyond this, and include high levels of unemployment, poverty, crime and fear of crime, high levels of mental ill health, low levels of community cohesion, apathy, and a loss of community and economic resources. These problems are largely the result of the withdrawal of the economy from areas that had poor infrastructure in the first place, alongside a lack of social supports for the population as the

local state contracted. Regeneration actions were upheld by structures which determined the allocation of resources over specific timescales and ideologies of personal responsibilities for poverty and self-improvement.

6) Taming nature: the wild, the natural, is to be controlled, to be mastered, enclosed and channelled, or suppressed. It is seen as, or turned into, resources. It is seen as separate from humanity, and humanity as separate from it. When valued it is appreciated in a distorted version of itself.

For example, in recent years flooding of town centres and homes in the UK has increased. Simple solutions of dredging rivers and building ever-higher flood defences (the rational administration of complexity) have been proposed. And yet, the reasons behind the floods are linked to complex ways in which the natural environment has been controlled, used and abused. Trees have been removed from uplands, jeopardising soil stability and its capacity to absorb rain water. Hillsides are overgrazed, drained for the 'pleasures' of those who see sport in shooting grouse, and biodiversity reduced (Monbiot 2015). Even where upland areas have been reforested, once the trees have been harvested for economic purposes, hillsides are left scarified and incapable of holding water. The ideology of man's (sic) dominion over nature is upheld by actions creating environmental degradation and artificial means of controlling the elements and the structures of technological solutions to water management, and the ways farming and leisure is supported and politically sanctioned.

7) The dominance of exchange and possession: what was once free is subject to exchange relations. That which was once common is now owned, in private hands, for the purposes of shareholder profit rather than the common good.

The case of water, again, in the UK is a good case in point. Water provision was originally organised by local elected representatives, particularly as towns and cities grew, but now extended to most rural areas. They built reservoirs to provide clean water, pipelines and wastewater and sewage infrastructure and processing. They had collective responsibility for ensuring the asset of water remained a public, commonly owned asset, available to all. With the privatisation of public utilities in the UK in the 1980's, water became owned by profit making companies with no particular links or responsibilities to the local area from which they extract rent. Water and its infrastructure is no longer in common ownership (see Lobina and Hall 2001; Ostrom 1990). The economic structures of government subsidies at the point of privatisation, regulation, stock exchanges, water extraction and bottling (in the case of bottled water, in a country with no water shortages or purification issues) are upheld by ideologies of efficiency, competition, and consumer choice, and the actions of increasing prices, poor customer service and the buying of bottled water, even for home use.

There is no limit to the identification of IASCs, although a potential problem arises in identifying them parsimoniously. A key social scientific task in relation to sustainability is to envisage alternative, counter-hegemonic IASCs and engage in research that takes us nearer the realisation of a sustainable future, and that highlights and addresses power relations and inequalities.

## 4 What kind of research is implied by IASCs?

Ideology-action-structure complexes can be examined, disrupted, revised or replaced, through a focus on either ideology, action or structure. The kinds of structures that support current unsustainability and the need for the SDGs are beyond the reach of social science, but, if the interrelatedness of the elements of IASCs are considered, they can nevertheless be influenced by changes in ideology or actions. It is changes in all three elements that are needed to achieve the SDGs and there can be no prescription that is right in all circumstances as to which element is most open to transformative change (Harvey 2010). It is clear that complex social issues require complex research approaches, beyond particular methods, and most probably combining methods. The idea of exploring different forms of social relations, the process of de-ideologisation<sup>252</sup>, touching the heart of power differentials and equity, underpin promising research approaches. One such is the approach of prefigurative action research (Kagan and Burton 2000), that emphasises the relation between (participatory) action research and the creation of alternatives to the existing social order. This combined process of social reform and investigation enables learning about both the freedom of movement to create progressive social forms and about the constraints that the present order imposes. It also creates disseminated images of possibility for a different way of ordering social life. Adopting a prefigurative action research perspective, then, enables small interventions to be tried out, leading to connected learning about the wider system and possibilities for change within it. This facilitates understanding of the complex system in which the new intervention is situated, so that it can be improved. Following interventions are then more likely to grow and succeed. Let us see how this approach plays out in practice.

### 4.1 Sustainable living in an urban environment: a participatory action research project

This is an account of a participatory action research project in which support for different actions began to change the narrative and thus the ideology in relation to climate change (Groundwork 2013).

A local authority commissioned a non-governmental environmental organisation and our research team to develop some sustainable living groups in the borough, in the context of previous work carried out by the authority to collect information about carbon saving across the borough. It was recognised that, in the light of the ecological crisis, the task was one of raising the awareness and critical consciousness of local people in relation to environmental issues, changing not just behaviours but hearts and minds, and that this was best achieved through action projects at local level.

---

252 A term coming from Latin America and featuring in liberation practices (Burton and Kagan 2009; Kagan et al. 2011)

The preliminary stages of the project sought to understand different neighbourhoods and it was decided to work in places that differed in terms of community needs, priorities, assets and risks in relation to climate change ; vulnerability and adaptive capacity in relation to climate change; economic opportunity linked to environmental activism; levels of existing social capital; and affluence reflecting high and low carbon lifestyles.

Some public engagement days demonstrated that offering supports for projects under the banner of reducing impact on climate change proved difficult for people to connect with but reference to existing food growing projects gave people something more concrete to consider.

From the starting point of sustainable food, a number of project ideas emerged and subsequently developed. Food growing proved a real catalyst for activity so the approach taken was to focus group activities on sustainable practices, low carbon and improved environmental performance more generally. While growing was the frame for the initial involvement, groups also explored other aspects of sustainability such as increasing biodiversity, reducing waste, sharing materials, tools and skills. These kinds of locally focussed recreational activities are expected to have a knock on effect in terms of carbon footprints (although to date this has not been systematically quantified), as does a focus on local food.

With regard to climate change, participants needed to understand: the basics of climate change; the relationship between local action and global impact; the scope of local action; measuring impact; and personal and group action planning for climate change activity.

However, perhaps more important than knowledge and information about climate change was the community development that took place to ensure the widest possible engagement and long term sustainability of the projects. Different strategies were used to engage people, ranging from information days to fun days to demonstration days. Local groups were introduced to key aspects of organisation and organising, including partnership working, managing internal and external relations, managing meetings (and conflict), decision making and action planning, monitoring and evaluation and fundraising. This was to ensure that the groups remained sustainable beyond the period of support. (Four years later, groups were still operating). The involvement of local people in the projects and their delivery was essential and the community development strand of the project included gaining trust and building local relationships

## **4.2 What was learnt?**

An eclectic, 'bricolage' approach (Rogers 2012) was used to gather data from the projects. Different types of information were collected from a wide range of participants in the research. Photographs, accounts, interview and questionnaire responses all combined to provide a holistic picture of both the processes involved and outcomes of the work. In addition, detailed field diaries,

kept by the main project facilitator as well as the university researchers, provided additional information. (see Kagan, Burton and Siddiquee 2008 for plurality of methods in participative action research).

A number of projects were slow to develop or did not take off, although others did and four years later are still in existence. Issues of power and control at local level impeded wider participation in some projects, as some influential local people exerted control over developments. The '*sustainable living*' angle was too vague and amorphous to get people involved in large numbers. Taking action against '*climate change*' and for '*environmental sustainability*' does not motivate the majority of people if they are not already concerned about the issues. On the other hand, '*resourcefulness*' and '*resilience*' are concepts that can easily be made locally relevant i.e. not wasting resources, supporting local businesses, growing your own fruit and vegetables. It was easier to develop a wider programme of sustainable living activities where there were already existing groups with relevant activities with which to connect and on which to build. In areas with no such groups, even more effort would be needed to stimulate interest and find the points of connection from which to motivate people.

It was clear that it was important to have a catalyst project to get people together, inspire them to action and to galvanise a group. People do not form groups first and then decide to do something afterwards, as is well known in community development practice. People were given the opportunity to come forward with ideas and suggestions for new projects – to co-design and co-produce the projects – rather than have projects thrust upon them.

The project funding came to an end, and although there were some wider impacts of the programme in terms of citizen involvement in the city's food board and enhanced networking between projects across the boroughs, resources were not found to build on the momentum that had been created in order to develop the recommended further training and capacity building around food growing, skills sharing and community development.

How best, then, to explain this successful participatory action research project which stalled? The climate messages and understanding of some of the dimensions of sustainable living in a wider context had been achieved, but this was only a start: there was much more to be done to develop sustainable living across the city. A prefigurative action research approach would look at the wider social constraints. At the time (2013) local authorities were in the throes of a savage austerity programme in which their funding was cut drastically and they were being reduced to providing only essential services. Action on climate change and sustainable living, instead of taking its rightful place at the top of the priorities, disappeared from immediate priorities, and thereby from support at both local and central government levels. What was learnt at a more macro level was that there was little appetite, nor funding, for sustainability research to continue in the borough, or, indeed, nationally.

### **4.3 What roles were played by the IASCs?**

IASCs permeated the research discussed above. Firstly, the *rational administration of complexity* was in play in the very commissioning of the research – dealing with the challenges of the complexity of climate change



through the simplistic development of sustainable living groups, in practice, growing projects. (In fairness, this was only one strand to the borough's work on climate change, which included monitoring of, for example, transport and energy use. But no funds were allocated to linking the sustainable living projects with other things going on). Nevertheless, it was clear that the IASC was challenged by the participants in the study. Far from confining their interests to the relatively narrow, and in and of itself the non transformative business of small food growing projects, it was clear that understanding and action in some cases extended beyond food growing to more complex ideas about sustainability and a quest for broader based action. The IASC was beginning to weaken in favour of a more holistic, albeit still local, approach to sustainability.

Secondly, *the taming of nature*. The very essence of the project, food growing, ran counter to this dominant IASC, positioning participants differently in relation to the natural world and the production of food. The growing projects helped people gain a new respect for the natural world and the rhythms of the seasons. More than this, an outcome of the set of projects was to bring people closer together in communities and to enable the forging of new relationships between people and nature. One participant described the area in her neighbourhood, now full of flourishing edible plants as *"now a perfect place to just sit and simply 'be'"*. Another claimed the project *"has brought us together and been a fantastic catalyst for a really useful community movement"*.

Lastly, *exchange and possession*. Many participants in the community projects had only ever known food bought in shops. They did not forage, nor did they cultivate food in their gardens. Indeed, some did not have access to gardens until community gardens and allotments were supported within some of the projects. Discovering a new way to relate to food was captured by a participant who said *"I have learned skills that I can pass on to my children to help us grow food for free into the future"*. Thus the projects began to enable the recovery of historical memory and the restoration of cultural traditions and non-rationalised, subsistence<sup>253</sup> production

The three IASCs outlined above began to change through new sets of actions and new ways of thinking about elements of sustainability at local levels. Counter-hegemonic IASCs may well arise as more, small, community development focused projects grow and link with others nearby and further afield. A prefigurative action research orientation helps identify the systemic and structural blocks to achieving changes implied by the SDGs, through the learning from small scale explorations and offer the prospect of transcending the scale limitations of a project-based strategy.

## 5 What now for sustainability social science?

The above discussion has shown that sustainability social science can offer new ways of understanding the challenges of sustainability, including those characterised by the SDGs. It has been argued that there are merits in understanding the current sustainability challenge as a series of systemic

---

253 See Mies and Bennholdt-Thomsen (1999) who argue that a subsistence perspective on science, technology and knowledge is one that leads to a reevaluation of older survival wisdoms and traditions

crises supported by deeply ingrained ideology-action-structure complexes. It is not enough to look at either the ideas people have and the thoughts they hold about the world; or about the structural inequities that exist; or the actions contributing to environmental and social degradation. The three elements of social experience have to be examined together and sustainability social science is well placed to effect changes that can become transformative. However, a prefigurative action research stance to social experimentation is necessary to ensure that learning about the social forces enabling and constraining transformational change. It is only then that the ways in which the exertion of different kinds of power, permeating transformational change, can be understood, changed, and possibilities for achieving the SDGs reached. Martens (2006:38) outlines the possibilities of a new paradigm of sustainability science “one represented as **co-evolution, co-production and co-learning.**” Opportunities will be missed if co-everything remains between like-minded people. To reap the benefits of this kind of jointly achieved research it is necessary to involve groups of stakeholders or participants with different world views. And this in itself requires different skills of researchers, and an understanding of how to be open, inclusive and participative; how to be people centred, sensitive to power and inequality with a focus on the poorest and most vulnerable – they who are not the cause of the ecological crisis but may have some solutions- and be able to provide the necessary capacity building and support for participation (see Kagan et al. 2011 for ideas about ways of doing this).

These are the skills of community development: community development in the service of a sustainability social science, and it is inconceivable that even the smallest of innovations as discussed above, can be achieved without this.

Furthermore, a sustainability social science must:

- be able to demonstrate the interrelationships of different sustainability elements;
- articulate the ideology-action-structure complexes that maintain the status quo;
- introduce small scale social innovations through which counter-hegemonic IACSSs can form; and be open to learning from those who live the lowest carbon lifestyles and about the social forces affecting any innovation.

A sustainability science without the *social* will be unfit theoretically, and unable empirically to deal with the complex crises facing humanity, as reflected in the SDGs.

## References

- Burton M (2013) A renewal of ethics. *The Psychologist* 26 (11):802-807
- Burton M and Kagan C (2009) Towards a Really Social Psychology: Liberation Psychology Beyond Latin America. In: Montero M and Sonn C (eds) *Psychology of Liberation: Theory and applications*. Springer, New York. pp 51-72

- Esquivel, V (2106) Power and the Sustainable Development Goals:A feminist analysis. *Gender and Development*, 24(1): 9-23
- Groundwork (2013) Sustainable Living in Stockport. (unpublished). Groundwork, Manchester
- Harvey, D (2010) *The Enigma of Capital: and the crises of capital*. Oxford University Press, Oxford
- Jerneck A, Olsson L, Ness B, Anderberg S, Baier M, Clark E, Hickler T, Hornborg A, Kronsell A, Lövbrand E and Persson J (2011) Structuring Sustainability Science. *Sustainability Science*, 6(1): 69-82.
- Kagan C and Burton M (2014) Culture, Identity and Alternatives to the Consumer Culture *Educar em Revista*, Curitiba, Brasil, n. 53:. 75-89, jul./set. Editora UFPR.  
[https://www.academia.edu/9219654/Culture\\_identity\\_and\\_alternatives\\_to\\_the\\_consumer\\_culture](https://www.academia.edu/9219654/Culture_identity_and_alternatives_to_the_consumer_culture) Retrieved 12.11.2016
- Kagan C and Burton M (2000). Prefigurative action research: an alternative basis for critical psychology *Annual Review of Critical Psychology* 2:73-87
- Kagan C, Burton M and Siddiquee A (2008) Action Research. In Willig C and Stainton-Rogers W (eds)*The Sage Handbook of Qualitative Methods in Psychology*. Sage, London pp32-53
- Kagan C, Burton M, Duckett P, Lawthom R and Siddiquee A (2011) *Critical Community Psychology*. Wiley-Blackwell, London
- Kajikawa Y (2008) Research core and framework for sustainability science. *Sustainability Science*, 3:215-239.
- Kates RW (2011) What kind of a science is sustainability science? Proceedings of the National Academy of Sciences of the USA (PNAS), 108(49):19449-19450.  
<http://www.pnas.org/content/108/49/19449.full>. Retrieved 11 October 2016.
- Lobina E and Hall D (2001) UK Water Privatisation: A briefing. Public Services International research Unit, University of Greenwich, London.  
[http://www.archives.gov.on.ca/en/e\\_records/walkerton/part2info/partieswithstanding/pdf/CUPE18UKwater.pdf](http://www.archives.gov.on.ca/en/e_records/walkerton/part2info/partieswithstanding/pdf/CUPE18UKwater.pdf) Retrieved 12.11 2016
- Martens P (2006) Sustainability: science or fiction? *Sustainability: Science, Practice and Policy*, 2(1):1-5
- Mies M & Bennholdt-Thomsen V (1999) *The subsistence perspective : beyond the globalized economy*. Zed Books, London.
- Monbiot G (2015) The flood was not only foretold, it was publicly subsidised. *The Guardian*, 29<sup>th</sup> December  
<https://www.theguardian.com/commentisfree/2015/dec/29/deluge-farmers-flood-grouse-moor-drain-land> . Retrieved 12.11.2016.
- Ostrom E (1990) *Governing the Commons: The evolution of institutions for collective action*. Cambridge University Press, Cambridge
- Power A (2012) *The olympic investment in east London has barely scratched the surface of the area's needs*. *British Politics and Policy at LSE* (15 Aug 2012) Blog Entry. <http://eprints.lse.ac.uk/48624/> Retrieved 12.11.2016

Raworth K (2014) Will these Sustainable Development Goals get us into the doughnut (aka a safe and just space for humanity)?

<http://oxfamblogs.org/fp2p/will-these-sustainable-development-goals-get-us-into-the-doughnut-aka-a-safe-and-just-space-for-humanity-guest-post-from-kate-raworth/> Retrieved 1.11.2016

Rogers M (2012) Conceptualising Theories and Practices of Bricolage research. The Qualitative Report, 17(7):1-17

<http://www.nova.edu/ssss/QR/QR17/rogers.pdf>. Retrieved 13.11.2016

Stafford-Smith M, Griggs D, Gaffney O, Ullah F, Reyers B, Kanie N, Stigson B, Shrivastava P, Leach M, O'Connell D (2016) Integration: the key to implementing the Sustainable Development Goals. Published online 8 July 2016. DOI 10.1007/s11625-016-0383.

<http://link.springer.com/article/10.1007%2Fs11625-016-0383-3>. Retrieved 11/10/2016.

UN (2015) Transforming our world: the 2030 Agenda for Sustainable Development UN resolution Document. United Nations, New York.

[http://www.un.org/ga/search/view\\_doc.asp?symbol=A/RES/70/1&Lang=E](http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/1&Lang=E) Retrieved 19.10.2016

UNDP (2015) Sustainable development Goals. United Nations Development Programme, New York. <http://www.undp.org/content/undp/en/home/sustainable-development-goals.html> . Retrieved 11/10/2016

Utting P (2013) Pathways to sustainability in a crisis-ridden world. in Genevey R, Pachauri R K and Tuibiana L (eds.) Reducing Inequalities: A sustainable development challenge. The Energy and Resources Institute (TERI ), New Delhi. pp 175-190. [https://books.google.co.uk/books?id=3jj-A4veftIC&pg=PA175&lpg=PA175&dq=Pathways+to+sustainability+in+a+crisis-ridden+world&source=bl&ots=N7slzatv3D&sig=YZXVFbHKs5PD5BYHA3lo4BQYHjg&hl=en&sa=X&ved=0ahUKEwi-g\\_WmtpvQAhUFBMAKHUsYDB4Q6AEIMjAD#v=onepage&q=Pathways%20to%20sustainability%20in%20a%20crisis-ridden%20world&f=false](https://books.google.co.uk/books?id=3jj-A4veftIC&pg=PA175&lpg=PA175&dq=Pathways+to+sustainability+in+a+crisis-ridden+world&source=bl&ots=N7slzatv3D&sig=YZXVFbHKs5PD5BYHA3lo4BQYHjg&hl=en&sa=X&ved=0ahUKEwi-g_WmtpvQAhUFBMAKHUsYDB4Q6AEIMjAD#v=onepage&q=Pathways%20to%20sustainability%20in%20a%20crisis-ridden%20world&f=false). Retrieved 10.10..2016

[https://books.google.co.uk/books?id=3jj-A4veftIC&pg=PA175&lpg=PA175&dq=Pathways+to+sustainability+in+a+crisis-ridden+world&source=bl&ots=N7slzatv3D&sig=YZXVFbHKs5PD5BYHA3lo4BQYHjg&hl=en&sa=X&ved=0ahUKEwi-g\\_WmtpvQAhUFBMAKHUsYDB4Q6AEIMjAD#v=onepage&q=Pathways%20to%20sustainability%20in%20a%20crisis-ridden%20world&f=false](https://books.google.co.uk/books?id=3jj-A4veftIC&pg=PA175&lpg=PA175&dq=Pathways+to+sustainability+in+a+crisis-ridden+world&source=bl&ots=N7slzatv3D&sig=YZXVFbHKs5PD5BYHA3lo4BQYHjg&hl=en&sa=X&ved=0ahUKEwi-g_WmtpvQAhUFBMAKHUsYDB4Q6AEIMjAD#v=onepage&q=Pathways%20to%20sustainability%20in%20a%20crisis-ridden%20world&f=false). Retrieved 10.10..2016

Wallerstein I (2004) World Systems Analysis: An Introduction. Duke University Press, Durham, NC

Woolrych R, Sixsmith J and Kagan C. (2007) The Impact Of Regeneration On Health And Well-Being Of Local Residents: The Case Of East Manchester. RIHSC, Manchester. ISBN 1 9000139 14 6

# Invisible workers, invisible systems.

Mark Burton, 2021

I was asked to make a selection from a collection of images at Manchester Art Gallery, which is reviewing what should be on public display from its vast collection, and how what it shows can be made more relevant to our people and our times<sup>254</sup>. I chose two pictures and reflected on what they suggested to me.

## **Sprout Picking, Monmouthshire, Evelyn Mary Dunbar, 1941-44**

The Gallery describes the picture, which can be seen at

<https://artuk.org/discover/artworks/sprout-picking-monmouthshire-204889> :

*A view along rows of sprouts<sup>255</sup> in a large field, with some women farmers bent over picking them. All the women are wearing green and pointed hats. There are greenhouses visible in the background to the left, and the field is cordoned off by a hedge running along the middle of the painting. There is a farmhouse to the right, and hills in the distance behind, both of which are painted in soft browns to give the illusion of their distance. The canvas peering through on the sketchily painted sky contrasts with the more detailed figures in the foreground.*

I've recently picked up my paintbrushes after a long break, courtesy of the lock-down. So the picture is of interest in its capture of a mundane scene, the play of the light and the rendering of the brassicas that appear to have frost on them. Is it the end of the day or the beginning?

The Covid-19 pandemic, and the experience of the lock-down, has made some things more visible to us. So many of us have had the luxury of slowing down, noticing the natural world, experiencing lower traffic volumes and cleaner air, focussing on the important things, like food and family, and maybe taking part in more creative activities. It's also highlighted the importance of workers in basic services and provisioning – in social and health care, delivery drivers, supermarket workers for example.

---

254 This is based on a short talk I gave to an event, [What have we learned about work during Covid 19 and what needs to change?](#) organised by Manchester Art Gallery. I am grateful to Clare Gannaway and colleagues for the invitation.

255 Brussels Sprouts: a European *Brassica oleracea* variety where it is the swollen axillary buds, rather like little cabbages that are eaten, typically overcooked in England, especially at Christmas time. People seem to either love them or hate them.

Some things, though, have remained largely invisible and Sprout Picking illustrates that for me. While the picture is of a sprout field, in war time, with members of the Women's Land Army (WLA) hard at work, for me, it also looks like the lettuce fields where I spent summers working as a young man. It speaks of the fundamental importance of food and provisioning more generally, something heightened in times of pandemic and crisis. Early on in lock-down, there was uncertainty, and shortages and subsequently for many a renewed focus on food, cooking and quality. But behind it all there is hidden, hard, manual labour. It is back-breaking and monotonous, but there can also be conviviality and comradeship. In the picture there are also what could have been the greenhouses where we also worked, in the heat, training, side-shooting, and picking tomatoes, and I'm reminded of the modern equivalent, the acres of "*los plasticos*" the polythene covers in Murcia, Almeria and other parts of the Mediterranean littoral, where, as in the Netherlands and elsewhere, legions of low-waged migrant workers toil. In the picture though, out in the open field, it is probably cold, adding to the hardship in a different way.

What's happening (for those of us that are relatively privileged), under the conditions of the pandemic, is that, paradoxically, the possibility of our social isolation is made possible by that hidden, collective labour, now often the lot of those marginalised and displaced. We can stay at home because they can't.

But there's a difference. This picture is from wartime, when the country focussed on producing its own food. The pandemic and brexit<sup>256</sup> give us a hint about the vulnerability of our supply chains and our national dependency on imports.

In the picture, the WLA went out and worked the land. Could we envisage a return of the rural as the linked crises intensify and likely system collapse looms?

We are in a ***pancrisis***, a series of interlocking crises: 1. carbon pollution – global warming; 2. ecosystem encroachment and edge-convolution<sup>257</sup> – biodiversity reduction; 3. resource exhaustion and peak extraction leading to profitability reduction and extraction frontier expansion; and 4. internal contradictions of capitalism – secular stagnation and financial crises. These wider crises have no satisfactory exit within the terms of reference of the current capitalist world system.

It isn't just food production that makes isolation possible, but all the areas where key workers work, and in most of these sectors people are most vulnerable to infection.

---

256 Britain's exit from the European Union, which took effect at the beginning of 2021, has led to disruptions in imports and a reduction in the supply of migrant labour.

257 *Edge-convolution* is used here as concise way of referring to the increase in the ecological edge between wild ecosystems and human-dominated ones, which, together with industrial agriculture is the source of new zoonoses (pathogens of animal origin). See Wallace, R. (2020). *Dead epidemiologists: On the origins of covid-19*. Monthly Review Press.



We have learned that production for need, and use values, are more important than production for profit, and exchange values, but the two sides have become ever more dis-aligned.

## **Photo from The Hell of Copper Series, 2008**

Isolation is also made possible by information technology. In the picture we see some of the consequences of the over-production and obsolescence of computing and communication equipment. It is worth quoting from the display label for this photo by the Burkinabé photographer, Nyaba Leon Ouedraogo, which can be seen here: <https://afikaris.com/pages/the-hell-of-copper>.

*From dawn to dusk, dozens of young Ghanians, from 10 to 25 years of age, exhaust themselves seven days a week. Their mission is to disassemble the old computers and burn certain plastic or rubber components to cull the precious copper, which will then be resold. Everything is done by hand or with iron bars, makeshift tools found among the refuse. They have neither masks nor gloves. There are not even any functioning toilets. The photographic series The Hell of Copper documents the 10 square kilometre electronic graveyard of the Aglobloshie Market in Accra, Ghana where thousands of computers and electronic goods are shipped from Europe and North America. ....*

*Using their bare hands, the young workers are exposed to lead, mercury, cadmium, and PVC plastic which are incredibly toxic to the human body. These chemicals have seeped into the nearby canal and also contaminate the grazing land for cows and sheep. Ouedraogo's imagery of the sprawling landscape filled with computer carcasses and the individuals engaged in this dangerous work demonstrate the profoundly troubling consequence of the constant search for the latest phone, fastest computer or new electronic gadget.*

This isn't just a problem with IT. We rely on an enormous shipping fleet to bring materials, fuels and manufactured products across the world: when the ships reach the end of their life they are taken apart in similarly horrendous conditions on the beaches of countries such as Bangladesh.

It's not only in the exit of such products as waste for possible recycling that such devastation and super-exploitation happens. It happens in the sphere of production too. Computing and communications technology (and "renewable" energy come to that) relies on the mining of rare metals: there are conflict materials - produced in zones of conflict, often funding warring factions. Artisanal mining (a nice name for a nasty reality) is mining by private individuals who, typically without safety regulations or protective equipment, sell what they pull out of the ground for a pittance. Gold, which does not corrode, so is good for contacts, is extracted with mercury, polluting watercourses. There are concentrations of mine tailings and dam disasters like

the two big ones recently in Brazil. Ecosystems are devastated by open cast mining, while habitats are destroyed as well as people's livelihoods and communities, especially indigenous communities. Those who resist often get murdered, sometimes with the collusion of the extraction companies and governments.

Manufacture and assembly of the products is another whole panorama of injustice and exploitation: 12 hour shifts, 6 days a week at Foxconn, for example, where Apple and other products are assembled. These are what we think of as Victorian levels of labour exploitation.

The nexus of profit, the hyper-exploitation of workers, community and ecosystem devastation, these are the consequences of our mode of living. We are all implicated in ways but it is the capitalist system that is culpable.

The pandemic casts a light on inequality, exclusion and exploitation at home but the wider dimensions of the world of work and the capitalist economy remain largely invisible.

The pandemic is the writing on the wall.

We have to make profound changes to the way we all live, and that includes work. The problem is getting a toehold on the system whose parts are mutually reinforcing and and locks in destruction with its incessant expansion. But that is another story.

## Section 3: What about a Green New Deal?

### The resurgence of Green New Deals

With increasing momentum, the idea of a Green New Deal has entered the mainstream of progressive political debate. Although a group of British economists and campaigners promoted the idea more than ten years ago<sup>258</sup>, it did not take off then. Now, however, the seriousness of, and public attention to, the climate emergency has helped to revive the idea: an ambitious transformative programme is needed to decarbonise the global economy, not least in the rich countries. Almost simultaneously, a similar set of policy proposals has emerged in several places, including in the USA, with the (New) Green New Deal proposed by leftists in the Democratic Party (the resurgent *Democratic Socialists of America* and the newer *Justice Democrats*<sup>259</sup>) and adopted by some of the prospective presidential candidates for the 2020 USA election, in the UK, with the Labour Party's papers on Green Transformation<sup>260</sup> and Green Industrial Revolution<sup>261</sup>, in Spain, with the PSOE's *Transformación Ecológica*<sup>262</sup>, and in the programme of the pan-EU party DIEM 25, now relaunched with cross party support as the Green New Deal for Europe<sup>263</sup>. These all share the idea of investing in the rapid decarbonisation of the economy, creating “green jobs” in sectors such as renewable energy and housing retrofit, and offering a “Just Transition” for workers in those industrial sectors (predominantly fossil fuels) that will have to be closed down and replaced.

However, these policy frameworks all have shortcomings: none is, as yet, sufficiently detailed, each leaves significant gaps in the areas that have to be addressed. Any Green Deal will have to address two particular challenges: controlling overall material flows and financing the transformation. Both these issues raise a key question; is a Keynesian model, based on government-led investment to stimulate demand in the economy, adequate to the challenge?

---

258 New Economics Foundation. (2008). *A Green New Deal. Joined-up policies to solve the triple crunch of the credit crisis, climate change and high oil prices: The first report of the Green New Deal Group*.

259 Ocasio-Córtez, A., (2019a). Text - H.Res.109 - 116th Congress (2019-2020): Recognizing the duty of the Federal Government to create a Green New Deal. [online]. Available from: <https://www.congress.gov/bill/116th-congress/house-resolution/109/text> [Accessed 24 Jul 2019]. editorial, (2019). *America's New Left. New Left Review*, (116/117), 118.

260 Labour Party, (2018). *The-Green-Transformation: Labour's Environment Policy*. London.

261 Lewis, C., (2019). The green industrial revolution. *New Statesman*, 17 May.

262 CAPTE, 2019. Documentos del CAPTE – Consejo Asesor para la Transición Ecológica de la Economía [online]. Available from: <http://www.transicionecologica.es/index.php/category/documentos/documentos-capte/> [Accessed 24 Jul 2019].

263 GND for Europe, 2019. 10 Pillars of the Green New Deal for Europe [online]. *Green New Deal for Europe*. Available from: <https://www.gndforeurope.com/10-pillars-of-the-green-new-deal-for-europe>.

The following piece<sup>264</sup>, written in late 2019, asks six fundamental questions about these “green deals”. In our view, the questions have yet to receive a satisfactory answer.

---

264 Based on a talk given as part of the panel session on The Economics of Climate Emergency, at Manchester Metropolitan University’s launch event for the Future Economies Research Centre. There is a Spanish translation here: <https://www.revoproper.org/2019/10/06/seis-problemas-con-el-nuevo-acuerdo-verde-new-green-deal%ef%bb%bf/>

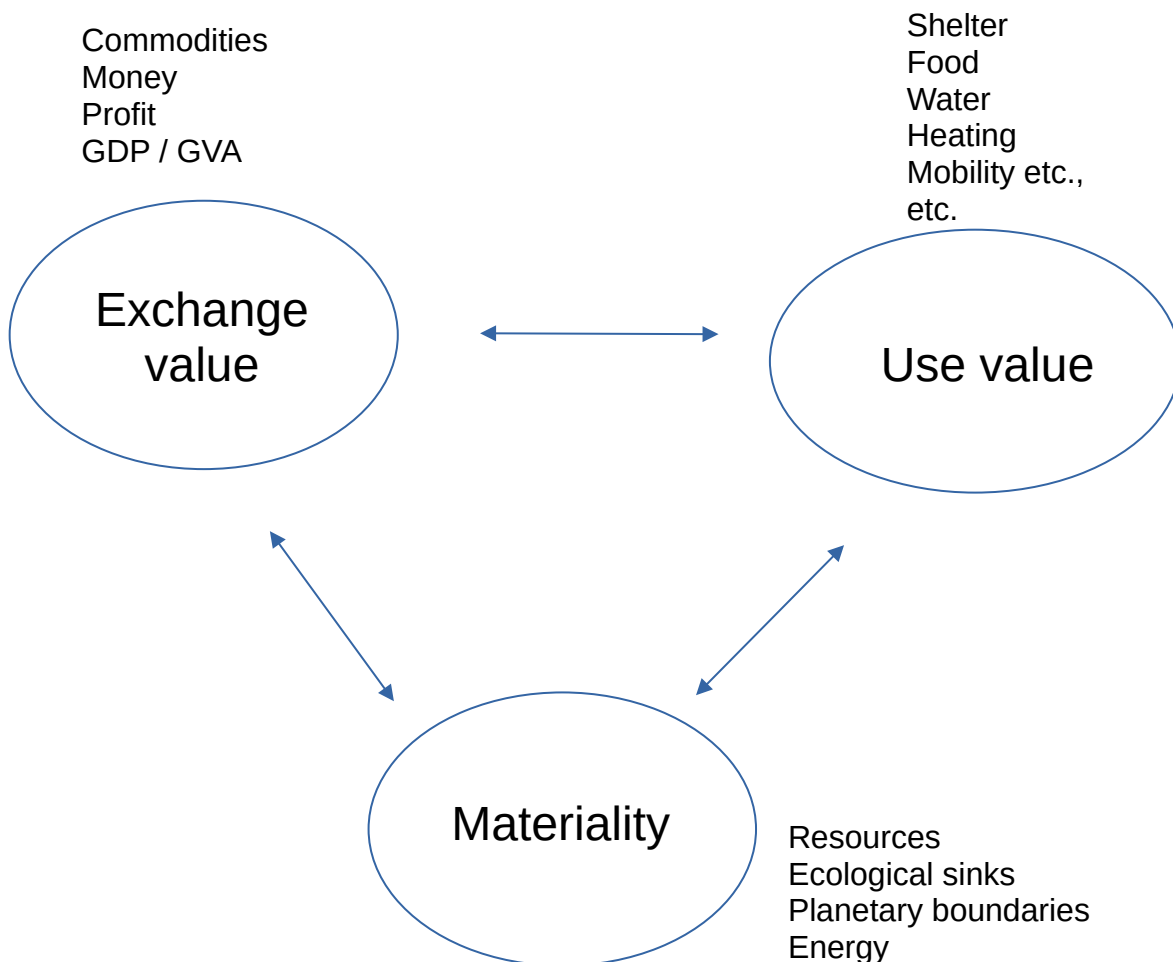
# Six problems for Green Deals

Mark H Burton, 2019.

If nothing else, the last few months have heightened awareness of the desperately parlous predicament that now faces humanity, with an accelerating climate and ecological crisis. So attempts to design assertive policy proposals are very welcome. The Green New Deal is the one that currently is getting the most attention and perhaps traction. So I want to ask some critical questions that generally seem to be ignored in the infectious enthusiasm for the idea. In doing that I'll also be rehearsing some insights from the degrowth perspective.

## Preamble

All this is about the relationships among three spheres:



- Our fundamental problem is a material crisis - of carbon pollution and its impacts on our ecosystem, and of resource extraction - that is devastating ecosystems and livelihoods.
- Policy proposals are concerned, at root, with ensuring human populations can access use values, derived through human labour acting on the world's material reality.
- But our economic system, which mediates the relationship between use values and matter, is based on exchange values, the monetisation of goods and services.

With this terrain in mind, let's look at the 6 problems for Green Deals.

## 1) Material flows and extractivism

In one of the clearest statements on the theory that underpins the GND idea, the original UK GND team explained that:

*"... government intervention generates employment, income and saving, and associated tax revenues repay the exchequer. This is the multiplier process, attributed to Richard Kahn, Keynes's closest follower.*

*Any public spending should be targeted so that domestic companies benefit, and then the wages generated create further spending on consumer goods and services. So combined heat-and-power initiatives generate income for construction and technological companies, and then workers' salaries are spent on food, clothes, home entertainment, the theatre and so on, creating demand for those industries."* (New Economics Foundation 2008, p. 27)<sup>265</sup>

But here is the problem. Increases in the scale of economic activity (as conventionally measured in terms of GDP) are associated with increases in the throughput of energy and materials, and these increases have involved increased emissions of greenhouse gases, resulting primarily from the extraction and combustion of fossil fuels. Green growth, requires that this association between GDP and GHG emissions must cease to exist: this is known as 'decoupling'. It is doubtful whether any developed country has achieved this at the scale and permanence required (Burton and Somerville 2019, pp. 99-101)<sup>266</sup>, especially when international shipping and aviation plus embodied carbon in imports are taken into account (Anderson 2019)<sup>267</sup>.

---

265 <https://web.archive.org/web/20081223042632/http://www.neweconomics.org/gen/uploads/2ajogu45c1id4w55tofmpy5520072008172656.pdf>

For further commentary on the Keynesian thinking behind New Green Deals, see this longer piece: <https://steadystatemanchester.net/2019/02/28/what-kind-of-a-green-deal-the-implications-of-material-and-monetary-flows/>

266 [https://www.researchgate.net/publication/331480306\\_Degrowth\\_A\\_Defence](https://www.researchgate.net/publication/331480306_Degrowth_A_Defence)

267 <https://kevinanderson.info/blog/category/quick-comment/>

Irrespective of the levels of GHG emissions, the material flows that underpin the current scale of the economy already involve problems with extractive industries (located largely in the global South) and land use change more generally. For these material flows, the overall evidence is that there is no decoupling from GDP growth, with the (international) material footprint increasing by some 6% for each 10% in GDP (Wiedmann *et al.* 2015)<sup>268</sup>.

For each increment in the scale of the economy, there is an increment in the extraction of minerals, the number of mines, the extent of cultivated land, the extraction of water, the number of ships, lorries and planes carrying goods and people, and in the amount of waste that has to be disposed of, whether by recycling or by dumping it in the earth's land, sea and air, its ecological sinks.

## **2) The multiplier doesn't care about the climate.**

The multiplier effect, referred to above, creates a problem because it is non specific: other things being equal, there is no control over where the multiplier effects have impact. So the desired, clean, growth of the economy has undesirable implications in terms of additional resource and energy use. Clean begets dirty.

One solution would be to impose caps on resource and energy use. There are several proposals for how to do this, from what is essentially a consumption tax based on financial transactions, suggested by Richard Murphy (Murphy 2015a)<sup>269</sup>, one of the authors of the 2008 British Green New Deal, to the kind of Cap and Share scheme promoted by the Irish NGO FEASTA (Davey 2012)<sup>270</sup>. An ecologically feasible Green Deal would involve resource and energy caps, at source, effectively the equitable rationing of commodities (goods and services). Doing this would also incentivise the transition to less ecologically and resource intensive offerings across the market, so long as emitting activities are not thereby driven underground.

---

268 <http://www.pnas.org/lookup/doi/10.1073/pnas.1220362110>

269 Murphy, R. (2015). *The joy of tax: How a fair tax system can create a better society*. Bantam Press.

270 Davey, B. (Ed.). (2012). *Sharing for Survival*. FEASTA.



### 3) The inherent constraints of renewable energy

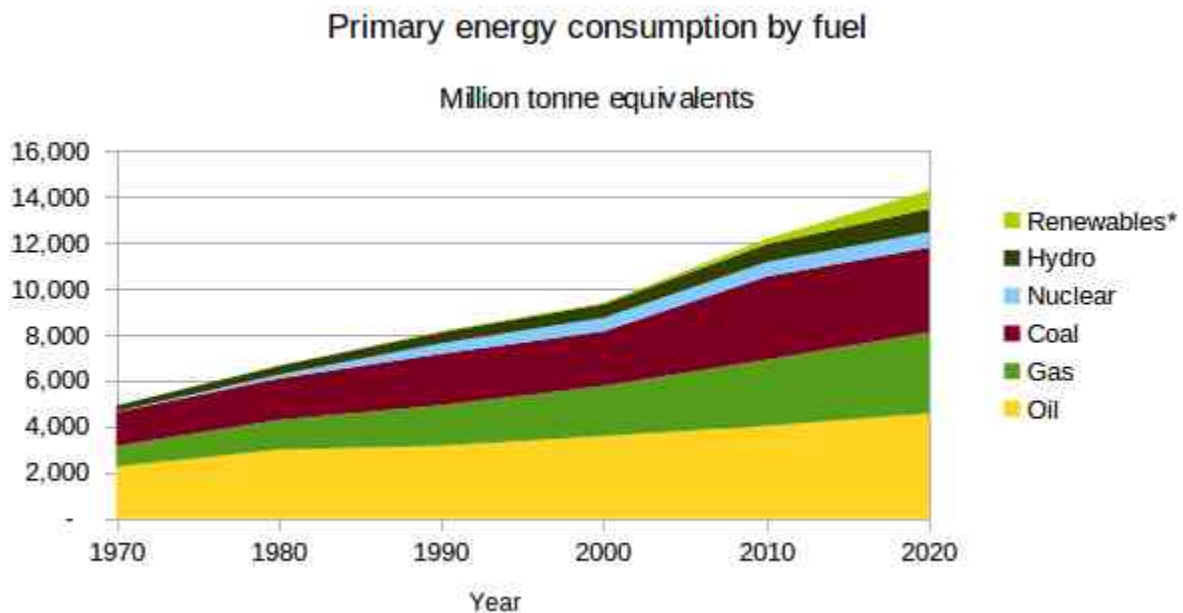


Chart by the author using data from BP Energy Outlook, 2018

GNDs emphasise switching to renewable energy. So far, increases in renewable energy deployment have not led to a reduction in fossil fuel usage globally. Overall their deployment has been to add to the global energy mix rather than replacing fossil fuels. Moreover, it is doubtful whether renewables can provide the scale of concentrated energy used by the current global economy: the constraints are less in the power that could theoretically be generated from natural flows than in the minerals needed to deploy them: minerals used in generators and motors, in batteries and in electronics, as well as copper for transmission of power (García-Olivares 2015)<sup>271</sup>. These are finite and with limited substitutability. The revolution will be low powered<sup>272</sup>, so the Green Deal has to factor in a plan for energy descent.

### 4) Diminishing return on investment due to resource scarcity

The well validated, and landmark, *Limits to Growth* study modelled the impacts of resources becoming scarcer and their cost increasing. This undermines the

271 <https://www.mdpi.com/1996-1073/8/12/12371/pdf>  
See also <https://www.15-15-15.org/webzine/2021/04/02/report-100percent-decarbonization-with-100percent-renewable-energy-systems/>  
and these later sources: <https://www.15-15-15.org/webzine/2021/04/02/report-100percent-decarbonization-with-100percent-renewable-energy-systems/>  
<https://iea.blob.core.windows.net/assets/24d5dfbb-a77a-4647-abcc-667867207f74/TheRoleofCriticalMineralsinCleanEnergyTransitions.pdf> Summary at, <https://www.carbonbrief.org/iea-mineral-supplies-for-electric-cars-must-increase-30-fold-to-meet-climate-goals>

272 As Ivan Illich argued years ago: Illich, I. (1974). *Energy and equity*. Calder & Boyars.

stability of the production system well before the resources are near exhaustion: inexorably reducing returns on investment lead to an economic collapse (Meadows *et al.* 1974<sup>273</sup>, 2005<sup>274</sup>, Turner 2008<sup>275</sup>, 2014<sup>276</sup>, Homer-Dixon *et al.* 2015<sup>277</sup>). Any expanding economic system has to grapple with this, even if it successfully exploits essentially free natural energy flows: you can't create minerals from sunlight. These economic consequences of the increasing scarcity and inaccessibility of most minerals and metals need to be addressed in any credible Green Deal, yet there is almost no discussion of this crucial reality in any of the proposals, nor of the 'hidden' resource intensive demands of new technology.

## 5) The other planetary boundaries

Even if it were possible to mitigate the climate crisis through the kind of transformation proposed in the various Green Deals, there are other ecological crises to contend with. These can be understood in terms of the *Planetary Boundaries* framework<sup>278</sup> proposed by Johan Rockström and colleagues (Rockström *et al.* 2009a, 2009b, Steffen *et al.* 2015)<sup>279</sup>. Climate change is just one of these boundaries. As of 2015, the evidence available to the Planetary Boundaries investigators indicated that

*"Four of nine planetary boundaries have now been crossed as a result of human activity:... ..*

*Two of these, climate change and biosphere integrity, are what the scientists call 'core boundaries'. Significantly altering either of these "core boundaries" would "drive the Earth System into a new state". Transgressing a boundary increases the risk that human activities could inadvertently drive the Earth System into a much less hospitable state, damaging efforts to reduce poverty and leading to a deterioration of human wellbeing in many parts of the world, including wealthy countries... "*<sup>280</sup>

It is unclear whether and how the various Green Deals propose to address these additional threats, whether or not they rely explicitly on green growth.

---

273 <http://www.donellameadows.org/wp-content/userfiles/Limits-to-Growth-digital-scan-version.pdf>

274 <http://donellameadows.org/archives/a-synopsis-limits-to-growth-the-30-year-update/>

275 <http://linkinghub.elsevier.com/retrieve/pii/S0959378008000435>

276 [https://www.researchgate.net/publication/267751719\\_Is\\_Global\\_Collapse\\_Imminent\\_An\\_Updated\\_Comparison\\_of\\_The\\_Limits\\_to\\_Growth\\_with\\_Historical\\_Data](https://www.researchgate.net/publication/267751719_Is_Global_Collapse_Imminent_An_Updated_Comparison_of_The_Limits_to_Growth_with_Historical_Data)

277 <http://www.ecologyandsociety.org/vol20/iss3/art6/>

278 <https://steadystatemanchester.files.wordpress.com/2019/09/planetary-boundaries-from-newcastle-talk.pdf>

279 <https://www.stockholmresilience.org/research/planetary-boundaries.html>

280 <http://www.sciencemag.org/cgi/doi/10.1126/science.1259855>

I should note that the newest, and very comprehensive set of proposals, from the Green New Deal for Europe grouping, does acknowledge and attempt to address all these questions, although not necessarily altogether convincingly (Adler, Wargan, & Prakash, 2019)<sup>281</sup>.

But it is in the political economy of the GND where we have a fundamental contradiction that will not be easily resolved.

## 6) The GND and the capitalist growth imperative.

Paying for the GND has attracted a lot of debate and I don't propose to go into the intricacies. Broadly, it is suggested that this be done by Government and private sector, raising credit from other sectors of the economy, i.e. individual and corporate investors, including public and private sector pension funds.

The problem is that this all assumes a return on the investment.

For the private sector, this is via interest or dividends, based on the profits from the new activity.

Some advocates suggest that the GND be funded through money created by government especially for this purpose – by electronically printing money.

In all these cases, the advance of money for investment ultimately requires ongoing expansion of capital, the *modus operandi* of the capitalist system, founded on the expropriation of surplus value in the labour process, which we know as economic growth. Without expansion, there is no, or insufficient, return on the outlay.

Despite the claims of some GND advocates, Green Deals are predicated on the expansion of GDP and as we saw, we can't rely on that to decouple from material impacts.

That is, unless another way can be found. There are some indications that this might be possible.

**Firstly**, an ecologically feasible Green Deal would entail some way of capping resource and energy use at source, effectively the equitable rationing of commodities (goods and services). Doing this would also incentivise the transition to less ecologically and resource intensive offerings across the market, so long as emitting activities weren't driven underground.

**Secondly**, a number of studies show that the creation of credit could, under certain conditions, fund necessary investments without creating an imperative for economic growth (Berg *et al.* 2015<sup>282</sup>, Jackson and Victor 2015<sup>283</sup>, Lee and Werner 2018<sup>284</sup>).

---

281 <https://report.gndforeurope.com/>

282 <http://stacks.iop.org/1367-2630/17/i=1/a=015011>

283 <http://www.prosperitas.org.uk/publications.html>

284 <http://10.0.3.248/j.ecolecon.2017.08.013>

**Thirdly**, if the industrial sectors of the new economy were taken out of private capitalist ownership, then the motor of capital self-expansion need not necessarily be required, though this would, I think imply a trajectory towards a steady state, at least for that part of the economy.

**Fourthly**, some of the expansion could conceivably be funded by the redirection and re-prioritisation of undesirable economic activity – though much of that replacement would still requires profitability.

**Fifthly**, as the latest of GND for Europe suggests, aggregate energy demand must be reduced by scaling down material production and throughput. That would entail shifting income and welfare creation from industrial production to social and environmental reproduction: maintenance, recycling, repair, and restoration of environmental and infrastructural resources, as well as education, culture and care for people and environment. But that, idea, close to the *dépense* favoured by some degrowth theorists (e.g. Kallis, 2015<sup>285</sup>), besides sounding like pie in the sky under capitalism, ignores the massive, neocolonial, outsourcing of industrial production to other economies<sup>286</sup>.

Done in a managed way that would be a lot better than the unmanaged periodic destruction of value that is a feature of capitalist cycles, but how do we get it to happen?

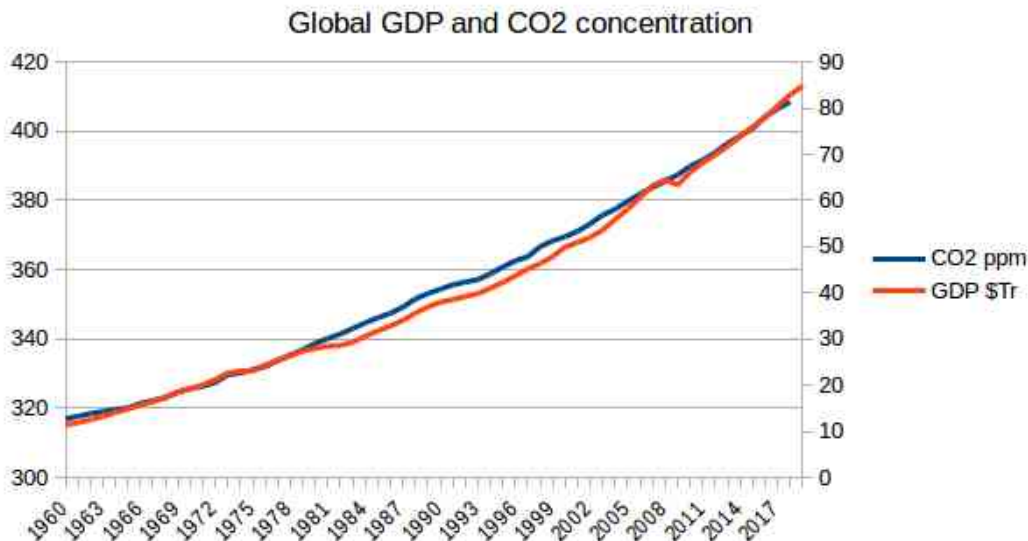
---

285 <https://greattransition.org/publication/the-degrowth-alternative>

286 <http://monthlyreview.org/2012/07/01/the-gdp-illusion>

## Section 4: The decoupling question

A fundamental tenet of post-growth approaches is the assertion that it is not possible to significantly decouple the growth in the economy (typically measured by Gross Domestic Product - GDP) from growth in material and energy flows. A principal dimension of this debate concerns carbon emissions. The following graph shows how carbon emissions have grown in association with the growth in GDP.

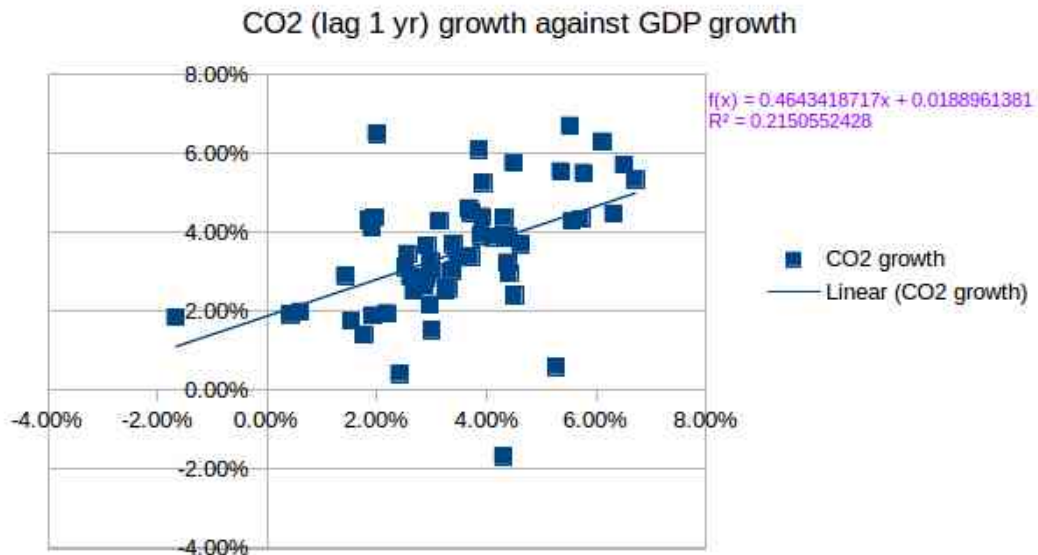


Sources:

GDP: World Bank <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD>

CO2: Our World in Data <https://ourworldindata.org/atmospheric-concentrations#how-have-global-co2-concentrations-changed-over-time>

However, an association does not necessarily indicate a cause. What is interesting about this dataset though is that changes in carbon emissions *follow* changes in GDP. The correlation coefficients for CO2 growth vs GDP growth are 0.07 with no lag; 0.46 when CO2 growth for the following year is correlated with GDP growth; and 0.17 with a two year lag. The coefficient of determination, that is to say the proportion of variance in CO2 growth accounted for by GDP growth at the one year lag is 0.215. Given that this is a set of data with a lot of variation from other sources built into it, this seems like an impressive demonstration of the likely causality: changes in measured greenhouse gas emissions shortly follow changes in measured GDP. Increases in economic activity thereby appears to bring about increases in atmospheric greenhouse gases.



The same data as in the previous graph, plotted as a scatter plot with line of best fit change in CO2 for the year after the change in GDP.

Elsewhere the underpinnings of GDP growth have been explored. GDP is a composite statistic that summarises the monetary transactions in the capitalist economy. Like Marx we have to look behind the ideological veil to reveal the material processes that determine those transactions and the accumulation of monetised value. The critiques of *Positive Money*, later in this collection include arguments about those relations.

The following two pieces explore the decoupling question. The first, from 2014, is a critique of a propaganda piece put out by *New Climate Economy* some years ago. It is included here to demonstrate the very sloppy way in which arguments for green growth have been made and to identify some of the interests behind the assertion that decoupling can take place.

The second piece, from 2016, is my analysis of an analysis by the *World Resources Institute* and *Carbon Brief* of evidence for a real decoupling of carbon emissions from GDP growth in a number of economies. This re-analysis of mine considers problems of data quality, of interpretation and scale.

Since these pieces appeared, two definitive pieces of work have appeared that, on the basis of comprehensive literature reviews, thoroughly, in the words of the title of the first, debunk the decoupling assertion<sup>287</sup>. Yet attempts to justify continued economic expansion through appeal to decoupling still appear regularly. At the time of writing, another such piece by Z Hausfather appeared

287 Parrique, T., Barth, J., Briens, F., Kraus-Polk, A., Spangenberg, S. H., & Kerschner, C. (2019). *Decoupling debunked: Evidence and arguments against green growth as a sole strategy for sustainability*. European Environmental Bureau. <http://eeb.org/library/decoupling-debunked>  
 Haberl, H., Wiedenhofer, D., Virág, D., Kalt, G., Plank, B., Brockway, P., Fishman, T., Hausknost, D., Krausmann, F., Leon-Gruchalski, B., Mayer, A., Pichler, M., Schaffartzik, A., Sousa, T., Streeck, J., & Creutzig, F. (2020). A systematic review of the evidence on decoupling of GDP, resource use and GHG emissions, part II: Synthesizing the insights. *Environmental Research Letters*, 15(6), 065003. <https://doi.org/10.1088/1748-9326/ab842a>



from the well funded, “eco-modernist”, pro-nuclear (and for a while, pro-fracking) Breakthrough Institute. There is nothing in that piece that isn’t covered in the second of the pieces here. As Giorgos Kallis noted in a recent twitter response to an almost simultaneous ecomodernist hatchet job on degrowth, in the webzine Vox,

*“Right now, we are living in a flaming oven (I write from Greece, with 42C, and the skies orange from fires). The article claims we have 10 years left. 10 yrs for what? Build nuclear power plants, solar panels, CCS, and all the other fancy techs ... How will this realistically make any difference within 10 years? Maybe reduce emissions a little bit compared to what they would otherwise be. But we should be stopping extracting any new fossil fuels, TODAY. This is no longer about decoupling or no decoupling .... If we were serious about climate breakdown, we should be talking about a Fossil Fuels Lockdown, now. Not in 10 years, or by 2050, but now. Prohibiting as a minimum all new fossil fuel projects or investments....”* <sup>288</sup>

This is the conclusion we reached too: even if the claimed absolute decoupling should be shown to withstand the methodological objections, the levels attained are still woefully inadequate to be any kind of a solution to the climate crisis. Instead, what is needed is a radical and immediate cessation of fossil fuel combustion, and this could be achieved with a stringent and reducing annual cap on fossil fuel usage. That means rationing in order to mitigate the inevitable economic consequences in the near term<sup>289</sup>.

The Green Growth illusion persists. A wrote a critique of a piece by Robert Pollin, written by Mark Burton and Peter Somerville appeared in New Left Review. Pollin’s article was a critique of degrowth while ours was published by the same journal as “Degrowth: a defence”<sup>290</sup>.

---

288 [https://twitter.com/g\\_kallis/status/1423037903094140928](https://twitter.com/g_kallis/status/1423037903094140928) in response to <https://www.vox.com/future-perfect/22408556/save-planet-shrink-economy-degrowth> See also a thread from Jason Hickel on the same misleading article: <https://twitter.com/jasonhickel/status/1422899556019232774>

289 Edwards, L & Cox, S. (2021). "Cap and Adapt: Failsafe Policy for the Climate Emergency." <https://thesolutionsjournal.com/2020/09/01/cap-and-adapt-failsafe-policy-for-the-climate-emergency/> See my twitter thread about it here: <https://twitter.com/MarkHBurton/status/1418879940464947204>

290 Burton, M., & Somerville, P. (2019). Degrowth: A Defence. *New Left Review*, 115, 95–104. <https://newleftreview.org/II/115/mark-burton-peter-somerville-degrowth-a-defence> Also available in Spanish: <https://newleftreview.es/issues/115/articles/una-defensa-del-decrecimiento.pdf>



# Less levity Professor Stern! Economic growth, climate change and the decoupling question.

Mark H Burton, 2014

Steady State Manchester has argued, along with most ecological economists that continued economic growth is incompatible with ecological safety<sup>291,292</sup>. That is to say continued increases in Gross Domestic Product, (GDP and also Gross Value Added, GVA) cannot happen while reducing ecological impacts in general, and climate change-causing greenhouse gas (GHG) emissions in particular. It isn't a popular message, and is one that is typically ignored, not least by our city leaders who still seem to think we can have some kind of 'good growth' while avoiding ecological catastrophe.

So what do we say to a well publicised international report<sup>293</sup> that argues the opposite? This is not just any report, but one from the very well-resourced Global Commission on the Economy and Climate<sup>294</sup>:

*The Global Commission is chaired by former President of Mexico Felipe Calderón and comprises former heads of government and finance ministers, and leaders in the fields of economics and business. The Commission's work is being conducted by a global partnership of leading research institutes. Reporting in September 2014, the project will make recommendations on actions and policies that can achieve high quality economic growth at the same time as addressing dangerous climate change.*

*The Global Commission on the Economy and Climate was commissioned by seven countries - Colombia, Ethiopia, Indonesia, Norway, South Korea, Sweden and the United Kingdom - as an independent initiative to report to the interational (sic) community.*

---

291 [http://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth\\_ipog\\_-content\\_final.pdf](http://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth_ipog_-content_final.pdf)

292 Published at Steady State Manchester, September 2014.  
<https://steadystatemanchester.net/2014/09/21/less-levity-professor-stern-economic-growth-climate-change-and-the-decoupling-question/>

293 <http://www.newclimateeconomy.report/>

294 <http://newclimateeconomy.net/>

The Vice Chair of the commission and chair of its Economics Advisory Panel is none other than Nicholas Stern<sup>295</sup>, Professor of Economics at LSE and author of the 2006 “Stern Review on the Economics of Climate Change<sup>296</sup>” (full text here<sup>297</sup>). This report can take some considerable credit for helping to make the climate crisis a mainstream issue: as well as arguing that the climate emergency was evidence of a massive “market failure”, it argued that the economic costs of doing nothing would be greater than those of tackling climate change. A series of imitator reports, including Manchester’s Deloitte “Mini Stern<sup>298</sup>” sought to cash in on the idea that there was money (economic growth) in climate change mitigation. But let’s look at the new report.

*“The report’s conclusion is that **countries at all levels of income now have the opportunity to build lasting economic growth at the same time as reducing the immense risks of climate change.** This is made possible by structural and technological changes unfolding in the global economy and opportunities for greater economic efficiency. The capital for the necessary investments is available, and the potential for innovation is vast. What is needed is strong political leadership and credible, consistent policies.”*

A strong claim. Now to be fair, the report has a lot of useful information and argument. It’s real target is those who want to “cut the green crap”<sup>299</sup>, believing that actions to mitigate climate change would harm the economy. It is this focus that gives the report its emphasis which is on the actions that are needed. But what about that claim? The report makes a number of interlinked statements:

*In this sense, the choice we face is not between “business as usual” and climate action, but between alternative pathways of growth: one that exacerbates climate risk, and another that reduces it. (p. 15)*

*Strengthening growth and tackling climate risk are therefore not just compatible goals; they can be made to reinforce each other. (p. 18)*

*And the crucial section is this:*

---

295 [http://en.wikipedia.org/wiki/Nicholas\\_Stern,\\_Baron\\_Stern\\_of\\_Brentford](http://en.wikipedia.org/wiki/Nicholas_Stern,_Baron_Stern_of_Brentford)

296 [http://en.wikipedia.org/wiki/Stern\\_Review](http://en.wikipedia.org/wiki/Stern_Review)

297 [http://web.archive.org/web/20081211182219/http://www.hm-treasury.gov.uk/stern\\_review\\_final\\_report.htm](http://web.archive.org/web/20081211182219/http://www.hm-treasury.gov.uk/stern_review_final_report.htm)

298 [http://www.deloitte.com/assets/Dcom-UnitedKingdom/Local%20Assets/Documents/UK\\_GPS\\_MiniStern.pdf](http://www.deloitte.com/assets/Dcom-UnitedKingdom/Local%20Assets/Documents/UK_GPS_MiniStern.pdf)

299 A notorious phrase attributed to the former Conservative UK Prime Minister, David Cameron.

*The evidence for these conclusions has been accumulating over the last decade. The theoretical basis for them has been known for some time. What is new is the practical experience around the world. National and local governments as well as businesses that have adopted lower-carbon strategies and policies have found them associated with economic performance as good as or better than their high-carbon peers'.(33)*

*Much of this has been driven by recent technological advances. The decoupling of growth from carbon emissions in some of the best-performing economies, both in Northern Europe and in North America, demonstrates the gains that can be made in incomes, jobs, rates of innovation and profits from a low-carbon, resource-efficient model of growth.(34). (p. 18)*

I was intrigued, because **the evidence that I have seen suggests that, so far at least, it is not possible to decouple growth in carbon emissions from economic growth.** We reviewed this evidence two years ago in *In Place of Growth*<sup>300</sup> (see page 18). So I looked up the reference notes (33 and 34).

33 PricewaterhouseCoopers (PwC), 2013. Decarbonisation and the Economy: An empirical analysis of the economic impact of energy and climate change policies in Denmark, Sweden, Germany, UK and The Netherlands. Available at: <http://www.pwc.nl/nl/assets/documents/pwc-decarbonisation-and-the-economy.pdf>.

34 See: Brahmabhatt, M., Dawkins, E., Liu, J. and Usmani, F., 2014 (forthcoming). Decoupling Carbon Emissions from Economic Growth: A Review of International Trends. New Climate Economy contributing paper. World Resources Institute, Stockholm Environment Institute and World Bank. To be available at: <http://newclimateeconomy.report>.

Also: Brinkley, C., 2014. Decoupled: successful planning policies in countries that have reduced per capita greenhouse gas emissions with continued economic growth. Environment and Planning C: Government and Policy, advance online publication. DOI:10.1068/c12202.

Well, the Brahmabhatt et al. paper has yet to appear on the New Climate Economy website, a little extraordinary since it seems to underpin a key and very controversial claim. I couldn't find anything by those authors elsewhere that threw any light on the claim either.

The PWC report (2013)<sup>301</sup> is certainly a very interesting one with a lot of detail. But the devil, as so often, is in the detail. Firstly it is chiefly focussed on energy supply. But secondly, it is critical to understand which emissions are being discussed. On page 17 we find a map showing the CO<sub>2</sub> to GDP ratio reductions for the five European countries studied. They have all reduced the energy intensity of their economies. But the footnote tells us that "We use domestically created carbon emissions per GDP. This does not include

300 [http://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth\\_ipog\\_-content\\_final.pdf](http://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth_ipog_-content_final.pdf)

301 <http://w.pwc.nl/nl/assets/documents/pwc-decarbonisation-and-the-economy.pdf>

*emissions of imported goods (consumption based emissions).*" [see a Manchester take on the Total Carbon Footprint here<sup>302</sup>] And it turns out that the apparent decarbonisation of these economies, while partly due to increases in energy efficiency and changes in the fuel mix (in Germany and Denmark renewables play a big part), owes a lot to the outsourcing of production to the low wage economies of the 'developing' world. Or put it another way, as is all too familiar to those of us who have lived in Manchester over the last 3 decades, we have de-industrialised. Our increasing GDP includes our increasing consumption. **Our expenditure on imports goes into the GDP growth figure, but the emissions created in making and distributing those goods do not enter into the GHG calculations. So the claim in the report that some of these economies have produced an absolute decoupling of GDP growth from GHG emissions, evaporates into..... the air.**

What about the other, very new reference? It is so new that it only appears as a web preview of the article in press in the scholarly journal *Environment and Planning C: Government and Policy*<sup>303</sup>. In this article, Catherine Brinkley "*identified nine countries that have steadily decoupled per capita carbon emissions from GDP*". Her detailed study is again interesting, with a lot of pointers to where and how to make reductions in GHG emissions. But again, "*Territorial emissions are emphasized in this research*", and as she notes, "*some scholars argue that deindustrialization and commodity trading account for the majority of carbon emission reductions in wealthy nations, thereby distorting the true per capita carbon footprint*".

So this is the crux. **While Stern and colleagues draw the conclusion that absolute decoupling is possible, they present no evidence for this, and the (available) sources they do cite, while rather airily talking about "absolute decoupling", can only show either sectoral reductions (in energy use) or territorial reductions, that leave out all the outsourced emissions that are the sequelae of the rising GDPs.**

But there is another problem - rebound, or the Jevons paradox<sup>304</sup>. Suppose we follow the actions of Stern et al. and invest heavily in energy efficiency and renewables. My energy bills will go down. What shall I do with the money saved? I could go on foreign holidays, buy some more consumer goods (a new bike), eat more unseasonable fruits and vegetables, or fish (and if I weren't mostly vegetarian, meat), build an extension. I could put the money into investments. All of these, as things stand, will generate more emissions. As Stern et al. are at pains to point out, the economy is complex and interconnected (just like the ecosystem!), but they themselves fall into a simplistic linear model that fails to take complex feedback effects into account.

---

302 <http://environmentalscrutiny.info/2014/09/17/total-carbon-footprint-time-for-a-second-step-new-report-out-now/>

303 <http://www.envplan.com.ezproxy.mmu.ac.uk/abstract.cgi?id=c12202>

304 <http://steadystatemanchester.net/2012/06/26/the-rebound-effect/>

So, the case that GDP growth and climate change mitigation are friends is not made.

Let's look at what the real experts, the IPCC said earlier this year:

*Globally, economic and population growth continue to be the most important drivers of increases in CO2 emissions from fossil fuel combustion. The contribution of population growth between 2000 and 2010 remained roughly identical to the previous three decades, while the contribution of economic growth has risen sharply (high confidence). Between 2000 and 2010, both drivers outpaced emission reductions from improvements in energy intensity (Figure SPM.3). Increased use of coal relative to other energy sources has reversed the long-standing trend of gradual decarbonization of the world's energy supply. [1.3, 5.3, 7.2, 14.3, TS.2.2]<sup>305</sup>*

So there it is. A decidedly serious problem that won't be resolved by optimistically thinking that we can have our cake and eat it. Less levity, I think, Professor Stern.

A lot more could be said, about, for example, the faith of these economists in the carbon price mechanism - using the market to correct the market. But the report is not all bad. It is a call to action and it focusses on the key sectors where emissions can be cut (cities, land use and energy). It is just that their basic assumption and some of their recommendations (e.g. putting a price on things like forests) are inconsistent with that imperative.

For some other criticisms of this flawed report, see this interesting critique from the *Sceptical Economist*<sup>306</sup> who also wrote this useful summary of the decoupling question<sup>307</sup>.

---

305 [http://report.mitigation2014.org/spm/ipcc\\_wg3\\_ar5\\_summary-for-policymakers\\_approved.pdf](http://report.mitigation2014.org/spm/ipcc_wg3_ar5_summary-for-policymakers_approved.pdf)

306 <http://zielonygrzyb.wordpress.com/2014/09/16/the-not-so-new-climate-economy-report/#more-1938>

307 <http://zielonygrzyb.wordpress.com/2013/05/15/the-myth-of-decoupling/>

# Absolute decoupling in some economies?

Mark H Burton, 2016

## Background

Does economic growth inevitably lead to more emissions of pollutants, and specifically of greenhouse gases?<sup>308</sup> In previous posts<sup>309</sup> I've shown that to date, claims that economic (GDP) growth is decoupling from greenhouse gas emissions (measured in CO<sub>2</sub>e<sup>310</sup>) do not stand up. The claims either failed to cite sources, were only based on energy-related or on territorial (rather than consumption) emissions<sup>311</sup>, or only demonstrated relative decoupling (reduction of rate of emissions growth) rather than absolute decoupling (an actual reduction in emissions while the economy increased in size).

## New evidence

Now, however, new research has been published that does seem to provide evidence for absolute decoupling, in some national economies, even when outsourced emissions are included (i.e. using consumption or total emissions rather than territorial emissions).

In this post, I will review the strength of that evidence, and consider what it means in relation to a) the thesis that emissions can be decoupled from economic growth, b) that this will be sufficient to the climate change challenge facing humanity.

## The evidence

The most recent research has already been covered widely in the press. The New York Times for example carried an article with the headline, *Signs Are Promising That Economies Can Rise as Carbon Emissions Decline*<sup>312</sup>. This article by Coral Davenport gives a helpful resumé of the work done by

---

308 Published at <https://steadystatemanchester.net/2016/04/15/new-evidence-on-decoupling-carbon-emissions-from-gdp-growth-what-does-it-mean/>, April, 2016.

309 <https://steadystatemanchester.net/?s=decoupling>

310 CO<sub>2</sub>e means CO<sub>2</sub> equivalent. Other greenhouse gases (including Methane and the Nitrogen Oxides) have a greater insulating effect than Carbon Dioxide but are emitted in smaller quantities. CO<sub>2</sub>e provides a convenient single indicator that converts the greenhouse effect of these other gases to the amount of CO<sub>2</sub> that would produce the same impact and then adds that to the CO<sub>2</sub> figure.

311 Territorial emissions are those emitted within the borders of a country. Consumption emissions are those attributable to all the services and products consumed by a country. As will be seen, territorial emissions are the easiest to measure and are the basis from which consumption emissions are calculated. Rich country economies have typically "outsourced a lot of their production of goods and services that are produced in other countries: therefore territorial emissions do not give a representative picture of the planetary impact of these economies, nor conversely of the economies where this production takes place. The UK has done this to a greater extent than other countries.

312 <http://mobile.nytimes.com/2016/04/06/upshot/promising-signs-that-economies-can-rise-as-carbon-emissions-decline.html>



Nathaniel Aden<sup>313</sup> at the World Resources Institute (also covered in a Guardian article by Fred Pearce<sup>314</sup> that is worth a read). This study examined the relationships between GDP and CO<sub>2</sub> emissions for each country. It found that in 21 countries, territorial emissions have decoupled from GDP growth, looking at the period 2000 to 2014. My first reaction was that this yet again concerned territorial emissions, so I looked at the corresponding consumption emissions. In fact, Sophie Yeo and Simon Evans of the UK-based *Carbon Brief*<sup>315</sup> did the same thing. First they extended the data set to include all countries, not just the 65 in the BP database used by Aden in the WRI study. They used the *Global Carbon Project* data<sup>316</sup>. This yielded a total of 35 countries where territorial emissions reduced while GDP grew. Then they looked at the consumption emissions. It is worth quoting their finding on this latter critical point:

*Only 21 countries<sup>317</sup> decoupled their economic growth from consumption-based CO<sub>2</sub> emissions, between 2000 and 2013. This suggests some countries were only able to decouple by “offshoring” some of their emissions to other countries.*

*However, major economies including the UK, US, France and Germany still decoupled, even after accounting for the CO<sub>2</sub> contained in imported goods.*

I have used the same data to produce the following graphs that show the relationship between the territorial and consumption emissions for the 28 countries in the original group of 35 for which there is consumption emissions data available, plus Estonia.

First these 29 countries:

---

313 <http://www.wri.org/blog/2016/04/roads-decoupling-21-countries-are-reducing-carbon-emissions-while-growing-gdp>

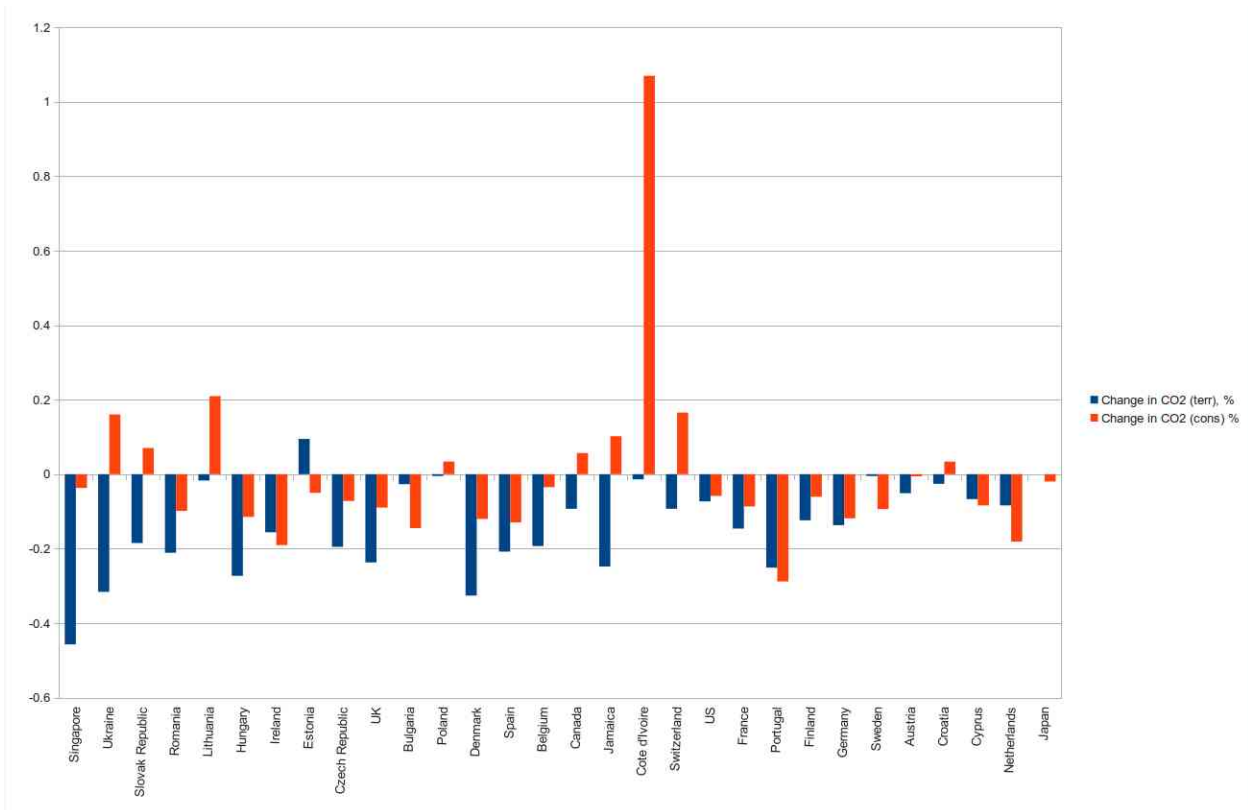
314 <http://www.theguardian.com/environment/2016/apr/14/is-it-possible-to-reduce-co2-emissions-and-grow-the-global-economy>

315 <http://www.carbonbrief.org/the-35-countries-cutting-the-link-between-economic-growth-and-emissions>

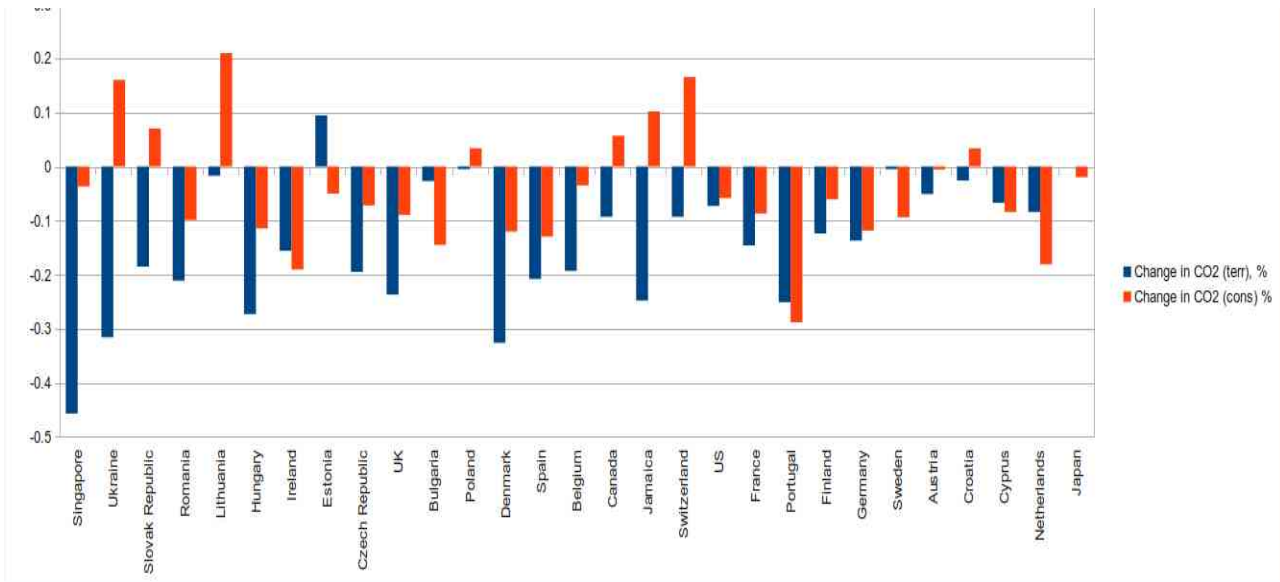
316 <http://cdiac.ornl.gov/GCP/>

317 <https://docs.google.com/spreadsheets/d/1eXxUAbUcT5AeJEpk32LBte4UiBDPrb2MuJ3AW-gpkNI/pubhtml>





The outlier is Côte d'Ivoire. I don't know exactly what's been going on there, but while it reduced its territorial emissions by 1.4%, its consumption emissions have increased by a staggering 106%. Whatever the reasons for this, the other country data is easier to see if we take Côte d'Ivoire out of the picture:



Singapore, Ireland, Bulgaria, Portugal, Sweden, Netherlands, Cyprus and Japan (8 countries) actually, and to varying degrees, made bigger cuts to their consumption emissions than their territorial emissions. In addition Estonia reduced consumption emissions while increasing territorial emissions. However, all the other countries did less well on consumption emissions than on territorial emissions. In addition to Côte d'Ivoire, Ukraine, Slovak Republic, Lithuania, Poland, Canada, Jamaica, Switzerland, and Croatia (9 countries) all

failed to decouple consumption emissions. The others, Romania, Hungary, Czech Republic, UK, Denmark, Spain, Belgium, USA, France, Finland, Germany and Austria (12 countries) all showed evidence of decoupling consumption emissions but less than they decoupled territorial emissions. Carbon Brief, then, are correct to say that a group of 21 countries show evidence, *on these data*, of decoupling their consumption-based emissions from GDP growth. Here is a table summarising all this.

| Country         | Change in CO <sub>2</sub> (Territorial), % | Change in CO <sub>2</sub> (Consumption), % | Change in real GDP, % | Territorial reduction less than consumption reduction? |
|-----------------|--|--|-----------------------|--|
| Singapore       | -0.457                                     | -3.70%                                     | 107.50%               | YES  |
| Ukraine         | -0.316                                     | 16.02%                                     | 49.50%                | NO   |
| Slovak Republic | -18.50%                                    | 7.03%                                      | 74.60%                | NO   |
| Romania         | -21.10%                                    | -9.87%                                     | 65.30%                | NO   |
| Lithuania       | -1.70%                                     | 20.97%                                     | 79.70%                | NO   |
| Hungary         | -27.30%                                    | -11.47%                                    | 29.00%                | NO   |
| Ireland         | -15.60%                                    | -19.05%                                    | 47.40%                | YES  |
| Estonia         | 9.46%                                      | -5.00%                                     | 63.60%                | YES  |
| Czech Republic  | -19.50%                                    | -7.19%                                     | 40.10%                | NO   |
| UK              | -23.70%                                    | -8.98%                                     | 27.10%                | NO   |
| Bulgaria        | -2.70%                                     | -14.49%                                    | 61.70%                | YES  |
| Poland          | -0.50%                                     | 3.39%                                      | 62.60%                | NO   |
| Denmark         | -32.60%                                    | -12.03%                                    | 8.30%                 | NO   |
| Spain           | -20.80%                                    | -12.96%                                    | 19.70%                | NO   |
| Belgium         | -19.30%                                    | -3.50%                                     | 21.10%                | NO   |
| Canada          | -9.30%                                     | 5.68%                                      | 32.40%                | NO   |
| Jamaica         | -24.80%                                    | 10.18%                                     | 9.40%                 | NO   |
| Cote d'Ivoire   | -1.40%                                     | 106.99%                                    | 40.00%                | NO   |
| Switzerland     | -9.30%                                     | 16.55%                                     | 28.30%                | NO   |
| US              | -7.30%                                     | -5.83%                                     | 28.10%                | NO   |

|             |         |         |        |     |
|-------------|---------|---------|--------|-----|
| France      | -14.60% | -8.68%  | 16.30% | NO  |
| Portugal    | -25.10% | -28.82% | 1.20%  | YES |
| Finland     | -12.40% | -6.07%  | 17.80% | NO  |
| Germany     | -13.70% | -11.85% | 16.00% | NO  |
| Sweden      | -0.50%  | -9.38%  | 30.60% | YES |
| Austria     | -5.10%  | -0.56%  | 21.10% | NO  |
| Croatia     | -2.60%  | 3.36%   | 22.60% | NO  |
| Netherlands | -8.40%  | -18.09% | 15.10% | YES |
| Cyprus      | -6.70%  | -8.4%   | 21.70% | YES |
| Japan       | 0.00%   | -1.98%  | 10.90% | YES |

## Discussion

### Questions about emissions data.

These findings surprised me. But what do they really tell us? Firstly I'll look at some questions about the data. This is not to criticise the work of either WRI or Carbon Brief, but to note a number of uncertainties about the data that they used and which I have also gone through, replicating their analysis.

### Accuracy of country-level data and missing emissions

The data analysed is taken from two sources: The BP Statistical Review of World Energy and the Global Carbon Budget Project<sup>318</sup>, part of the US Department of Energy's "Carbon Dioxide Information Analysis Center". The latter source takes its information on territorial emissions from the *UN Framework Convention on Climate Change*, whose sources are based on the individual country submissions. Where these are not available, BP data is used. Consumption emissions are taken from the Global Carbon Budget Project which relies heavily on research by Glen Peters<sup>319</sup> of the University of Oslo, working with a number of colleagues in various countries: the data from the Peters et al. 2011 article is used, updated, but we don't know exactly how. Without going into great detail, there are a number of issues with these various sources of data.

1. *Variability in the quality of data reported by countries*<sup>320</sup>. China's emissions data has been questioned before but the same concerns about inaccuracy are likely to apply to the data from some other countries.

318 <http://cdiac.ornl.gov/GCP/carbonbudget/2015/>

319 <http://www.pnas.org/content/108/21/8903.full>

320 [http://unfccc.int/ghg\\_data/ghg\\_data\\_unfccc/data\\_sources/items/3816.php](http://unfccc.int/ghg_data/ghg_data_unfccc/data_sources/items/3816.php)

2. *The use of different reporting protocols by different countries*<sup>321</sup>. This is a historical legacy of Kyoto - some countries are newcomers to emissions reporting.
3. *Emissions from international transport (i.e. shipping and aviation) are reported by individual countries but not included in their totals: they are included in the global total of emissions*<sup>322</sup>. This is an important matter since when considering those emissions that arise from consumption of imported goods and services, these emissions are obviously a relevant component.
4. *There may well be other missing data*, for example the scale of “fugitive” emissions from the petrochemical industry could be larger than estimated as demonstrated in recent work on methane escapes from shale gas (fracking) in the USA<sup>323</sup>, or the increasing emissions from submarine hydrides and melting permafrost which might, or more likely might not, feature in country territorial emissions figures.
5. The methodology for arriving at consumption emissions is even more complex.  
*“Although all emissions inventories have some uncertainty, including territorial emissions, consumption-based estimates will have larger uncertainty due to the incorporation of more input data, each with various levels of uncertainty.”* (Barrett et al., 2016, p. 457)<sup>324</sup>.

6. Two methods are used by the Peters group, but the most accurate one, the Multi-Regional Input-Output (MRIO) model was only possible for three years (1997, 2001, and 2004) due to data limitations. The simpler Embodied Emissions in Bilateral Trade (EEBT) model is used in the majority of years, or rather a variant of this is used: To avoid the time-lags and construction of an annual global database, *“we develop a method to approximate the EEBT method with the components of the Gross Domestic Product (GDP).”*<sup>325</sup>

Perhaps unsurprisingly, other researchers have reached rather different conclusions about the impacts of outsourced emissions: in a 2014 study, Kanemoto et al., using a different MRIO database, found that *“adjusting for trade, developed countries emissions have increased, not decreased”* and that *“the sectors successfully holding or lowering their domestic emissions are the often the same as those increasing their imports of embodied CO<sub>2</sub>. This suggests that it is*

---

321 [http://unfccc.int/ghg\\_data/ghg\\_data\\_unfccc/data\\_sources/items/3816.php](http://unfccc.int/ghg_data/ghg_data_unfccc/data_sources/items/3816.php)

322 [http://unfccc.int/ghg\\_data/online\\_help/definitions/items/3817.php](http://unfccc.int/ghg_data/online_help/definitions/items/3817.php)

323 <http://www.thenation.com/article/global-warming-terrifying-new-chemistry/>

324 <http://www.emissions.leeds.ac.uk/files/Barrett%20et%20al%20-%20Climate%20Policy.pdf>

325 <http://www.pnas.org/lookup/suppl/doi:10.1073/pnas.1006388108/-/DCSupplemental/sapp.pdf>

*not cleaner production or consumption patterns that are reducing domestic emissions, but simply burden-shifting of the same emissions-intensive activities”.*<sup>326</sup>

The Kanemoto Sydney model finds greater levels of consumption emissions than the Peters Oslo model while a further model from the University of Leeds finds still higher levels although in general they all move in the same direction showing the same general trends<sup>327</sup>.

7. A further problem is with the number of assumptions made in using these models, such as the use of monetary values as proxies for material flows, and the reduction of diversity in various exports to country-wide averages. For a full review of the complexities of calculating consumption emissions see Sato (2013)<sup>328</sup>, who concludes that although attempts at measurement are worthwhile and revealing of the nature of the problem, *“quantities of [emissions embodied in trade] at the country level remain highly uncertain for most countries and years”*. And it is worth noting that the uncertainties about territorial emissions apply also to estimates of consumption emissions since the methodologies for calculating them use exporting and importing countries territorial data as input to their calculation.

## Questions about GDP data

GDP is also a complex, composite index<sup>329</sup>, with many assumptions in its calculation. Leaving aside whether it measures something meaningful, there are methodological problems here too and these apply to its calculation for every single country.

Firstly, it is necessary to have accurate information on the sectors of each country's economy, and countries differ widely in the areas that are hidden from the official statistics (the informal economy, the criminal economy and transactions hidden from the official gaze legally or illegally for tax avoidance/evasion), in the level of expenditure on public services (which to only varying degrees can be equated to economic activity such as production) and financial services (of which more later), and in the quality of data collected. Secondly, that data needs to be aggregated – and a variety of assumptions are made in doing this, as well as the use of estimates for missing data<sup>330</sup>. Finally, it has to be reported, and governments may have incentives for varying degrees of presentational inaccuracy.

---

326 <http://www.sciencedirect.com/science/article/pii/S095937801300160X>

327 <http://www.emissions.leeds.ac.uk/>

328 <http://onlinelibrary.wiley.com/doi/10.1111/joes.12027/abstract>

329 <http://data.worldbank.org/indicator/NY.GDP.MKTP.KN>

330 [http://www.oecdobserver.org/news/archivestory.php/aid/1518/Is\\_GDP\\_a\\_satisfactory\\_measure\\_of\\_growth\\_.html](http://www.oecdobserver.org/news/archivestory.php/aid/1518/Is_GDP_a_satisfactory_measure_of_growth_.html)

<http://www.johnkay.com/2014/04/16/gdp-is-flawed-just-not-the-way-most-people-think>

It should be noted that, as seen above, GDP figures are themselves used in arriving at the estimates of consumption emissions, which again involves some assumptions about costs and prices.

**So, the question of understanding the relationship between the growth of the economy and emissions rests on data sets that have, at best, considerable margins of error.** The analyses by WRI and Carbon Brief do not cite “confidence limits”, or similar estimates of error, for either the variables or for the dependability of the relationships they identify – and indeed that would be a difficult task, given the heterogeneity of the “data behind the data”. However, the Barrett et al. article<sup>331</sup>, reviewed recently by Carbon Brief does exactly this for the UK data, although only up to 2004: these estimates though are themselves based on the known variation within the data rather than the “known and unknown unknowns” that beset such ambitious enterprises. There is a tendency, particularly in the secondary literature, to give the impression that these data are the “real thing” rather than socially mediated estimates.

## Issues of interpretation

We turn now to problems of interpreting the relationships between GDP growth and emissions reduction that have been reported. Let's make the charitable assumption, for the moment, that the datasets are perfectly reliable<sup>332</sup>. What could account for the changes?

### 1 Energy mix

It may be that the way energy is produced has become less carbon-intensive. That is to say, for each joule of energy produced, fewer molecules of greenhouse gases are produced. And for economies decarbonising both territorial emissions and consumption emissions, this would be happening at home and in enough of the economies producing goods and services that are imported.

We know that this has been happening. Globally, energy emissions have recently stalled<sup>333</sup>, although not reduced (except in 2009 and in the early 1980s) and this is attributed to a reduction in the use of coal (the most carbon-polluting hydrocarbon source, used for electricity generation and in our declining steel industry) and to the growth of renewables. In the case of the UK, a similar but stronger picture can be seen with falls in territorial emissions in 2015 to 38% below the 1990 level<sup>334</sup>. For the first time, renewable energy generation surpassed coal (although this includes biomass, much of it using imported wood, substituting for coal, with the shipping emissions excluded

---

331 <http://www.emissions.leeds.ac.uk/files/Barrett%20et%20al%20-%20Climate%20Policy.pdf>

332 Reliable but not necessarily valid.

333 <https://steadystatemanchester.net/2016/03/22/global-emissions-a-brief-guide-for-the-perplexed/#comments> This stalling did not continue and the upward trend resumed after this year.

334 <http://www.carbonbrief.org/uk-emissions-lowest-since-the-1920s-as-renewables-overtake-coal>



from analysis). Changes in energy use internationally will also feed into the consumption data, for example, the two biggest sources of UK imports are the European Union and China, both of which have been ramping up renewables investment.

## 2 Composition of GDP growth

As we noted above, GDP is a composite of economic activities. It is perhaps no surprise that the big reductions in total emissions are seen after the Great Financial Crash of 2008. A number of things have been happening in the economies concerned since then. For illustration I will focus on the UK economy.

Between 2007 and 2011, households began repaying their debts:, UK net household saving went from more than MINUS £30Bn to PLUS £20Bn<sup>335</sup>. That is to say there was a shift from consumption fuelled by credit to holding money in savings and investment accounts. This was in the context of static or reducing incomes: it is therefore not surprising if consumption decreased. However, from 2011 the pattern reversed with savings reducing and credit card debt increasing. Yet by 2013 (the last year of data in the consumption emissions analysis), household expenditure had only just recovered to its 2007 (pre-Crash) level in real terms according to ONS data<sup>336</sup> and real wages are still below 2008 levels<sup>337</sup>.

Since 2010, austerity has hit household spending in the UK hard so whatever the GDP figures are telling us, swathes of the population have less to spend on goods and services. While the GDP figures have risen, much of that has been dependent on “asset price inflation”<sup>338</sup> (principally house prices<sup>339</sup> in London and the South East). There are several aspects to this, including the siphoning away of housing proceeds to non-UK economies (due to speculative purchases by non-residents) and a rising proportion of UK citizen expenditure on rent rather than on consumption. These factors together mean that there is not a one-to-one relationship between economic growth and consumption: available statistics do not make it easy to unravel these relationships but we should be cautious in assuming that GDP rises necessarily equate to consumption increases. That means that a simple relationship between GDP growth and indices of GHG emissions will not apply under all circumstances. We need more sophisticated tools<sup>340</sup> for understanding these relationships.

But what about the other economies? Several of the decoupling nations are European Union countries, and austerity policies there are likely to have had

---

335 [http://b.3cdn.net/nefoundation/66609d0bb3c446660a\\_z6m6b6zxt.pdf](http://b.3cdn.net/nefoundation/66609d0bb3c446660a_z6m6b6zxt.pdf)

336 <https://www.ons.gov.uk/economy/nationalaccounts/satelliteaccounts/bulletins/consumertrends/quarter4octodec2015>

337 <http://www.primeeconomics.org/dataupdate/bixi31xfhca8e91dp973jni2bwfzk3>

338 <http://www.neweconomics.org/blog/entry/what-george-osborne-didnt-mention-in-his-autumn-statement>

339 <http://www.marketoracle.co.uk/Article43160.html>

340 <http://www.neweconomics.org/publications/entry/a-new-ecological-macroeconomic-model>



similar downward effects on consumption levels. This led me to look again at the most impressive decoupling countries. Household consumption as a percentage of GDP declined in the 2000-2015 period in 6 of the 8 countries whose consumption emissions reductions exceeded their territorial ones. Using World Bank Data on Final Household Consumption<sup>341</sup>, the percentage change for these countries from 2000 to 2014 was,

|             |                    |
|-------------|--------------------|
| Singapore   | -9.95% (decrease)  |
| Ireland     | -5.87% (decrease)  |
| Bulgaria    | -4.82% (decrease)  |
| Portugal    | 4.24%              |
| Sweden      | -1.27% (decrease)  |
| Netherlands | -10.63% (decrease) |
| Japan       | 7.41%              |
| Estonia     | -10.55% (decrease) |

In a majority of these cases, then, a reduction in consumption by households will have contributed to the overall national decoupling.<sup>342</sup> It does not account for all the difference but there will be other associated reductions in consumption-related activity, elsewhere in the economy, not reflected in the figures for households (an inverse multiplier).

A further factor is the financialisation of the economy<sup>343</sup>. In the UK and the US, as well as in many other “developed” economies, the share of GDP accounted for by non-productive financial growth (interest, speculative asset growth) rose over the period in question. Owners of this new capital have sought to make

---

341 <http://data.worldbank.org/indicator/NE.CON.PETC.ZS/countries?display=default> “Household final consumption expenditure (formerly private consumption) is the market value of all goods and services, including durable products (such as cars, washing machines, and home computers), purchased by households. It excludes purchases of dwellings but includes imputed rent for owner-occupied dwellings. It also includes payments and fees to governments to obtain permits and licenses. Here, household consumption expenditure includes the expenditures of nonprofit institutions serving households, even when reported separately by the country. This item also includes any statistical discrepancy in the use of resources relative to the supply of resources.”

342 For the countries that decoupled consumption emissions, but at a lower rate than their territorial emissions, the picture is similar (decreases, or very small increases in household consumption) with the exception of the outlier Cyprus:

|                |                   |
|----------------|-------------------|
| Romania        | -8.17% (decrease) |
| Hungary        | -7.27% (decrease) |
| Czech Republic | -4.49% (decrease) |
| United Kingdom | 0.16%             |
| Denmark        | 3.21%             |
| Spain          | -2.37% (decrease) |
| Belgium        | -1.95% (decrease) |
| USA            | 3.76%             |
| France         | 1.93%             |
| Finland        | 1.93% (2000-2008) |
| Germany        | -4.44% (decrease) |
| Austria        | 0.01%             |
| Cyprus         | 13.28%            |

343 <https://www.tni.org/en/publication/financialisation-a-primer#Q9>

further profit, not from productive sections of the economy but from further financial “rent-seeking”. While credit growth has fuelled consumption, by allowing household expenditure in the face of static or falling real incomes, the ballooning profits appear to be much larger than this domestic “feedstock”. So financial growth, as a significant proportion of GDP growth, is not all directed at increased consumption. The same goes for Quantitative Easing which has been criticised for not aiding the productive economy but instead adding to asset bubbles.

There is not the space for further analysis here, the point however is that GDP rises do not necessarily translate into consumption rises in the short term.

### 3 Population changes

The “real GDP” figures used by Carbon Brief control for prices but not for population changes. Some of the decoupling economies have had high levels of emigration. Remittances in these cases will, on the one hand, have inflated the GDP figures for these countries but there are also fewer people consuming in the home country. Now a converse argument could be made for countries like the UK and US (whose populations have grown as a result of migration): the point is that again, these processes need to be unravelled before we can say with any confidence that we have a relationship.

### 4 How durable are these changes likely to be?

Since it is not clear what is underlying the apparent decarbonisation in selected economies, it is unclear how durable these changes may be. It may be that a set of short-run factors are combining, post Great Financial Crash. Some of these, such as the switch from coal, are positive and in themselves unidirectional, but others (particularly the phenomenon of “ungrounded growth” explored above) are potentially reversible. Even changes in energy usage patterns could, over time, be wiped out by rebound<sup>344</sup> elsewhere in the economy, or by under-estimation of factors such as methane leakage, biofuel carbon emissions or from loss of sequestration<sup>345</sup> and methane emissions<sup>346</sup> following megadam projects.

## Conclusions

We have two main areas of uncertainty and three areas of certainty:

1) *We cannot be sure what the findings of decoupling in selected economies really mean because of problems of data quality, missing data and the “construct validity” of measures* – i.e. are they actually measuring what they purport to? When we then look for relationships between the variables, the uncertainties increase. Moreover, they do not demonstrate a causal

---

344 <https://steadystatemanchester.net/2013/09/29/good-and-bad-growth/>

345 <https://www.internationalrivers.org/resources/grand-inga-will-africa>'s-mega-dam-have-mega-impacts-1631

346 <http://www.greenpeace.org.uk/newsdesk/energy/analysis/why-brazil>'s-amazon-mega-dam-programme-climate-time-bomb

relationship: the relationship could in many cases be a result in the dissociation of consumption growth itself from overall GDP growth. At best there is only an association: practically you can't point to say the Estonian or UK economy and say "do this", although some of the things that have been done in the countries that showed some decoupling will indeed be helpful.

2) *There is also uncertainty about the durability of the observed effects* because they may reflect one-off or reversible changes, or they may underestimate emissions.

3) *Only some economies show these apparent effects.* Even if these findings reflect a solid relationship between the growth of some economies and emissions reductions attributable to them, they would be just that, an effect in only some economies. **Meanwhile, global emissions in the period 2000 to 2014 increased by 45%.** (By definition territorial emissions equate to consumption emissions globally). So **the global economy, is far from decoupling its emissions** from its expansion.

4) *The rates of emissions reduction in the apparently decoupling nations would be nowhere near sufficient to avert the climate catastrophe.* As Anderson and Bows have shown, the Annex 1 nations (that includes most of the apparently decoupling countries) **need to be reducing emissions at between 8 to 10% p.a.**<sup>347</sup> **The figures in the above table do not give annual rates above 2%.** As Anderson and Bows note, "*From Stern and the UK's Committee on Climate Change through to virtually every 2°C emission scenario developed by 'Integrated Assessment Modellers', reductions in absolute emissions greater than 3% to 4% year on year are judged incompatible with a growing economy.*"<sup>348</sup>

This would seem to put degrowth firmly back on the agenda since to achieve radical emissions reduction, we need a global economy that is considerably smaller, in material terms, and the only socially justifiable course becomes "living better with less".

5) And **while measurement of emissions may have its flaws, we know that global CO2 concentrations continue their ever upward path**<sup>349</sup>, and that is a path that, if anything, appears to be accelerating<sup>350</sup>.

---

347 <http://rsta.royalsocietypublishing.org/content/369/1934/20.full.pdf+html>

348 <http://kevinanderson.info/blog/avoiding-dangerous-climate-change-demands-de-growth-strategies-from-wealthier-nations/>

349 <http://esrl.noaa.gov/gmd/ccgg/trends/global.html>

350 <http://www.theguardian.com/environment/2016/mar/10/co2-levels-make-largest-recorded-annual-leap-noaa-data-shows>

## Section 5: Money, exchange, credit and investment

Three pieces follow on money, and related matters. The first, written with Mike Riddle in 2018, is an overview of some practical ways of organising exchange, credit, savings and investment for the Viable Economy. It includes a discussion of community investment, community-based currencies and non-monetary community exchange schemes and credit. However, it starts with a discussion of appropriate financial institutions, that is, those that serve the interests of the community rather than profit-orientated financial firms. This question is crucial since in our discussion of alternative currencies we conclude that they need to be part of a system of interlocking initiatives and institutions. More broadly our view is that there needs to be a synergistic approach to creating the Viable Economy, pulling on many levers at the same time, rather than a reliance on innovations and reforms in isolation.

The two subsequent pieces, from 2018 and 2020, examine the reforms to the monetary system promoted by the NGO, Positive Money (PM). They have long advocated various versions of monetary reform based on a critique of what they call “debt-based money”. The two chapters here responded to two policy papers in which PM came out against the pursuit of economic growth but argued that their pet reforms would do away with the “growth dependency” of the present system. Our two pieces, which have been republished on several other websites, argue that Positive Money has misdiagnosed the problem, fetishising money itself rather than focussing on the growth imperative in the capitalist mode of production. Moreover, their idea of reforming money itself does not entail reform of the institutions that support that mode of production, amplifying the growth imperative. We were more sympathetic to the second of the two PM’s pieces. It was written largely by an ecological economist but whereas our critique is based on a Marxist understanding of value and money, this is absent from PM’s essentially post-Keynesian<sup>351</sup> view of money. Some of the ideas in their second paper are helpful, and we acknowledge this, but our overall view is still that their analysis is fundamentally flawed.

Money reform, like alternative currencies, is a popular idea in degrowth and post-growth circles and this is one reason why we have taken the trouble to provide a critique that is both theoretical and practical.

---

351 Although not a view shared by all post-Keynesians.

# The Viable Economy - and Viable Finance

Mark H Burton and Mike Riddell, 2014

It is all too clear that our economy is precarious, economically, socially and ecologically. Steady State Manchester promotes the *Viable Economy*<sup>352</sup>, which means greater resilience, localisation, and balance as economic activity is treated not an end in itself, but rather as a means to deliver a sufficiently prosperous future without continual “growth”. The Viable Economy aims to bring the economic system under the control of society, building a culture that favours equality, solidarity and cooperation. Finally, a viable economy recognises the finite nature of ecological resources and embraces an ethic of stewardship by minimising imbalances to the planetary systems – including the climate, biodiversity, and nitrogen and phosphorous cycles – upon which human life depends.<sup>353</sup>

Any economy requires a sound financial system to facilitate its necessary transactions. Here we take a look at some current and recent financial innovations, asking whether they might help us move in the Viable direction.

## Types of financial innovation

We will organise what follows in terms of the following categories, even though they do overlap somewhat.

- Financial institutions that serve the interests of the community.
- Community investment
- Community-based currencies
- Non-monetary community exchange schemes and credit.

We will not be discussing monetary reform, popular among some parts of the alternative economics and degrowth movements: we have critically discussed one set of proposals in this area previously<sup>354</sup>.

## Financial institutions: Community banking

A movement is now gathering pace to fill a gap in the UK's banking system, that of mutual or co-operative, regionally-based banks, orientated to the local economy, and specialising in offering financial services to smaller enterprises, as well as local citizens. As Greenham and Prieg (2015) noted,

---

352 Steady State Manchester (2014). *The Viable Economy*. Available for download at <https://steadystatemanchester.files.wordpress.com/2014/11/the-viable-economy-master-document-v4-final.pdf>

353 For this summary of the Viable Economy we are grateful to SSM collective member, James Vandeventer.

354 See the next chapters in this collection.

*The UK lacks ... a local stakeholder banking sector, particularly in certain key markets. We use the term 'stakeholder banks' to include any ownership or governance structure that has a broader remit than simply to maximise returns to shareholders. The primary forms are co-operatives (including mutuals and credit unions), public interest banks, and socially orientated loan funds such as Community Development Finance Institutions (CDFIs).*<sup>355</sup>

At present there are initiatives at various stages of development and realisation to establish such institutions in a number of regions, including Hampshire, Avon and the South West, Greater London, Warrington and Preston. SSM members recently attended a workshop (*What works in community banking?*) looking at the possibility of establishing something similar in the Greater Manchester region<sup>356</sup>.

Could a regional or community stakeholder bank, or similar, help facilitate the move to a Viable Economy? Advocates of stakeholder regional and community banks emphasise similar aims.

At his presentation to the Manchester seminar, Tony Greenham of the RSA (and formerly NEF) identified

- Redressing regional inequalities
- Commitment to financial inclusion
- Higher proportion of SME lending
- Credit allocation to real economy
- Economic resilience

James Moore of the Community Savings Bank Association said these banks aim to be

- Trustworthy
- Sustainable
- Independent
- Transactional
- Recycling local savings into local loans
- Inclusive

Broadly, the idea is to establish a bank with local knowledge and local governance, using a social ownership framework, with support from key local anchor institutions. It would be funded partly from interest on loans made to small and medium sized businesses and from transaction fees. James Moore said that more important than offering loans would be the provision of transactional banking services that provided short term credit to enable businesses to make payments while waiting to get paid – this would cover around 60% of the bank's running costs.

---

355 <http://neweconomics.org/2015/02/reforming-rbs/>

356 As outlined in this report from the University of Manchester' IGau:  
<http://hummedia.manchester.ac.uk/institutes/mui/igau/briefings/IGAU-briefing-Banks-FINAL.pdf>

So do these stakeholder and community banking initiatives represent a pathway to the Viable Economy? In these models there is no automatic preference for the environment: “sustainable” here refers to financial sustainability – important of course but not the same thing. The dual emphasis on accessible credit for local business and supportive transactional banking could help local businesses in the green and social solidarity economies. It could also help businesses that have no interests in creating social and environmental benefit. These banks could play an important role in plugging the leaks of the local economy, providing another home for local savings, for example, slowing the outflow of money into London and international financial institutions, speculative lending, derivatives and other aspects of “financialisation”. Could they aspire to achieving a game-changing scale? We do not know, but based on the example of Germany, it is possible<sup>357</sup>. And Germany gives us a clue as to how fundamental such a change could be: small scale local business is stronger there, and there are many environmental initiatives – but we could hardly say that Germany represents an ecological and socially desirable end point. It means that stakeholder community banks would be consistent with the Viable Economy but only a part of it– a necessary if not sufficient condition for it.

We said as much in last year's report, *Policies for the City Region*<sup>358</sup>:

*It is not enough simply to establish local/regional banks and funds though. They would need to focus on the kinds of investments that a resilient, viable city region requires, not on sectors that by expanding will increase carbon emissions, traffic congestion, biosphere erosion and inequality.*

*We therefore propose the establishment of a council sponsored investment fund, or better, since less constrained in terms of money supply, a bank, supporting mostly SMEs and social enterprises working in broadly foundational areas, emphasising environmentally and socially friendly sectors. The form could be a public, municipal or community banking institution. Proceeds from fossil fuel divestment could be used to help establish the bank, which would also be somewhere for local investment and re-investment.*

## Community investment

There are already a number of ways in which savers and small investors can put their money into community and environmentally oriented business. These fall into a number of different categories with differing risk profiles, rates of return and scale of investment. Some co-operatives and social businesses issue their own loan stock, typically seeking local investors. Other schemes work through one of the platforms now available for ethical investment and

---

357 <https://www.centreforpublicimpact.org/case-study/sparkassen-savings-banks-germany/>

358 <https://steadystatemanchester.files.wordpress.com/2017/03/policies-for-the-city-region-the-longer-version-v3-final.pdf>



savings (e.g. Ethex<sup>359</sup> and Abundance<sup>360</sup>), which offer a variety of equity investments, bonds, debentures and so on, including tax free options using the ISA provisions, SITR (Social Investment Tax Relief) and Enterprise Investment Scheme (EIS).

In the immediate future, one pressing need is to establish bundled investment options, like Unit Trusts / OEICs in the mainstream equities sector. This is because by investing in a single offer, savers and investors risk their capital: combining investments within a collective package would allow smoothing of the risks across companies (and also of the returns of course)<sup>361</sup>.

Similarly, some councils<sup>362</sup> are issuing municipal bonds to reduce their borrowing costs. It is something we have previously advocated but the pace of development of this option is painfully slow<sup>363</sup>.

By using their local assets in local, community and/or environmentally orientated, citizens and local organisations can directly promote a more viable economy rather than their money acting as feedstock for financialised and remote investments elsewhere. The returns they obtain will, at least to some extent, be spent locally, so the “bioregional multiplier<sup>364</sup>” operates. Potentially, closing the investment loop on a regional basis can help reduce the extent to which investment in the local economy fuels profit and rent extraction by remote shareholders. It is a strong argument against the frenetic search for external and unaccountable sources of investment. Again there is no guarantee that the investments will be the right ones for the Viable Economy: another necessary but not sufficient condition for it.

## Currencies and near currencies.

The idea of a local currency that keeps spending local while easing transactions in the local economy has become popular in environmentalist and solidarity economy circles<sup>365</sup>. A number of variants are possible.

---

359 <https://www.ethex.org.uk/>

360 <https://www.abundanceinvestment.com/>

361 The Triodos Bank Innovative Finance ISA goes some way towards this but is not very diversified: <https://www.triodos.co.uk/en/personal/ethical-investments/innovative-finance-isa-ifisa/> Mainstream “ethical investment OEICs (whetehr or not ISA-wrapped) typically invest in larger companies.

362 <https://www.centreforcities.org/reader/funding-financing-inclusive-growth-cities/reviewing-funding-finance-options-available-city-combined-authorities/4-use-municipal-bonds-birmingham-warrington/>

363 <https://www.room151.co.uk/treasury/quartet-of-councils-lined-up-for-municipal-bond-agencys-first-issue/>

364 This revision of the Keynesian multiplier is a concept that we use in our Viable Economy pamphlet. It was originally used by Desai and Riddlestone: Desai, P., & Riddlestone, S. (2007). *Bioregional solutions for living on one planet*. Totnes, Devon: Green Books for the Schumacher Society.

365 Seyfang, G., & Longhurst, N. (2013). Growing green money? Mapping community currencies for sustainable development. *Ecological Economics*, 86, 65–77. <https://doi.org/10.1016/j.ecolecon.2012.11.003>

## **Convertible community currency.**

Here the local currency is issued and can be exchanged for the national currency. Examples are the Bristol<sup>366</sup>, Brixton and Totnes pounds. They depend upon there being a matching holding in the national currency, so limiting issuance. There is typically a cost to their use, via a transaction fee on each payment.

## **Non-convertible community currency.**

An alternative approach is to issue a currency that cannot be exchanged for the national currency. This is the approach taken by Hullcoin<sup>367</sup>. In principle, there is no limit to issuance, making the idea attractive for money-limited local economies. In practice though, the model is even more dependent than the convertible currencies on attaining a sufficient scale so that a significant proportion of transactions are made in that currency. Except under conditions where the national currency is radically devalued (for example in a financial crash and depression), it seems unlikely that such a currency could aspire to the kind of scale where it became a viable alternative. What it can offer though, is a potential augmentation to people's resources for certain classes of local expenditure, particularly in exchange for assets that would otherwise be wasted (e.g. surplus food, unused cinema seats): the currency itself can be linked to a requirement for voluntary labour, and becomes a way of recognising (or is that regarding) voluntary action. That in itself is a principle requiring debate, given the dilemma between facilitating more voluntary action and undermining its non-conditional moral basis.

## **Business to business credit and barter schemes**

Here businesses use what is essentially a complementary currency to trade among each other. Two well established examples are the Swiss WIR<sup>368</sup> and The UK and Australian Bartercard<sup>369</sup>. In both cases, businesses reduce their transaction costs and reliance on bank credit through a mutual system of credit and exchange. Nether work on a regional basis, although no doubt much trade is between neighbouring businesses. WIR has been shown to be countercyclical (i.e. it contributes to economic and financial resilience) and Bartercard reduces the exposure of businesses to lost income and credit charges<sup>370</sup>. According to the International Reciprocal Trade Association<sup>371</sup>, in 2011 over 400,000 companies worldwide used bartering to earn an estimated \$12 billion on unwanted or underused assets.

---

366 Now defunct.

367 Now apparently defunct, although the website is still in existence. <http://www.hull-coin.org/>

368 [https://en.wikipedia.org/wiki/WIR\\_Bank](https://en.wikipedia.org/wiki/WIR_Bank)

369 <https://www.bartercard.co.uk/>

370 <https://www.theguardian.com/small-business-network/2016/dec/23/small-business-barter-save-cash-cashflow>

371 <https://hbr.org/2012/09/the-exploding-business-of-bart>

There are also less well documented levels of organisational peer to peer lending, for example from well established co-ops to new ones: the new co-op gets access to start up capital while the established one gets a better return than they would from leaving their spare money in the bank.

## Non-monetary community exchange and credit

Work by one of us (Mike Riddell) has explored a rather different approach, called CounterCoin<sup>372</sup>, with an initial base in the Potteries<sup>373</sup>. CounterCoins are plastic tokens that are awarded in return for voluntary activity. They are redeemable by a number of retail and recreational outlets, either in whole exchange for access to a facility, or in order to obtain a cash discount. CounterCoin is different in the sense that its credit is issued by the community to individuals who contribute to the community's upkeep and well being. In other words it's earned into existence rather than gifted into existence. For someone outside of the jobs market, but with time to give, this sense of earning the right to discount, might help them feel like a valued member of the community. And that has value for all sorts of reasons - self worth, self esteem, self confidence, and the gaining of experience towards a c.v. and employment. Democracy comes into play when the community decides for itself what is and what isn't a contribution. So it becomes "defined contribution" from the perspective of the community in that it can be issued (by non-profits/social enterprises) for all sorts of activities that contribute to community health and well being.

Each issuer has the responsibility to ensure that (a) the contribution is valid and can be verified as being done properly (to certain standards maybe) and (b) that they issue *CounterCoins* at the same rate for different activities. This is to avoid counterfeiting. In a sense - they are giving cross-guarantees to the other issuers in the network, that they are issuing "by the book". Trust is crucial.

The more diverse and inclusive the community using CounterCoin, the more legitimacy can be built up. Standardising the issuance of CounterCoin in exchange for defined contribution, is when it becomes 'equitable'. As in timebanking, it doesn't matter who you are - everyone earns at exactly the same rate. Once it is issued, and redeemed by businesses - it turns into a 'trade credit' rather like the Bartercard model. But the difference between this model and Bartercard's is that the CounterCoin marketplace is ethical - it's underpinned by the shared values of inclusivity, diversity and equality.

There are also the better established schemes that allow the matching of people's spare time and skills (LETS, timebanking, Hours currencies) or (in the case of freecycle/greencycle) unwanted goods with those that need them. These schemes all do useful work but are probably, at this stage anyway, relatively marginal, at least in terms of the kind of economic transformation that is required for a move to the Viable Economy, although for many

---

372 <https://www.thealternative.org.uk/dailyalternative/2017/10/27/ethical-shopping-centre-in-newcastle>

373 "The Potteries" refers to the Stoke on Trent area, the former industrial base for ceramics in the UK. Mike's initial work was in nearby Newcastle under Lyme.

households they provide an essential and vital way of provisioning themselves. Where they do come in is establishing models for resilience that will be vital once our unviable economy and society hits the inevitable buffers of planetary limits and/or the next crisis of global capitalism<sup>374</sup>.

## Discussion

Community currencies and near currencies are probably the best researched of these areas in terms of their contribution to transition to what we'd recognise as the Viable Economy<sup>375</sup>. From his review of LETS, Timebanking and convertible local currencies as tools for the degrowth transition, Dittmer<sup>376</sup> concludes,

*“... there are no clear success stories of local currencies as drivers of degrowth. LETS can facilitate informal resale, repair, and sharing of commercially produced goods, but their burdensome management and confinement to small memberships, dictated by their reliance on informal social pressure, limit their usefulness in this regard. LETS have also been found to support alternative livelihoods, but under quite uncommon conditions. Time banks help people expand their social networks, and are better than LETS at reaching the socially excluded. However, they are confined to unskilled personal services, bureaucratic, and dependent on grant funding. .... Convertible local currencies (CLCs) are best at attracting local businesses, but no significant evidence of their said capacity to localize supply chains has surfaced as yet, and their business-friendly design works to the detriment of other criteria. The Wörgl experiment [in 1930s Austria] suggests that a council-tax-endorsed CLC aimed at eco-localization may require the local state to increase geographical discrimination in public procurement, shifting the actual locus of change from the local business-oriented currency system to the broader struggle for sustainable public procurement.*

---

374 See chapter 2: *The Livelihood Challenge*.

375 Dittmer, K. (2013). Local currencies for purposive degrowth? A quality check of some proposals for changing money-as-usual. *Journal of Cleaner Production*, 54, 3–13. [https://www.researchgate.net/publication/248381463\\_Local\\_currencies\\_for\\_purposive\\_degrowth\\_A\\_quality\\_check\\_of\\_some\\_proposals\\_for\\_changing\\_money-as-usual](https://www.researchgate.net/publication/248381463_Local_currencies_for_purposive_degrowth_A_quality_check_of_some_proposals_for_changing_money-as-usual)

Dittmer, K. (2012). Two challenges for creating democratically accountable local currencies to cope with involuntary degrowth: Lessons from Argentina. Presented at the International Degrowth Conference, Venice. Retrieved from [https://degrowth.org/wp-content/uploads/2012/11/WS\\_21\\_FP\\_DITTMER.pdf](https://degrowth.org/wp-content/uploads/2012/11/WS_21_FP_DITTMER.pdf)

Seyfang, G., & Longhurst, N. (2013). Growing green money? Mapping community currencies for sustainable development. *Ecological Economics*, 86, 65–77. <https://doi.org/10.1016/j.ecolecon.2012.11.003>

Marshall, A. P., & O'Neill, D. W. (2018). The Bristol Pound: A Tool for Localisation? *Ecological Economics*, 146, 273–281. <https://doi.org/10.1016/j.ecolecon.2017.11.002>

Rigo, A. S., & França Filho, G. C. de. (2017). O paradoxo das Palmas: análise do (des)uso da moeda social no “bairro da economia solidária.” *Cadernos EBAPE.BR*, 15(1), 169–193. <https://doi.org/10.1590/1679-395141258>

376 See note 10

However, a study of the Bristol pound (Marshall and O'Neill, 2018) does not seem to support this view: this study of the Bristol Pound as a tool for eco-localisation concluded it had little impact (although this was no more than a limited exploratory study with a small sample of participating businesses). My (MHB) understanding (from talking with participants) of the Brixton Pound, which can also be used to pay council fees and taxes, is that it is a good propaganda tool for raising awareness of the local economy, and seems to help increase the sense of collective place-based identity, but it has limited economic impact as an exchange medium.

Dittmer goes on:

*In sum, local currencies do not appear to have more than a marginal role in driving purposive degrowth. .... In the context of fossil fuel scarcities, the pursuit of alternative livelihoods supported by part-time employment is a frail political strategy. Eco-localization by means of friction in monetary space is an inferior option to a tax on transport fuels.*<sup>377</sup>

### **Institutional relations: a case study from Brazil.**

It is probably wrong to look at any of the above types of financial innovation in isolation from their potential institutional context. To illustrate, it is worth considering one of the more successful complementary currencies, the Palma, in the context of its parent organisation, the Banco Palmas<sup>378</sup>. Conjunto Palmeiras is a favela (usually translated as “shanty town” - at any rate a marginal settlement) in the city of Fortaleza in Ceará state, North East Brazil. The settlement was established after its people were expelled from another area 45 years ago and their history of mutual support in struggle is a key ingredient of their model and its success. A second wave of displacement was a result of the gentrification of parts of the favela, a consequence of the expansion of the city. People were asking, through a series of discussions, debates, assemblies, focus groups and conversation, “why are we poor” and concluded that, part and parcel of the economic exclusion and exploitation of the population was firstly the unequal distribution of the aggregate income of the favela, and secondly that only 20 percent of the money coming into the area circulated within the community - the other 80 per cent was spent on purchases outside the favela.

*“We discovered one of the main factors of the impoverishment of the territory, the lack of local consumption caused the loss of our savings and, consequently, of our capacity to generate income and work. Without such savings it becomes impossible to create a strong market under the control of the community and makes us dependent on a system that sees us only as a cheap source of labour.”*<sup>379</sup>

---

377 Work cited above, Dittmer.

378 Banco Palmas: Local currency in Brazil's favelas <http://imaginationforpeople.org/en/project/banco-palmas/>

379 Manifesto 20 Anos Banco Palmas <http://www.institutobancopalmas.org/manifesto-20-anos-banco-palmas/> Our translation.

The Banco Palmas community bank was set up in 1998, setting up a model of development in the area via local production and consumption. A number of different financial services were established to establish a network of producers and consumers in the neighbourhood, with the aim of promoting an “economic citizenship” with the potential of generating prosperity at the local level under the control of the inhabitants of the area. These services include, the “social currency” the Palma, circulating in the area (for years this was paper-based but now is also in digital form), but also credit in national currency (the Real) for producers and interest-free credit in Palmas for consumers. The bank also became a “corresponding bank” with mainstream banks, making banking services available to those in the favela: like many areas of the UK, Brazil's favelas have lacked access to basic financial services<sup>380</sup>.

Initially the National Bank opposed the development with a legal challenge, but the Banco Palmas won the case in 2003. After this (and with the installation of the Workers' Party in power in Brazil), support from beyond Fortaleza, notably from the National Secretary of the Solidarity Economy in the Ministry of Labour [under the former PT or Workers Party administration], made possible a network of community banks in Brazil on the Banco Palmas model. One consequence has been the establishment of a “certain dependency” on the constraining rules of the commercial banks, “antagonistic and incompatible with the system of financial solidarity of the community banks that promote different financial services, strengthened by local power and guaranteeing an investment in the capacity of the most poor.”<sup>381</sup>

Following an initial (very) small grant from an NGO, the bank's operations are funded by a) interest from microcredit loans (up to 3.5% monthly but also as low as 1% depending on size of and purpose of loan) b) fees from the corresponding bank (i.e. Banco Palmas acts as local agent for regional bank to widen access to banking services), and c) commission for changing Palmas to Reais<sup>382</sup>.

The scale of operations is significant:

According to the Banco Palmas (2010), in the previous three years (2007-9), the Instituto Palmas realised 3,139 credit agreements, with a volume of lending of 4,126,712 Reais (approx US\$ 2,947,651). 2,500 families benefited, there having been 8,000 jobs maintained and 2,000 generated. Corresponding banking realised 28 million transactions and managed approximately 80 Million Reais<sup>383</sup>.

---

380 This was illustrated by a mapping process at the Manchester Community Banking seminar see <https://www.dropbox.com/s/2lzxa9dr85rqfaa/SensierTischerWWGMBank200318.pdf?dl=0>

381 This quote was made in our original text but unfortunately we failed to cite the source and have subsequently been unable to find it again. If a reader can identify it, please let us know.

382 The plural of *Real*, the Brazilian currency.

383 Taumaturgo de Sousa, T. (2011). *A Economia Solidária Como Meio Para O Desenvolvimento Sustentável- Caso Do Banco Palmas* (Tese de Mestrado em Economia e Gestão do Ambiente). [The solidarity economy as medium for sustainable development: the case of Banco Palmas. Masters thesis] Porto, Porto.  
[http://base.socioeco.org/docs/a\\_economia\\_solid\\_ria\\_como\\_meio\\_para\\_o\\_desenvolvimento\\_sustentavel\\_caso\\_do\\_banco\\_palmas-1.pdf](http://base.socioeco.org/docs/a_economia_solid_ria_como_meio_para_o_desenvolvimento_sustentavel_caso_do_banco_palmas-1.pdf)



The Banco Palmas is clearly a model of success, and this seems to be due to its combination of multiple services (rather than just a community currency) with a strong local institutional base and partnership with other institutions in the city, region and country.

The complementary currency itself has declined in importance over the period while levels of overall consumption of goods and services have increased (although it is unclear whether the recent digitisation is to change this) A detailed study<sup>384</sup> of the usage and circulation of the Palma found that around half of its usage was accounted for by just 6 economic actors in addition to the Banco Palmas itself: four local stores selling basic consumer items, the neighbourhood petrol station, and a party and décor shop. Previously two sweet shops had also been important in the circulation but no longer accepted the Palma. Only an estimated 13,457 Palmas were in circulation (compare this to the figures above, bearing in mind that the Palma and Real are 1:1 convertible).

One factor was that there was, at the time of the study, greater prosperity, in part due to the anti-poverty governmental policies and benefits, so less need for the consumer credit offered by the Palma. The bank had also stopped paying part of the salaries of its workers in Palmas. What the study found, however, was that the minority of people that used the Palma did so, not for primarily economic reasons but because of its symbolic and political meaning.

*“...there is a sensitive symbolic and political role played by the use of currency in the territory, but not translated in terms of volume and frequency of use. For these actors, it is enough to know that the currency exists, which was created by them and that can be accessed when needed.”<sup>385</sup>*

The ensuing minimal but persistent use of the Palma appears to be also a kind of “vote of confidence” in both the favela and the role of Banco Palmas in securing better economic conditions.

## **Conclusion: no easy answers.**

It is not easy to transform an economy, locally or nationally so we should beware of supposed magic solutions.

Community financial institutions such as community banks, could have an important part to play in helping us move towards a regional Viable Economy, but they won't on their own get us there. Critically, as part and parcel of the capitalist system (albeit a more benign capitalist sub-system) they do not have any kind of automatic bias towards radical/eco-localisation, to reduction of economic material flows, or to the construction of social justice at scale.

---

384 Rigo, A. S., & França Filho, G. C. de. (2017). O paradoxo das Palmas: análise do (des)uso da moeda social no “bairro da economia solidária.” *Cadernos EBAPE.BR*, 15(1), 169–193. <http://dx.doi.org/10.1590/1679-395141258> (Open Access).

385 See previous citation, Rigo et al.: our translation.



Community currencies and near currencies can act as helpful propaganda aids in increasing awareness and loyalty to the local economy but it seems they generally do little more, except in exceptional circumstances where they could provide a safety net as mainstream systems collapse or fail to deliver, as in the examples of pre Workers Party and commodities boom Brazilian favelas and post-dollarisation crisis Argentina.

Instead we need serious analysis of how the different elements of a transition to a Viable Economy could work together, supporting one another, correcting systemic gaps, and achieving scale, while discriminating against globalised capital and unsustainable levels of material and energy use. That also implies using a variety of economic, social and political frameworks for understanding, underpinned by a sound ecological economic understanding. If you can help with that, do get in touch.

### **Key take-away messages:**

- Financial innovations are necessary but not sufficient for making a transition to a Viable Economy.
- Complementary currencies and near currencies need to be part of a system of interlocking initiatives and institutions, all working towards eco-localisation and social justice.
- Outside crisis situations, complementary currencies and near currencies have a primary role in promoting symbolic identification with a community and its local economy.

# **We need to end growth dependency, but how? Monetary reform would make at best a minor contribution to the task.**

Mark H Burton, 2018

## **Summary**

*There is increasing recognition that endless economic “growth” is neither possible on a finite planet nor a desirable policy aim in social and economic terms. The British NGO, Positive Money, has recently added its voice to this critique, with its report “Ending Growth Dependency”. Positive Money (PM) campaigns for reform of the monetary system, arguing that banks, other than the central bank, should not be allowed to create money. They suggest that this will help end what governments' dependence on “growth”.*

*This article<sup>386</sup> assesses their proposal in three ways. First it asks whether it characterises the motor of growth in capitalist economies adequately. Secondly it asks whether their proposals are needed in order to control the irresponsible growth of credit and debt. Finally it considers whether it would help prevent and reduce ecological damage. It is concluded that because PM are very selective in both their characterisation of the springs of capitalist accumulation and in their analysis of the impact of economic activity on the ecosystem, they end up proposing a scheme that at best will have little positive impact and could actually make matters worse. Finally, an alternative set of policy innovations, relevant to the growth problematic, is suggested.*

## **Introduction: escaping growth-dependency**

It has long been understood that the standard economic prescription of economic “growth”, to fix multiple economic, social and environmental ills, is highly implausible<sup>387</sup>. This stems from the elementary observation that you cannot expand the material throughput of the economy (the materials and energy it consumes) without coming up against the limits imposed by the biophysical systems of the earth that we all rely on. There are other dimensions to the critique of “growth”, 1) the destabilising economic impacts of the reducing return on investment as materials and energy sources become scarcer, 2) the failure of economic growth to benefit those who are economically and socially disadvantaged, and 3) to deliver increases in well-

---

386 Some rights reserved: Licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License.

387 e.g. Boulding, K. E. *The Economics of the Coming Spaceship Earth* in *Environmental Quality Issues in a Growing Economy* (ed. Daly, H. E.) (Johns Hopkins University Press, 1966); Georgescu-Roegen, N. (1971). *The entropy law and the economic process*. Cambridge, Mass: Harvard University Press.; Daly, H. E. (1973). *Toward a steady-state economy*. San Francisco: Freeman.

being for the population as a whole (once a certain overall standard of living has been reached), which supports the idea that we need a different kind of civilisation ethic, one based on sufficiency rather than excess<sup>388</sup>. Against the implausible wager on growth, I and colleagues in Steady State Manchester have argued for a Viable Economy,

*“... an economy that is resilient and dynamic, providing enough for all, while supporting social well-being. And it must be ecologically viable, not causing further damage to the earth's fragile systems without which life is not possible.”<sup>389</sup>*

The understanding that you cannot grow the material economy for ever was given a clear focus by the work of Donella Meadows and colleagues in the 1970s with their Limits to Growth report<sup>390</sup>. That report was criticised, largely on spurious grounds, leading to its eclipse and the dominance of the fudge of “sustainable development”, that you can continue to grow while producing environmental and social benefit. The bankruptcy of that idea is ever more clear as the earth's ecological and biophysical systems lurch into a series of danger zones of which climate change, biodiversity loss and pressures on freshwater systems are just the most obvious ones.<sup>391</sup>

Not surprisingly, there is now increasing interest in the Limits to Growth thesis. One new entry to the debate is the British NGO, “Positive Money”, which has just published a report “*Escaping Growth Dependency*<sup>392</sup>” (EGD from here on), with the subtitle “*Why reforming money will reduce the need to pursue economic growth at any cost to the environment*”. It is encouraging to see other campaigning organisations embracing a rejection of “growth” on environmental grounds, but does this intervention really help? I will argue that

---

388 Burton, M., & Steady State Manchester. (2012). *In Place of Growth: Practical steps to a Manchester where people thrive without harming the planet*. Manchester: Steady State Manchester. [https://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth\\_ipog\\_-\\_content\\_final.pdf](https://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth_ipog_-_content_final.pdf)

389 Burton, M., Irvine, B., & Emanuel, J. (2014). *The Viable Economy*. Manchester: Steady State Manchester. <https://steadystatemanchester.files.wordpress.com/2014/11/the-viable-economy-master-document-v4-final.pdf>

390 Meadows, D. H., Meadows, D. L., Randers, J., & Behrens, W. W. (1974). *The Limits to growth : a report for the Club of Rome's project on the predicament of mankind*. London: Pan Books. Retrieved from <http://www.donellameadows.org/wp-content/userfiles/Limits-to-Growth-digital-scan-version.pdf>; Meadows, D. H., Randers, J., & Meadows, D. L. (2005). *Limits to Growth : the 30-Year Update*. London: Earthscan; see also Jackson, T., & Webster, R. (2016). *Limits Revisited: A review of the limits to growth debate* (p. 24). London: All-Party Parliamentary Group on Limits to Growth. <http://limits2growth.org.uk/revisited>

391 Rockström, J., Steffen, W., Noone, K., Persson, Å., Chapin, F. S., Lambin, E. F., ... Foley, J. A. (2009). A safe operating space for humanity. *Nature*, 461(7263), 472–475. <https://doi.org/10.1038/461472a>  
Steffen, W., Richardson, K., Rockstrom, J., Cornell, S. E., Fetzer, I., Bennett, E. M., ... Sorlin, S. (2015). Planetary boundaries: Guiding human development on a changing planet. *Science*, 347(6223), 1259855–1259855. <https://doi.org/10.1126/science.1259855>

392 Positive Money. (2018). *Escaping Growth Dependency: Positive Money's latest research paper*. London: Positive Money. Retrieved from <http://positivemoney.org/publications/escaping-growth-dependency/>

it makes a number of fundamental errors before briefly outlining what a more adequate approach might look like.

## What does Positive Money say?

Positive Money (PM) structures its argument like this (EGD: pp. 5-6):

*1) "In Chapter 1 we take a comprehensive look at the problems with endless economic growth, and develop a framework to help understand the challenge. We will distinguish 'economic growth' as an abstract statistical measure of the size of the economy from the real tangible resource usage and pollution that this economic growth creates. We look at the reasons why technological progress alone will not enable us to pursue continual economic growth whilst living within the constraints of ecosystems. We then outline the model of a 'steady state economy' developed by ecological economists, as this serves as a useful description of the hard constraints that the economy must operate within, and provides a vision of a sustainable economy."*

This section is a good exposition of the impossibility of continuing economic growth, including the failure of absolute decoupling of GDP growth from material throughputs (something we have emphasised<sup>393</sup>) and the basics of the steady state economy as proposed by ecological economists like Herman Daly.

*2) "In Chapter 2 we explore the political, social and economic sources of our current dependency on growth. We do not attempt to identify which source of growth dependency is strongest or most influential, but each of these sources needs a solution that does not depend on growth."*

This section struck me as rather odd. Rather than describing the sources, or driving forces of growth dependency, the chapter does two things. Firstly it identifies the ideological rationalisations for "growth", that is the functions that the "growth mantra" has in legitimating the present system with its great inequalities. Secondly it identifies the economic argument that growth reduces the impacts of both inflation and (public and private) debt: a simple arithmetic effect. The style of argument though is teleological, seeking a cause in terms of its effects. To be fair they acknowledge this, *"There are multiple forces that 'drive' or produce growth in GDP, ..... [the] drivers are not the focus of this paper. Instead, we are interested in the reasons that drive governments to make continual economic growth an essential policy objective"*<sup>394</sup>. But we do need to identify those drivers, the real causes of the present system's tendency for continual quantitative growth. Get that identification wrong and the prescriptions are also likely to be wrong.

---

393 <https://steadystatemanchester.net/2016/04/15/new-evidence-on-decoupling-carbon-emissions-from-gdp-growth-what-does-it-mean/>

394 EGD: p.17

Now comes the crux of PM's argument:

3) *"In Chapter 3, we focus on the sources of growth dependency generated by the design of the current monetary system. We explain how the design of the current monetary system, in which banks create the majority of new money when they lend, tends to generate high levels of private debt (debt of households and businesses) and high levels of public debt too. We consider why these high levels of debt are a problem."*

As I will explain, this section, while identifying some key elements of the current capitalist system, over-extends these elements, neglecting others.

4) *"In Chapter 4 we examine how private and public debt can be reduced and conclude that economic growth is seen as the easiest - and potentially only - solution when operating under the current monetary system."*

This section is a useful exploration of the limited options under the current system to reduce debt where an economy is not growing. It sets the scene for PM's radical proposal in the next section.

5) *"In Chapter 5 we examine how changes to the current monetary system can reduce the level of private and public debt without relying on economic growth. We focus on proposals to transform the nature of money creation, and consider the implications of a 'sovereign money system'. In a sovereign money system, only the state, via the central bank, is able to create money. Because this money is created without a corresponding private sector debt, it can lead to lower debt levels across the economy, and therefore start to reduce one of our sources of growth dependency."*

This, in summary, is PM's "solution". It is distinctive but in its key dimensions it is shared by many commentators and campaigners that focus on the ecology-economy relationship<sup>395</sup>.

A critique can be made from three angles.

- 1) Why do capitalist economies grow.
- 2) How best to manage the provision of credit and control excessive debt?
- 3) What would be the ecological consequences of PM's proposals?

---

395 It is not quite the same as, but is related to, the 100% or Full, Reserve Banking (FRB) proposals that date back to the Chicago Plan of the 1930s and was popularised by Milton Friedman. FRB is also supported by some ecological economists, including Herman Daly, and by the England and Wales Green Party. Martin Wolf, the senior Financial Times correspondent, also supports the idea. There is debate as to how different the Sovereign Money idea is from FRB, see Dittmer, K. (2015). 100 percent reserve banking: A critical review of green perspectives. *Ecological Economics*, 109, 9–16. <https://doi.org/10.1016/j.ecolecon.2014.11.006>.

# 1) Why do capitalist economies grow?

This is the big question and it needs answering in some detail before returning to the PM proposition<sup>396</sup>.

We can use a simple model to understand the heart of the system<sup>397</sup>. Money capital gets invested (by a capitalist, or an entity acting in the same way as a capitalist) in production. The money pays for materials and for the tools (and machines) that are used by workers to transform them into products that enter the market as commodities. The money also pays the wages of the workers. The commodities are then sold, and here is the first clue to growth: they are sold for more money than that money invested (profit). How can that happen? Karl Marx gave us the answer (in what is rather confusingly known as the “Law of Value”), building on the work of David Ricardo and other classical economists. The second clue to the growth riddle is that workers are paid less than the value of their labour power. The difference is “surplus value”, expropriated by the capitalist. When monetised in the sale of commodities, that surplus value is manifested as profit.

That relation is commonly expressed as,

$$M - C - M' \quad (A1)$$

Where M = money capital and C = commodity. The ' represents the increase in capital over that in the first stage M.

The formula can be expanded:

$$M - C...P...C' - M' \quad (A2)$$

Where C are the commodities bought for transformation (i.e. production P) into the commodities C' to be sold.

And expanding P gives us the means of production MP and Labour Power LP.

$$M - C(L+MP)...P...C' - M' \quad (A3)$$

---

396 For a consideration of capitalism's incompatibility with a steady state economy: Blauwhof, F. B. (2012). Overcoming accumulation: Is a capitalist steady-state economy possible? *Ecological Economics*, 84, 254–261. <https://doi.org/10.1016/j.ecolecon.2012.03.012>

397 In addition to the sources cited in relation to specific points, the following discussion draws on a variety of works, including: Wallerstein, I. (1996). *Historical Capitalism, with Capitalist Civilization*. London: Verso; Burkett, P. (2009). *Marxism and ecological economics : toward a red and green political economy*. Haymarket Books; Lapavistas, C. (2013). *Profiting without producing: how finance exploits us all*. London ; New York: Verso; Norfield, T. (2017). *The City: London and the global power of finance*. London: Verso; Bellamy Foster, J., Clark, B., & York, R. (2011). *The Ecological Rift: Capitalism's War on the Earth*. New York: New York University Press / Monthly Review Press; Harvey, D. (2010). *The enigma of capital : and the crises of capitalism*. Oxford [England]; New York: Oxford University Press; Kallis, G., & Swyngedouw, E. (2017). Do Bees Produce Value? A Conversation Between an Ecological Economist and a Marxist Geographer. *Capitalism Nature Socialism*, 1–15. <https://doi.org/10.1080/10455752.2017.1315830>; Dussel, E. (2001). The Four Drafts of Capital: Toward a New Interpretation of the Dialectical Thought of Marx. *Rethinking Marxism: A Journal of Economics, Culture & Society*, 13(1), 10–26; Dussel, E. (2014). *16 tesis de economía política: interpretación filosófica*. Mexico City: Siglo XXI; and of course Marx, especially Marx, K. (1963). *Theories of surplus-value volume IV of capital*. Moscow: Progress Publishers e-version available at <http://www.bard.edu/library/arendt/pdfs/Marx-Surplus.pdf>.

And the process continues “Returning with a profit after every circuit, capital ‘ignites itself anew’ like a driving fire that never goes out”<sup>398</sup> so we have (in summary form:

$$M - C \dots P \dots C' - M' \rightarrow M' - C' \dots P \dots C'' - M'' \rightarrow M'' - C'' \dots P \dots C''' - M''' \quad (A4)$$

What was added to this formula in the industrial capitalist revolution was the “energy subsidy” of fossil fuels. In the capitalist economy of production ever since, notwithstanding the growth of renewable energy, the formula is

$$M - C(L + MP(F)) \dots P \dots C' - M' \quad (A5)$$

where F stands for fossil fuels as a portion of the means of production<sup>399</sup>.

As Jason Moore points out, capitalism's endless search is for cheap inputs to this system: labour, food, energy and raw materials<sup>400</sup>. But the core of it all is the creation of value by labour acting on the material inputs via the means of production fired by concentrated energy: the capitalist extracts surplus value by paying the workers less than the exchange value of the product they make.

But there are two problems, and this takes us back to the concerns of PM. 1) Where does that initial money come from? and 2) Where does the increase in money come from to pay for the new commodities, in other words to monetise the increased value after the production cycle?

1) For the investment into the production process, Capitalists invest some of their own money (sic): they do not spend all the profit they make but plough some back into the business. But that is not enough for the expansion we observe. There is another source: credit. PM identify one source of this, lending by banks. This is not the only source: the savings of workers is used too (for example where pension funds and savings schemes make investments in capitalist production, directly or indirectly). And companies raise capital themselves through share offers and bonds.

In all these cases, there is the expectation of profit. Credit is made available as an advance on the expected realisation of profit, in other words on the basis of surplus value to be extracted.

2) That does not answer the question of where the extra money comes from to monetise the profits and pay the interest<sup>401</sup>. Where does the money for the expansion of commodity purchases across the economy come from? This comes from several sources. When precious metals underpinned currency, in the early days of capitalism, it was the exploitation of the Americas, particularly the silver mines of Potosí and Zacatecas that provided a boost to

398 Malm, A. (2016). *Fossil capital: the rise of steam-power and the roots of global warming*. London ; New York: Verso.

399 From Malm (2016) work cited.

400 Moore, J. W. (2015). *Capitalism in the web of life: ecology and the accumulation of capital* (1st Edition). New York: Verso.

See also <https://jasonwmoore.wordpress.com/tag/four-cheaps/>

401 This is known as the “profits puzzle”, something that has defeated many economists. For an interesting discussion, see Tomasson, G., & Bezemer, D. J. (2010). What is the Source of Profit and Interest? A Classical Conundrum Reconsidered. Munich Personal RePEc Archive. Retrieved from <https://mpra.ub.uni-muenchen.de/id/eprint/20371>



this extra source of payment (and investment too)<sup>402</sup>. The inflow of money from other economies continues to fund expenditure on commodities. But in modern days (and indeed going back to the origins of modern banking when voyages of colonisation and exploitation were financed by credit<sup>403</sup>) it is the further extension of credit that provides much of the extra money.

PM give almost exclusive attention to bank lending and make the correct observation that, contrary to conventional understanding, most money in circulation is created by private banks through the (now electronic) provision of credit. They are right to see the uncontrolled expansion of credit as a problem and explore a number of dimensions to this. But their analysis gets two things wrong at this stage:

Firstly, PM focuses on the creation of money as credit as a central cause of economic growth when from the above (broadly Marxist) analysis, it is instead a secondary phenomenon, a limiting factor rather than the generative process. The core of capitalist expansion is the productive process with its expropriation and surplus value reinvestment of part of the resulting profits. The operations of the credit system are secondary. As Lapavistas says, drawing on the work of the Japanese Uno school of Marxism,

*“... finance comprises an integral whole of relations ordered in interconnected layers emerging spontaneously out of real accumulation .... a pyramid of credit relations. The pyramid rises from the elemental relations of trade credit, to the still more complex relations of money market credit, to the still more complex relations of monetary (banking) credit, and finally to relations of central bank credit. The capital (stock) market, on the other hand, exists alongside the pyramid of the credit system, but is connected to the latter through value flows and price determination.”<sup>404</sup>*

There is a paradox here: credit grows out of the system of capitalist accumulation, supporting it, but it also takes on a life of its own, not least under present conditions of financialised capitalism, where the chains of credit, of promises to pay, become ever more convoluted and recursive, and when stretched, cause great instability. Ultimately, if the expansion of money values is not grounded in the expansion of commodity production, then there is always a reckoning, a readjustment:

---

402 Dussel (2014) work cited: p. 11.

403 Gelderblom, O. (2013). *Cities of commerce: the institutional foundations of international trade in the Low Countries, 1250-1650*. Princeton NJ: Princeton University Press.

404 Lapavistas, C. (2013). *Profiting without producing: how finance exploits us all*. London ; New York: Verso. p. 122-123. For a diagrammatic depiction of some parts of this system (in Spanish) see Dussel, E. (2014). *16 tesis de economía política: interpretación filosófica*. Mexico City: Siglo XXI. p. 116. Dussel notes: “*The fetishisation [of financial credit] is progressive; that is to say, living labour is made progressively more invisible*” p. 128.

*“A debt crisis is not really a crisis of debt but a sign that a country's production of value can no longer support the previous illusion of wealth”.*<sup>405</sup>

The first error of PM then, is to see the provision of credit as primary, as driving capitalist accumulation, rather than something that emerges from it, more or less keeping pace with it, but far from driving it.

The second error is to focus on only one kind of credit within this Ponzi system, that offered by the banks. Jo Michell makes this point in a critique of PM's proposals:

*“... by narrowing the focus to the deposit-issuing banks, PM excludes the rest of the financial system - investment banks, hedge funds, insurance companies, money market funds and many others - from consideration”*<sup>406</sup>.

A further problem is with the empirical claims made by PM: does the creation of credit inevitably lead to a growth imperative? Since we do not have a real comparative case, we have to rely on modelling studies. Inevitably these are simplifications of the real economic and monetary system. In perhaps the most developed of these, Jackson and Victor<sup>407</sup> used

*“ a stock-flow consistent (SFC) system dynamics model (FALSTAFF) of a hypothetical closed economy with private ownership and interest-bearing debt. Behavioural aspects of the model included the propensity to consume out of both income and wealth, a simple accelerator model of firms' investment, and positive requirements on banks for capital adequacy and central bank reserves. Contrary to claims in the literature, we found no evidence of a growth imperative arising from the existence of a debt-based money system per se.*

*“In fact, we presented a variety of scenarios which exemplified quasi-stationary states of various kinds, and which offered resilience from instability in the face of random fluctuations, demand shocks, and exaggerated 'animal spirits'. We also simulated a transition from a*

---

405 Norfield, T. (2017). *The City: London and the global power of finance*. London: Verso. p. 151

406 Michell, J. (2017, January 18). *Full Reserve Banking: The Wrong Cure for the Wrong Disease*. Retrieved February 14, 2018, from <https://criticalfinance.org/2017/01/18/full-reserve-banking-the-wrong-cure-for-the-wrong-disease/>. See also Norfield, T. (2017). *The City: London and the global power of finance*. London: Verso for an accessible exploration of the financial system, contextualised within actually existing imperialism. There is an echo of the pioneer of Marxist studies of finance, Rudolph Hilferding, in PM's approach. Hilferding also over-emphasised the role of private banks in the financing of capitalism see Norfield, (2017) work cited pp. 92-95.

407 Jackson, T., & Victor, P. A. (2015). *Credit creation and the 'growth imperative' - a quasi-stationary economy with debt-based money*. (PASSAGE Working Paper). Guildford: University of Surrey. Retrieved from <http://www.prosperitas.org.uk/publications.html> A version also published as Jackson, T., & Victor, P. A. (2015). Does credit create a 'growth imperative'? A quasi-stationary economy with interest-bearing debt. *Ecological Economics*, 120, 32–48. <https://doi.org/10.1016/j.ecolecon.2015.09.009>

*growth-based economy towards such a state. None of the scenarios were sensitive to modest changes in the values for interest rates, capital adequacy requirements or reserve ratios. ....*

*“Specifically, the results in this paper suggest that it is not necessary to eliminate interest-bearing debt per se, if the goal is to achieve a resilient, stationary or quasi-stationary state of the economy. It is also worth reiterating that, aside from the question of interest-bearing money, there exists a number of other incentives towards growth within the architecture of the capitalist economy. .... They must be taken to include, for instance: profit maximisation (and in particular the pursuit of labour productivity growth) by firms, asset price speculation and consumer aspirations for increased income and wealth. Some of these mechanisms also lead to potential instabilities in the capitalist economy. Many of them are reliant on the existence of credit-based money systems. .... But this logic does not entail that interest-bearing money, in and of itself, creates a growth imperative.”*

Jackson and Victor are not hostile to monetary reform proposals and they acknowledge that in this simulation they have not explored some critical elements, such as housing investment and house price inflation<sup>408</sup>. But they make the important procedural point that studies such as theirs are needed in order to identify where effort should be placed in transforming the economy to escape growth dependency.

There are further problems with PM's characterisation of the creation of money and the making of profit by the banks and these have been widely aired (they mostly come from a Post-Keynesian perspective) but I will not go into them here<sup>409</sup>. Suffice it to say that those economists who accept the PM starting point (creation of money by banks) find fault with their other premises and with steps of their argument.

## **2) How best to manage the provision of credit and control excessive debt?**

To summarise the previous section, the capitalist economy has at its heart the motor of continual growth, the reinvestment of profit that has its origin in the production process where the production of value rests on the expropriation of

---

408 The reader can make some explorations using the online simulation programme.

409 Michell, J. (2017, January 18). Full Reserve Banking: The Wrong Cure for the Wrong Disease. Retrieved February 14, 2018, from <https://criticalfinance.org/2017/01/18/full-reserve-banking-the-wrong-cure-for-the-wrong-disease/>

Pettifor, A. (2017). *The production of money: how to break the power of bankers*. London: Verso. Chapter 6.

Schlichter, D. (n.d.). Incredible confusions Part 1: 'Positive Money' and the fallacy of the need for a state money producer. Retrieved February 14, 2018, from <http://www.cobdencentre.org/2013/02/incredible-confusions-part-1-positive-money/>

Fontana, G., & Sawyer, M. (2016). Full Reserve Banking: More 'Cranks' Than 'Brave Heretics.' *Cambridge Journal of Economics*, 40(5), 1333–1350. <https://doi.org/10.1093/cje/bew016>

surplus value. Money is created through the extension of credit and this allows the monetisation of surplus value as profit. It also provides some of the seed capital (indeed at times most of it) for the investment in new production. The production of credit is therefore both a facilitating and limiting factor on capitalist accumulation and therefore on what is commonly called economic growth. It is not, however, its root cause.

But PM are on to something: even though the creation of credit, and hence money, by private banks is not the root cause of “growth”, it facilitates it. It also allows, through the expansion of household credit, the purchase of commodities from beyond the UK economy and its international extensions, helping to finance the globally overshooting production frenzy. It contributes to things like the inflation of house prices<sup>410</sup>, and the conversion of housing equity into money is another driver of household consumption beyond what the productive economy can fund<sup>411</sup>. All this consumption is reflected in the country's national accounts as GDP and indeed house prices, through their representation in “imputed rent”, inflate it too.

Leaving to one side the need to control other sources of credit expansion, what should be done about the irresponsible creation of credit by the banks? PM's solution is drastic. They want to nationalise, not the banks, but the creation of money. And they want to de-link the use of money as payment from money as a source of credit. The Bank of England (our Central Bank) would have the sole right to create money. Banks would act as its agents. The Bank of England would create money in the government's account, which then would be spent into the economy. This money entering the economy would therefore be “debt free”.

It is debatable whether this would have the intended consequences. PM set out a variety of benefits, with a particular emphasis on levels of both public and private debt. Yet their appetite for system change is strictly limited. At no point do they make a criticism of the system of capitalist accumulation. Their treatment seems to fall between wanting to improve its operation (for example ensuring credit for the “real economy”, preventing debt from causing recession) yet at the same time they want to fetter a key element in its financing. Nowhere is a moral case made about the appropriation of surplus value, neither in our low wage economy nor in the global South with its super-exploitation along the supply chains that nourish the British economy<sup>412</sup>. Instead we are offered a reformist package that harnesses the kind of

---

410 Again it is only part of the picture: <http://uk.businessinsider.com/britains-housing-market-is-not-being-driven-by-a-supply-and-demand-imbalance-2017-4>

411 Folkman, P., Froud, J., Johal, S., Tomaney, J., & Williams, K. (2016). Manchester Transformed: Why we need a reset of city region policy (CRESC Public Interest Report) (p. 61). Manchester: Centre for Research on Socio-Cultural Change (CRESC), University of Manchester. (p. 18) <http://hummedia.manchester.ac.uk/institutes/cresc/research/ManchesterTransformed.pdf>

412 Smith, J. (2012). The GDP Illusion: Value Added versus Value Capture. *Monthly Review*, 64(3), 86–102; Smith, J. (2016). *Imperialism in the twenty-first century: globalization, super-exploitation, and capitalism's final crisis*. New York: Monthly Review Press.

monetarist thinking<sup>413</sup>, discredited in the first phase of neoliberalism, to what looks like a social democratic project of mitigated capitalism.

How best to manage the provision of credit and control excessive debt depends on what the objectives are. “Debt-free money” is PM's rallying cry, yet can such a thing exist? With banks as agents of a central bank, they would still be lending money, it would just be from a payment account held in their own name: the debt would be to the central bank. This is the inescapable reality of lending.

Consider this alternative scenario: a community-based bank is set up. It is financed by local people's savings, local business deposits, and some seed funding from anchor institutions. It offers loans to local businesses, with strict environmental and social criteria. But the money it lends out is not (directly) restricted by the money deposited with it. Instead it can lend more than it has in its own account. But it is not going to do that to the extent that it is over-stretched. This is due to a) the terms of its banking licence which require sufficient reserves, and b) its own constitution and governance safeguards. The result is that the local economy has a sound source of ethical credit. The risks of over-extension are managed by the application of sound criteria and access to reserves to manage fluctuations in demand for repayment of deposits. Neither the money nor the bank is nationalised but nor is either private.

Now consider that model extended across the country. These banks are linked together to pool risks but they work in their communities, using local knowledge to make loans that those local economies and communities need.

Rules are established to regulate the setting of interest rates and to ensure the banks do not over-stretch themselves. These are made locally but there is national legislation that sets the overall parameters. Credit is quite cheap but not given out willy-nilly (there are no shareholders who have to be paid on the basis of the “spread” between deposits and loans).

Bundling up of liabilities is prohibited and so is speculative lending on housing. These banks look like a cross between mutual building societies and savings banks. They make a profit but this is returned to the community after necessary investment in the bank's operations (e.g. opening a new branch, upgrading IT systems).

The government centrally takes part in the financing of appropriate economic activity by issuing a series of bonds. These are a safe haven for savings and appear as public debt in the national accounts. They (and similar vehicles) are also used by the local community banks to deposit money that they cannot immediately invest locally.

Not all features are described here but these are the elements of a sound, responsible and safe banking system. These banks do create money when they lend. But they lend responsibly. Their operations are governed properly.

---

413 PM denies that their plan is monetarist.

They do not speculate and create financial bubbles. Debt and credit are parts of the system. Elements of this system already exist, and in other countries, such as Germany, something not dissimilar is a third part of the overall banking system<sup>414</sup>.

The point is that such a system could be created without adopting the proposals for “Sovereign Money” from PM. Their proposals would not necessarily produce these benefits. In their system<sup>415</sup>, decisions on the creation of credit would either be taken by the private banks, operating as agents of government/central bank, or by some kind of committee at national level – probably a combination of both. In the alternative system I have sketched, these decisions would be taken by local bankers, working to a social and environmental mission, knowledgeable of the local economy and its needs and governed by an appropriate local board which could be elected.

This alternative system could be established under actually existing British capitalism, but would also be compatible with and indeed supportive of the erosion of that system of capital accumulation based on exploitation. It could also be pro-ecological by design, for example by favouring production that is consistent with Daly's principles for a steady state economy<sup>416</sup>.

On the basis of this short thought excursion, I conclude that PM's proposals are largely irrelevant to the creation of an ecologically, socially and economically responsible banking system: a viable money economy. Moreover, by proposing a simplistic *magic bullet* they distract from the kind of monetary reform that is needed.

The above banking model does not, of course deal directly with the capitalist motor of expansion. This requires detailed separate treatment but the key lies in the ownership of the means of production<sup>417</sup>. Surplus would have to be democratically applied to social priorities and excessive value neutralised, destroyed, or spent<sup>418</sup>, for example by a levy on profits to fund cultural activities that are, for capitalist accumulation, unproductive, or (less imaginatively) by a tax whose proceeds are then written off, or by currency devaluation. Not all private business is actually capitalist in the (dynamic) sense of ever-expanding capital. Many, perhaps most, family run firms and

---

414 C. Choulet. (2016). *German Sparkassen: a model to follow?* BNP Paribas <http://economic-research.bnpparibas.com/Views/DisplayPublication.aspx?type=document&IdPdf=28761> (not necessarily a disinterested source, but the information on the workings of the system is valuable).

415 PM do acknowledge the need for wider system change, with similar elements to those described here, but they choose to focus on the the chimera of “debt-free money” instead.

416 Explained in EGD pp 11-13. Original source, Daly, H. E., & Farley, J. (2011). *Ecological economics: principles and applications*. Washington, D.C: Island Press.

417 Labour's new thinking on alternative forms of ownership is relevant to this question: The Labour Party. (2017). *Alternative Models of Ownership: Report to the Shadow Chancellor of the Exchequer and Shadow Secretary of State for Business, Energy and Industrial Strategy*. London. <https://labour.org.uk/wp-content/uploads/2017/10/Alternative-Models-of-Ownership.pdf>

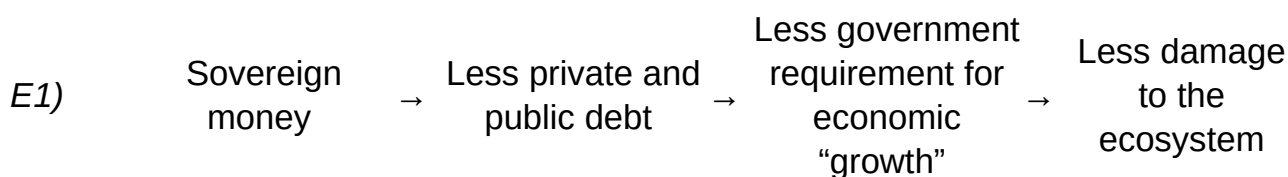
418 For a discussion of this idea, termed “dépense” in the degrowth movement: D'Alisa, G., Kallis, G., & Demaria, F. (2014). From austerity to dépense. In G. D'Alisa, F. Demaria, & G. Kallis (Eds.), *Degrowth: a vocabulary for a new era* (pp. 215–220). Abingdon, Oxon ; New York, NY: Routledge.



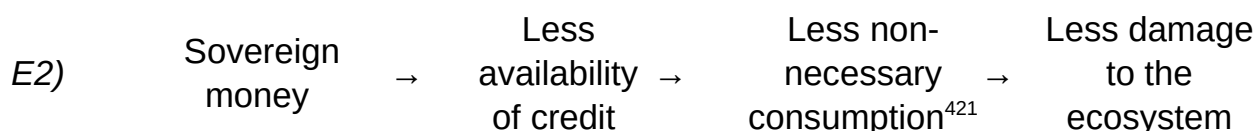
social enterprises, for example, do not continually expand their operations but are content with a reasonably constant level of profit.

### 3) What would be the ecological consequences of PM's proposals?

Monetary reform (typically 100 percent reserve banking, sovereign money, or similar) is a common denominator of many green policy proposals. But there has been little in the way of critical examination<sup>419</sup>. Indeed, our group, Steady State Manchester caused some surprise when we made it clear in our Viable Economy pamphlet that we were, at best, agnostic on the matter<sup>420</sup>. PM do not consider the ecological consequences of their proposal directly. However, their argument can be reconstructed and depicted like this:



We might add:



but although high levels of consumer credit undoubtedly do drive consumption (which shows in the GDP statistic), PM do not make this second argument in their paper.

To approach the question, "What would be the ecological consequences of PM's

419 Dittmer's (2015) article is an exception. He reviewed the related proposal of 100 percent reserve banking (100RB). This is not exactly the same as PM's "sovereign money". However it is of note that Herman Daly, who promoted 100RB is also credited with advising on PM's Escaping Debt Dependency paper, under review here. Martin Wolf (2013, cited by Dittmer) concluded that the difference was "not at all important" and indeed there is a lot of overlap: both aim to, in Daly's words, Nationalise money, not banks". Dittmer identified significant gaps in both argument and evidence in relation to three groups of "green arguments" in favour 100RB, two of which (better prioritisation of environment in allocation/investment decisions, and reduction of overall debt levels) relate to the politics of the capitalist State, which I have explored here. The other argument, that investments could be reduced by the squeeze on credit (limited by deposits), could go either way – depending on interest rates: interest rates are likely to be highly volatile under a 100RB system. I am unclear whether that would be the case for PM's model. Dittmer, K. (2015). 100 percent reserve banking: A critical review of green perspectives. *Ecological Economics*, 109, 9–16. <https://doi.org/10.1016/j.ecolecon.2014.11.006>

420 Burton, M., Irvine, B., & Emanuel, J. (2014). *The Viable Economy* (1st ed.). Manchester: Steady State Manchester. <https://steadystatemanchester.files.wordpress.com/2014/11/the-viable-economy-master-document-v4-final.pdf>

421 This is something of a simplification – there are other circuits involved. For example, there is also a significant transmission through credit to inflated unproductive housing asset prices leading to an increased requirement for income to maintain living standards, via earnings but also via further expansion of consumer credit This is true for both working class home owners and for renters (~40% of households in the UK). This has also been a large value transfer to the asset owning class, facilitating their luxury consumption and growing the amount of money capital (invested wealth) which seeks re-valorization.



The total amount of new private debt, as credit, would be capped at the level of total current savings, so other things being equal, private debt levels should not rise further, and as existing debts are paid off, they would fall (the recession had the same effect at first– people began to pay off their debts and to save more). PM also suggest a second way in which debt levels would be reduced (“Conversion Liability”). On repayment of debt to banks, the money would appear on the books of the Central Bank and not be destroyed “... *in effect, the central bank has taken on banks’ liabilities to their customers*”<sup>422</sup>. So, they argue:

*“The effect of this is that, over around 20 years, repayments equivalent to around half of private sector debt – around £50 billion per year .....- would be recycled back into the economy as additional spending, through the government, which comes with no additional private sector debt. Part of this additional spending can be used to pay down existing household debt, enabling a significant level of debt reduction overall.”*<sup>423</sup>

Assuming the second and third causality arrows in sequences E1 and E2 are operative, then some ecological damage will be mitigated. How much remains a moot point.

This is not a rapid solution, and time-scales like 20 years have to be evaluated against the absolute urgency of addressing the disastrous material flows through the economy that leading planetary ecosystems to the point of collapse. Yet PM indicate that this “Conversion Liability” feature is the greater part of the debt reduction that is to be expected from their proposed reform. There are other ways of reducing household debt, in particular. Some of these are mentioned by PM and dismissed as requiring economic growth. But debt forgiveness and mortgage default relief could be ways of soaking up the excess capital accumulation that the capitalist mode of production is generating, and which otherwise go into property and financial speculation<sup>424</sup>. Alternatively it might be done through a mechanism like PM's Sovereign Money Creation (or the various alternative Quantitative Easing models that have been floated by others), although there are problems with all of these<sup>425</sup>.

For the reasons outlined above, it is an ecological priority to cap consumer credit, in order to limit unnecessary consumption and hence help reign in the overshooting material flows of the global economy. But the first step of the sequence (establishing a sovereign money system) is not a necessary condition. Instead, it would be simpler to do things like limiting the amount of consumer credit that banks can extend, requiring, for example, stringent

---

422 EGD p. 55.

423 EGD p. 56.

424 Harvey, D. (2001). Globalization and the spatial fix”. *Geographische Revue*, 3(2), 23–30.

Harvey, D. (2010). *The enigma of capital: and the crises of capitalism*. Oxford [England]; New York: Oxford University Press.

425 Pettifor, A. (2017). *The production of money: how to break the power of bankers*. London: Verso. pp. 117-129.

assessments in relation to ability to repay and a variety of support services (funded by the banks) to help consumers to manage and reduce their debts. Similarly, policies such as establishing a land value tax, mandating a greater supply of social housing and controlling speculation in housing, would all help control house price inflation and hence household indebtedness, as well as the use of equity release to fund excessive consumption (the impact of aviation and cruise ships comes to mind as asset rich older people monetise their homes). Furthermore, following the argument that growth means redressing inequality is forever postponed, then why not tackle inequality head on, through pre- and re-distribution, rather than via a monetary device of uncertain impact? Capping high incomes will have a disproportionate impact on material and energy hungry consumption<sup>426</sup>.

As for unintended consequences, by substituting bank credit with government/central bank “sovereign money”, the problem of economic growth remains, even were that sovereign money to be largely directed at green, pro-social investments<sup>427</sup>. How plausible is this, given the penetration and capture of State institutions by capitalist interests? That doesn't mean we shouldn't campaign for State investment in all the desirable things needed for an ecologically and socially viable economy, but we shouldn't have illusions about the likelihood of success. And under the PM proposals this creation of money will be steered by an independent committee, accountable to parliament (and presumably open to capture by corporate interests at both levels). Allocation (prioritisation etc.) will be by the government: we can imagine the consequences of that under circumstances like the present with climate change denialists and fracking enthusiasts in positions of power.

But even if there were a good match between allocation of investment and the ecological priorities for investment, there could still be problems with injecting large amounts of money into the economy. This is the paradox of all Green Keynesianism<sup>428</sup>: government spending causes investment in the “real economy” which might be targeted on good things like environmental protection, clean energy, health, housing and education, but due to the multiplier effect, the money gets spent and re-spent, and as incomes increase due to the economy taking off, more and more of that expenditure will be on high energy, high extraction, high waste consumption. Moreover, improving energy and material efficiency, in the absence of caps on energy and other resource inputs, leads to the rebound effect of expanded consumption of those

---

426 <http://www.shapingtomorrowworld.org/hauptinequality.html>;  
<https://www.umweltbundesamt.de/en/press/pressinformation/higher-income-earners-usually-have-higher-climate>

427 Such money in any case, in subsequent iterations of the cycles of production and exchange, goes into the pockets of consumers in the form of increased wages. This undermines the argument that reflation of the economy need not have environmental consequences so long as the money goes on pro-environmental investments.

428 Cato, M. S. (2014). The paradox of Green Keynesianism. In J. Blewitt & R. Cunningham (Eds.), *“The Post-Growth Project: How the End of Economic Growth Could Bring a Fairer and Happier Society.”* London: London Publishing Partnership. Retrieved from [http://www.greenhousethinktank.org/files/gree.nhouse/home/Green\\_Keynesianism.pdf](http://www.greenhousethinktank.org/files/gree.nhouse/home/Green_Keynesianism.pdf)

inputs (the *Jevons paradox*) due to the release of money previously tied up in energy and material purchase (to which it returns as more inputs are demanded).

PM do note that their proposals are not sufficient in themselves to deal with growth dependency. *“Weaning governments off their fixation on growth will not be easy as it is so ingrained in the current system – nor are they sufficient to deal with the ecological crisis.”* They argue that their monetary reform proposals *“can provide governments with tools to tackle all other sources of growth dependency, so there is then no excuse about getting to the root of some of these causes.”*<sup>429</sup> Yet this leaves unsaid what the root of the problem is. If the alternative analysis of this article is correct, that the priority is to tackle the motor of value creation, production, especially wasteful and unneeded production which drives destructive extraction<sup>430</sup> and pollution. Monetary reform can only be a supplementary tool for doing that.

## Conclusions.

Because PM are so selective in both their characterisation of the springs of capitalist accumulation and in their analysis of the impact of economic activity on the ecosystem, they end up proposing a scheme that at best will have little positive impact and could actually make matters worse.

An adequate approach would have to do at least the following<sup>431</sup>:

- Design and implement effective resource input caps.
- Selectively curb highly polluting industries.
- Strengthen local economies, shortening supply chains, reducing vulnerability, while fostering an ethic of sufficiency or enough.
- Change the structures of ownership so investment decisions are not based on returns to shareholders.
- Focus surplus on social need, destroying unneeded surplus.
- Bring most banking into public ownership, generally with State ownership of central institutions and mutual and co--operative ownership at the local and regional level.
- Regulate banking and the rest of the financial industry, preventing speculation (as opposed to making sound investment decisions based on returns from pro-social and pro-environmental production).

---

429 EGD, p. 59.

430 Acosta, A. (2016, March). Post-Growth and Post-Extractivism Two sides of the same cultural transformation. Retrieved May 3, 2016, from <http://www.alternautas.net/blog/2016/4/6/post-growth-and-post-extractivism-two-sides-of-the-same-cultural-transformation>

431 Most of which we have previously advocated in our publications, especially *The Viable Economy* and *Policies for the City Region* <https://steadystatemanchester.net/our-reports/> For additional national level policy proposals see <https://steadystatemanchester.net/2018/02/03/is-the-uk-labour-party-facing-up-to-a-post-growth-future/>

- Reform housing policy with expansion of the proportion of affordable rented accommodation and taxation of land value.

Would this be compatible with capitalism? It probably would not be in the longer term, although it could be compatible with those forms of private enterprise and markets that do not demand or entail endless (capital) expansion.

# **The Political Economy of Economic Growth. An analysis and response to Positive Money's 2020 proposals.**

Mark H Burton, 2020

## **Summary**

The report *The Tragedy of Growth* from the British NGO Positive Money identifies the pursuit of endless economic growth as inimical to the enhancement of life satisfaction, poverty alleviation and environmental protection. Rather than calling for better or greener growth, they call for its abandonment as policy goal. While agreeing with this broad orientation this review looks closely at the report's policy proposals and the economic theory behind them. Positive Money sees the issuance of money through credit operations as the main growth imperative under capitalism. We argue that this causality is back to front: growth imperatives lie predominantly in the production system of expanded reproduction. Credit facilitates this. Banking is only one source of credit for capitalist expansion. We argue that contrary to Positive Money's view that money itself can be reformed, this is a misunderstanding of the nature of money whether in pre-capitalist or capitalist systems. Money is not reducible to credit (or debt) and taking credit relations out of money is infeasible. We also review the specific policy proposals in the report. While we agree with some of them, we do not see them as adding up to an effective programme for the removal of growth-imperatives: an alternative package of measures is outlined. Finally, we make some observations about the political economy of reform.

## **Introduction**

Since *Steady State Manchester* started up in 2012, arguments that were very much on the margins have become, if not mainstream then much more frequently voiced. The core idea is that economic growth and the associated, continual expansion of material flows, not only fails to deliver social and economic well-being, but also fundamentally undermines the ecological and planetary systems on which human and other life relies.

A recent manifestation of this was the former Labour shadow minister, Clive Lewis MP, joining a panel, with the Chair of the independent but governmental Committee on Climate Change, former Tory MP John Selwyn Gummer (now enobled as Lord Deben) and (more predictably) the Green Party MP Caroline Lucas, to launch a report entitled *The Tragedy of Growth*<sup>432</sup>.

*The Tragedy of Growth* (hereafter ToG) comes from the British NGO, Positive Money. Positive Money (PM) has been around for several years and is best known for its calls for changing the foundations of the money system. This is the second report from PM on tackling the drivers of economic growth. The first, in 2018 was *Escaping Growth Dependency*<sup>433</sup>. While welcoming their first report as drawing attention to GDP growth as a serious problem, in a detailed review [previous chapter of this collection], we were highly critical of PM's proposed solutions.

What do we think of the new report, and more importantly, how can the forces and factors that engender continued growth of the material economy be dealt with? By way of a comradely critique of the new Positive Money report (ToG) we'll also offer some clues for solving the fundamental problem of the systemic bias towards capitalist expansion.

First though, a quick note on terminology. The fundamental problem is the ever increasing flow of materials (and energy), both renewable and non-renewable, via the activities of extraction, production, distribution and use, to eventual disposal or dispersal, into the “sinks” in the planet's air, soil and water. These flows are linked to what is measured as economic activity, conventionally via measures such as Gross Domestic Product (GDP). While, in principle, economic activity can diverge from material flows, in practice, such decoupling is at best only relative<sup>434</sup>: the two things<sup>435</sup> are linked and they mostly vary together. Therefore it is reasonable to use the term “economic growth” as a shorthand for the more fundamental problem of growth in material flows, and reasonable to try and tackle the drivers of economic growth as part of a wider strategy for protecting global ecosystems while providing for human well-being. Although

---

432 Barnes, D., & Boait, F. (2020). *The Tragedy of Growth*. Positive Money. <https://positivemoney.org/publications/tragedy-of-growth/>

433 Positive Money. (2018). *Escaping Growth Dependency*. Positive Money. <http://positivemoney.org/publications/escaping-growth-dependency/>

434 Burton, M. (2016, April 15). New evidence on decoupling carbon emissions from GDP growth: What does it mean? Steady State Manchester. <https://steadystatemanchester.net/2016/04/15/new-evidence-on-decoupling-carbon-emissions-from-gdp-growth-what-does-it-mean/>  
Parrique, T, Barth, J, Briens, F, Kerschner, C., Kraus-Polk, A, Kuokkanen, A, & Spangenberg, J.H. (2019). Decoupling debunked: Evidence and arguments against green growth as a sole strategy for sustainability. European Environmental Bureau. <http://eeb.org/library/decoupling-debunked>  
Schröder, E., & Storm, S. (2018). Economic Growth and Carbon Emissions: The Road to 'Hothouse Earth' is Paved with Good Intentions. Institute for New Economic Thinking. [https://www.ineteconomics.org/uploads/papers/WP\\_84.pdf](https://www.ineteconomics.org/uploads/papers/WP_84.pdf)

Wiedmann, T. O., Schandl, H., Lenzen, M., Moran, D., Suh, S., West, J., & Kanemoto, K. (2015). The material footprint of nations. *Proceedings of the National Academy of Sciences*, 112(20), 6271–6276. <https://doi.org/10.1073/pnas.1220362110>

435 Or more fully, the three spheres of materiality, use values and exchange values: <https://steadystatemanchester.net/2019/09/12/six-problems-for-green-deals/>

“growth” is a system outcome, not a fundamental property of the system<sup>436</sup> (the drivers of growth are more akin to those systemic origins of growth), it does have a material force in determining political and policy priorities<sup>437</sup>.

## Growth imperatives

After a good review of the social and economic problems that continual economic growth brings, and a proposal for getting rid of the GDP statistic, ToG then explores the question of what drives economic growth.

*“ ... the structures of our economic system that demand GDP growth must be identified, so they can be safely adapted or replaced. These structures - referred to as growth imperatives - require growing GDP in order for financial, economic, and social systems to be relatively stable. If growth is low, zero or negative, growth imperatives generate crises. ...*

*The monetary system is central to these dynamics, as interest-bearing debt created by commercial banks led to the development of capitalism and its growth imperatives. We find that a monetary system based on interest-bearing debt is incompatible with a non-growing economy. This shows the need for transformative monetary and financial policies to escape the growth imperatives of capitalism.”*  
(ToG, p. 20)

This is a rather strange formulation, and in its own terms, ToG's assertion that high debt acts as a brake on growth might be thought to call into question the primacy of interest bearing debt as a growth imperative. Growing GDP is said to be required, under the present system, for stability, and the imperative for growth arises once growth slows. This all seems rather back to front. Instead, as we have previously argued, the key to capitalism's growth imperative lies in production, and specifically in what Marx called *expanded reproduction*, whereby with each cycle of investment of money, production of commodities and their realisation as money, there is an increase in capital (which passes from money, to the means of production, to the produced commodity to the proceeds of sales and the profits made). The key to this is the expropriation of surplus value in the production process (labour exploitation): workers generate more exchange value than that allocated to them in the form of wages. Credit and its availability is essential to this process, but while it is a facilitating and limiting factor, it is not the fundamental driver. This can be shown by a simple thought experiment.

Suppose you are an industrial capitalist and you are told that the amount of credit available has increased: do you take all that's offered irrespective of the likelihood of making a return sufficient to repay this greater loan and its

---

436 Pirgmaier, E., & Steinberger, J. (2019). Roots, Riots, and Radical Change—A Road Less Travelled for Ecological Economics. *Sustainability*, 11(7), 2001. <https://doi.org/10.3390/su11072001>

437 Burton, M., & Somerville, P. (2019). Degrowth: A Defence. *New Left Review*, 115, 95–104. <https://newleftreview.org/II/115/mark-burton-peter-somerville-degrowth-a-defence>



interest, or do you take what you need to meet the requirements of expansion that is feasible given the supply of labour, machinery and other plant, of feedstocks, and the possibility of selling what's produced?

Conversely, suppose you want to expand but credit isn't forthcoming from the bank. You have a some options: raise capital in other ways, for example via a share issue, or exploit your workers more, for example with longer hours or more casual contracts, or find cheaper feedstocks, so your profits rise enabling more to be invested, or you find a way of charging more for the same thing (smaller pack sizes, for example). Or, maybe you delay expansion for now. So, credit enables the expansion of production and its absence can be a limiting factor, but it isn't actually the cause of expanded production.

In our piece on PM's 2018 paper we concluded that the

*"...error of PM then, is to see the provision of credit as primary, as driving capitalist accumulation, rather than something that emerges from it, more or less keeping pace with it, but far from driving it."<sup>438</sup>*

Nor is the growth imperative something that kicks in only when production (or economic activity) slows: it is always there, and indeed given its location in the competition among capitalist entities, it is enhanced in times of boom, not limited. PM's causality is back to front.

ToG goes on to explore the phenomenon of financialisation. They argue firstly that banks have, since financial deregulation in the 1980s, massively increased their loans to the Finance, Insurance and Real Estate (FIRE) sectors at the expense of industrial production.

*This pattern of financialised bank lending generates a high burden of private debt, without fostering productive, income-generating economic activity that can service this debt. The high private debt burden amounts to a growth imperative starved of growth. (ToG, p. 21).*

This, though, is only part of the picture. Firstly the banks are only one element: most of the investment in capitalist enterprise is not financed by bank loans but by the creation of equities by companies themselves<sup>439</sup>. Secondly, production itself has shifted to the global South, and the relations between production there, and investment in the multi-layered financial systems of the core capitalist countries like the UK, is to say the least, obscure. To take one example, a large part of the value created in the factories of the global South is

---

438 <https://steadystatemanchester.net/2018/02/23/we-need-to-end-growth-dependency-but-how/>

439 Assuming otherwise was an error made by Hilferding in his classic analysis of finance capital: see Lapavistas, C. (2013). *Profiting without producing: How finance exploits us all*. Verso. Page 56. The banks are just one part of an interlocking system of finance institutions that together provide the finance for capitalist production while also profiting from it. Lapavistas again, pp. 122-123. Norfield, T. (2017). *The City: London and the global power of finance*. London: Verso. p. 85 onwards.

captured in the retail and FIRE (Finance, Insurance and Real Estate) sectors of the global North, such that John Smith, who has researched this in detail, concludes that the “D” in GDP is a lie<sup>440</sup>.

These points are relevant because they suggest that PM's central focus on banking, and indeed on money, is to miss potentially more important and fundamental dimensions of the destructive capitalist system.

ToG goes on to present two scenarios:

*“Our financial system appears stuck between two undesirable scenarios: (i) excessive financialisation resulting in high private debt and low growth, causing financial crises; or (ii) low levels of financialisation, constraining private debt growth but driving higher levels of growth.”* ToG, p. 23.

Neither of these is desirable, as PM note. However, these are two sides of the capitalist system<sup>441</sup>. The former emerges when profitability of the core productive sector falters. Mavroudeas and Papadatos<sup>442</sup> wrote a critique of the “financialisation hypothesis”, which they summarise as follows:

*“It maintains that capitalism has undergone a radical transformation over at least the past three decades. The financial system, through a series of innovative mechanisms, has conquered the commanding heights of capitalism and has changed the whole system according to its own prerogatives. Concomitantly, the global capitalist crisis of 2008 is considered to have been a financialization crisis.”*

They instead argue that it is instead a phase in the capitalist cycle, exacerbated by the persistent and long term fall in the average rate of profit.

*“The whole financial house of cards depends on the extraction of surplus value in the sphere of production. In the aftermath of the 1973 profitability crisis, the subsequent waves of capitalist restructuring failed to resolve the crisis of over-accumulation. Despite the dramatic increase of labor exploitation (that is, the increase in the rate of surplus value), governments shied away from a decisive destruction of unviable capitals. Thus, profitability never recovered sufficiently. The last trick—together with the “globalization” that*

---

440 Smith, J. (2012). The GDP Illusion: Value Added versus Value Capture. *Monthly Review*, 64(3), 86–102. <http://monthlyreview.org/2012/07/01/the-gdp-illusion>

Smith, J. (2016). *Imperialism in the twenty-first century: Globalization, super-exploitation, and capitalism's final crisis*. Monthly Review Press.

441 A point made by various writers and very succinctly here: Mason, J. W. (2021). “Has Finance Capitalism Destroyed Industrial Capitalism?” – J. W. Mason. Retrieved 8 June 2021, from <http://jwmason.org/slackwire/has-finance-capitalism-destroyed-industrial-capitalism/> The same point applies to the question of rent extraction in the capitalist economy – it is part and parcel of it, not a distinct form or phase of capitalism.

442 Mavroudeas, S., & Papadatos, D. (2018). Is the Financialization Hypothesis a Theoretical Blind Alley? *World Review of Political Economy*, 9(4), 451.

<https://doi.org/10.13169/worlrevipoliecon.9.4.0451>

Much of their argument is covered with empirical support in Roberts, M. J., & Carchedi, G. (2018). *World in crisis: Marxist perspectives on crash & crisis*. Haymarket Books.

*never extinguished the national economy, but increased pressure on both labor and unviable capitals — was the expansion of fictitious capital operations. But ... this stratagem has definite limits. Expansion through financial doping soon met the boundaries set by real accumulation, and the 2008 crisis erupted. The financial collapse was strictly geared to the problems of real accumulation.”*

Such an analysis would imply that there is not a choice to be made between the two options identified by PM, excessive financialisation and low growth or its reverse, but rather that the system swings between these poles. This would suggest definite limits to the broadly Keynesian policy approach of a return to State regulation of finance. Although that might bring other benefits, capitalist expansionary logic would continue.

Writing specifically about combatting capitalism's ecocidal trajectory, Frankel expresses the question clearly:

*“Could it be that definancialisation[’s] ... major measures will hurt segments of finance capital but not lead to the collapse of capitalism? Or are there distinct limits to definancialisation beyond which not just finance corporations, but the very character and growth of contemporary finance-led capitalism is substantially threatened?”* <sup>443</sup>

ToG does, however (after arguing, quite rightly, against the illusions of “green growth” <sup>444</sup>), ask the related question, could capitalism continue without growth? To us it seems unlikely that it can, at least in the longer term, because the true motor of expansion, the growth of capital via the production process, is as intrinsic to capital as it is as inimical to a steady state economy. The ToG authors don't think it could either, but for a rather different reason.

Much discussion of this topic falls at the first hurdle by failing to define capitalism adequately, for example equating it to a market economy. ToG gets the definition partly right:

*“(i) production of goods and services is, for the most part, carried out by wage-earning workers;  
(ii) this production is carried out primarily for the purpose of profiting employers that own the means of production; and  
(iii) the realisation of profit occurs via the sale of goods and services in markets, which operate under varying degrees of competitiveness.  
By contrast, we define the broad notion of ‘anti-capitalism’ as any set of socioeconomic arrangements characterised primarily by more democratic ownership of the means of production.”*

---

443 Frankel, B. (2018). *Fictions of sustainability: The politics of growth and post-capitalist futures*. Greenmeadows. <https://www.borisfrankel.net/fictions-of-sustainability> p. 209.

444 Although they rather too perfunctorily dismiss the proposal for caps on resource use, as reviewed by Stratford among others, Stratford, B., 2020. The Threat of Rent Extraction in a Resource-constrained Future. *Ecological Economics* 169, 106524. <https://doi.org/10.1016/j.ecolecon.2019.106524>

However this only seems to correspond to what Marx called simple reproduction, not the expanded reproduction that characterises the capitalist system, and the problem of expanding material flows.

*“To accumulate it is necessary to convert a portion of the surplus-product into capital. But we cannot, except by a miracle, convert into capital anything but such articles as can be employed in the labour process (i.e., means of production), and such further articles as are suitable for the sustenance of the labourer (i.e., means of subsistence). Consequently, a part of the annual surplus-labour must have been applied to the production of additional means of production and subsistence, over and above the quantity of these things required to replace the capital advanced. .... From a concrete point of view, accumulation resolves itself into the reproduction of capital on a progressively increasing scale. The circle in which simple reproduction moves, alters its form, and, to use Sismondi’s expression, changes into a spiral.”<sup>445</sup>*

Marx goes on to note that *“The more the capitalist accumulates, the more he is able to accumulate.”<sup>446</sup>* Anticapitalism, then is more than economic democracy. This has profound implications for any political strategy.

ToG then offers a potentially helpful 2x2 matrix to characterise positions on capitalism and growth (putting, for example, the well known green growth advocates, M Mazzucato and M Jacobs, firmly in the pro growth, pro-capitalism quadrant, though some of the other designations of scholars, and the selections, could be argued with). They note that, *“even if some form of stable no-growth capitalism may be possible, it would require profound transformations in order to overcome its deeply embedded growth imperatives”*, and we can only agree, if for rather different reasons.

Next, ToG considers the question of whether interest-bearing credit necessarily means a growth imperative. In our previous piece we cited a modelling study by Jackson and Victor which suggested that under certain conditions it need not.

*“Specifically, the results in this paper suggest that it is not necessary to eliminate interest-bearing debt per se, if the goal is to achieve a resilient, stationary or quasi-stationary state of the economy.”<sup>447</sup>*

---

445 Marx, K. (1867/1976) *Capital Volume 1*. (pp. 726-727 of the Penguin edition). Quotation is from the alternative translation at <https://www.marxists.org/archive/marx/works/1867-c1/ch24.htm#S1>

446 As above, p. 729. Wallerstein explains this very succinctly: “... it was this relentless and curiously self-regarding goal of the holder of capital, the accumulation of still more capital, and the relations this holder of capital had therefore to establish with other persons in order to achieve this goal, which we denominate as capitalist.” Wallerstein, I. (1996). *Historical Capitalism, with Capitalist Civilization*. Verso. p. 14.

447 Jackson, T., & Victor, P. A. (2015). *Credit creation and the ‘growth imperative’ - a quasi-stationary economy with debt-based money*. (PASSAGE Working Paper). Guildford: University of Surrey. Retrieved from <http://www.prosperitas.org.uk/publications.html> A version also published as

This is not the only piece of research that comes to this conclusion. Several other studies<sup>448</sup>, all using variants of post-Keynesian modelling or theoretical analysis broadly conclude that so long as the interest is not re-invested in production but is consumed, for example via higher worker wages, then interest payments need not conflict with a steady state economy. Interest rates should also not be “too high”. This is hardly surprising from the Marxist perspective: it is the reinvestment of profit as capital (i.e. into expanded means of production or into additional labour or the commodities from which other commodities are manufactured) that allows for expanded reproduction, i.e. the spiral of accumulation. To reiterate what Marx said: “*To accumulate it is necessary to convert a portion of the surplus-product into capital.*”<sup>449</sup> This goes for interest (an indirect result of surplus value extraction) as well as profits (the direct result).

ToG, however, disputes these findings.

*“The latest research on this topic (Svartzman et al., forthcoming), however, shows that the existence of interest-bearing debt cannot be treated as entirely independent from the high propensities to save and accumulate that are incompatible with a non-growing economy in these models.”* (ToG, p. 25).

The argument in ToG, and in the cited Svartzman et al. chapter<sup>450</sup> (which the lead author of ToG, David Barmes, also a co-author with Svartzman, kindly shared with me) is that historically, the emergence of banking credit (what they call “interest-bearing debt money”) was a distinct development in the

---

Jackson, T., & Victor, P. A. (2015). Does credit create a ‘growth imperative’? A quasi-stationary economy with interest-bearing debt. *Ecological Economics*, 120, 32–48.  
<https://doi.org/10.1016/j.ecolecon.2015.09.009>

- 448 Barrett, A. B. (2018). Stability of Zero-growth Economics Analysed with a Minskyan Model. *Ecological Economics*, 146, 228–239. <https://doi.org/10.1016/j.ecolecon.2017.10.014>
- Berg, M., Hartley, B., & Richters, O. (2015). A stock-flow consistent input–output model with applications to energy price shocks, interest rates, and heat emissions. *New Journal of Physics*, 17(1), 015011. <https://doi.org/10.1088/1367-2630/17/1/015011>
- Cahen-Fourot, L., & Lavoie, M. (2016). Ecological monetary economics: A post-Keynesian critique. *Ecological Economics*, 126, 163–168. <https://doi.org/10.1016/j.ecolecon.2016.03.007>
- Richters, O., & Siemoneit, A. (2017). Why can’t we stop? A critical review on growth imperatives [Working Paper]. International Economics, Carl von Ossietzky University Oldenburg, Germany. <http://www.voeoe.de/wp-content/uploads/2017/01/richters-siemoneit-why-cant-we-stop.pdf>
- Wenzlaff, F. et al. (2014). Theoretische Zugänge eines Wachstumsumszwangs in der Geldwirtschaft. Centre for Economic and Sociological Studies, Discussion Papers, 45. (Cited by Lange, S., 2018).
- 449 Marx, K. (1867/1976) *Capital Vol 1*, p. 726. work cited.
- 450 Svartzman, R., Ament, J., Barmes, D., Erickson, J. D., Farley, J., Guay-Boutet, C., & Kosoy, N. (2020). Money, interest rates and accumulation on a finite planet: Revisiting the ‘monetary growth imperative’ through institutionalist approaches. In R. Costanza, J. D. Erickson, J. Farley, & I. Kubiszewski (Eds.), *Sustainable Wellbeing futures: A research and action agenda for ecological economics* (pp. 266–283). Edward Elgar Publishing.

“institutionalization” of capitalism and its multiple growth imperatives<sup>451</sup>. “*The generalized issuance of money at interest, and the will of agents to endlessly accumulate that money, are thus two sides of the same coin.*”<sup>452</sup>

To expand their argument a little, Svartzman et al. actually do accept the post-Keynesian findings that “*that there is no mechanical impossibility to maintaining interest rates in a non-growing economy.*”<sup>453</sup> They then go on to posit what they call an institutional economic analysis (basically an historical account of the interplay between institutions, the economy and finance), making three points.

- 1) The rate of interest is precisely what gives money a price and makes it a commodity capable of being stored and accumulated infinitely.
- 2) Banks' ability to offer credit transformed their role from “*intermediaries into credit creators who can largely dictate how money - that is, economic value - is created*”.
- 3) Private financial organisation and the State have become entangled, with the State acting as legitimator and guarantor of the unit of account (i.e. the money created through banking).

Consequently, that argue that it is simplistic to isolate interest from the entire system of economic and financial relations under capitalism. That is hardly controversial and none of these insights is alien to the more rigorous analysis of money in Marx's own work. However, unlike Marx, this account, and that of the authors on which it rests (and a number of others, including PM) falls into the trap of characterising money under capitalism as “debt-based money”. This is an oversimplification. Money has three aspects, whether under capitalism or not: a measure of value (the universal commodity), a medium of circulation and an object of hoarding. Under capitalism, various forms of credit arise (commercial credit, banking credit, loanable capital) and a division of labour also emerges between industrial, commercial and financial capitalists (and capitalist institutions). Those pre-capitalist aspects are preserved throughout, and during periods of crisis there is typically a rush back to cash, as equities (fictitious capital – whose valuation is based on their potential sale) are converted into cash (or its electronic equivalent)<sup>454</sup>. The money system is not so much debt-based as permeated by credit relations<sup>455</sup>. Credit is a very

---

451 The article argues that the Institutional Economics school can make a valuable contribution to ecological economics, which often follows a post-Keynesian approach.

452 Svartzman et al. Work cited. p. 279.

453 Svartzman et al. p. 279.

454 De Brunhoff, in her presentation of Marx, is very clear on this. De Brunhoff, S. (2015). *Marx on money* (Second edition). Verso.

455 There is a good discussion of modern finance from a Marxist perspective (although it is arguable that he overplays the financialisation hypothesis) in Lapavistas, C. (2013). *Profiting without producing: How finance exploits us all*. Verso.

Marx's theory of money is pulled together in the rather dense but short text by Suzanne de



important dimension of money under capitalism but money is not reducible to it. The point is critical because we need to understand the leverage points<sup>456</sup> that could be used to cause system-change. It seems most unlikely that credit can be made to disappear, and as such, money will continue to take on the form, and relations, of credit at various points in its circulation.

ToG concludes from its discussion of the role of interest that,

*“As a key pillar of the capitalist system, interest-bearing debt is deeply linked to the system’s multiple growth imperatives, and we find no convincing evidence that it could comfortably co-exist with a non-growing economy.” (ToG, p. 25).*

The evidence seems to be that it could so long as the proceeds are not re-invested in expansion<sup>457</sup>. Production could still go on, surplus could be used for consumption and for repair and maintenance of the means of production, and it would have some capitalist (as defined above in ToG) characteristics. But it would lack the *sine qua non* of modern capitalism, the endless self-expansion of capital, which we see as economic growth. We'll come back to the feasibility of such a model.

So to summarise, ToG rightly infers the existence of growth imperatives in the capitalist system but it identifies those in the banking system and interest-bearing credit. In contrast, we see the imperative as located, primarily, in the production process and the struggle of capitalists to overcome the internal and external contradictions that arise from it.

So far, the discussion has been rather abstract. Before moving on to PM's concrete proposals in ToG, it is worth making some further observations about the geography of production and the role of credit. It has been argued here that credit plays a supportive rather than determinative role in the expansion of production, and hence material flows, under capitalism. It was also noted that much production takes place beyond the shores of the UK, and this is so for all the countries of the global North. Controlling the expansion of finance capital could only affect that outsourced production insofar as the investment is in those industries. Some is, directly or indirectly but, for example, the measures suggested will have little impact on the capitalisation of Chinese

---

Brunhoff. (cited above).

456 Meadows, Donella H. *Thinking in Systems: A Primer*. Edited by Diana Wright. Earthscan, 2009. <https://wtf.tw/ref/meadows.pdf>. pp. 145-165.

457 That is, so long as simple rather than expanded reproduction took place. There is room for debate on this matter; a system of labour exploitation (workers sell their labour to capitalists who expropriate surplus value) with simple reproduction would still be capitalism, of a sort. However, apart from small firms, relatively insulated from competitive pressures, it does not appear to equate to (ever expanding) capitalism as we know it. Perhaps a regulated capitalism with only simple reproduction (as found in many family businesses and small enterprises) could be a half-way house to a sustainable, and socialist reality.



industry, where much of the credit is generated within the PRC<sup>458</sup>. The situation with, say, Brazilian agribusiness is likely to be different, with a greater penetration of UK and other Northern finance capital. Without going into detail, the point is that the specifics are important.

However, all that outsourced production (of food, consumer goods, electronic gadgetry, hydrocarbon fuels, etc., etc.) has to find a market. One large sector is UK household expenditure. Much of that has been supported by mushrooming consumer credit, and also by equity release from housing price inflation. It does make sense to restrict those two streams, consumer credit and property price inflation. However, that probably would be best done by specific policy instruments (tightening of the rules for extending credit and property and land taxation) rather than by grand changes to the organisation of the money system.

## **Changing money and the financial system: an assessment of Positive Money's proposals**

ToG goes on to propose a number of policies that could contribute to the goal that *“money and credit must flow towards activities that align with the social and environmental objectives of a post-growth economy”*.<sup>459</sup> Note that this corresponds to supporting clean versus dirty economic sectors, which doesn't necessarily correspond to controlling the growth of GDP and material flows. What is rather interesting is that the key plank of the former PM report, *“sovereign money”*, has apparently been dropped. The new proposals fall under three categories: (i) access to public means of payment; (ii) access to credit; and (iii) immediate redistribution of power. They also acknowledge the role of other policy proposals that don't directly address money and credit relations and also call on the Treasury to conduct *“a formal inquiry into reducing the growth dependency of the UK economy”*.

### **Access to public means of payment**

#### **1. Central Bank Digital Currency & Universal Basic Income.**

The proposal is twofold. Firstly, citizens would be able to open a bank account with the Bank of England. This would mean, as I understand it, that they would then be able to bypass the private banks, if they so wished, to make payments and receive income through that channel. PM suggests that this would reduce the risk from commercial bank insolvency. At present there is a deposit guarantee scheme, underwritten by government, for £85,000 per person per banking firm so unless that were to be withdrawn, the attraction seems limited. Secondly, however, PM proposes that a Universal Basic Income be paid into that account. This is a separate idea that requires full and separate

---

458 [https://www.imf.org/external/np/fad/publicinvestment/pdf/csupdate\\_jan17.pdf](https://www.imf.org/external/np/fad/publicinvestment/pdf/csupdate_jan17.pdf)

459 ToG, p. 26.

treatment<sup>460</sup>. Insofar as a “Central Bank Digital Currency” would reduce the profits of the private banks, then it might be welcome. However, whether citizens would be better served by a Central Bank or a non-profit and citizen owned and controlled financial organisation (see below) is a moot point.

ToG does not advance a rationale for these two ideas appearing as ways of reducing the growth imperative under capitalism other than indicating that it would reduce debt levels and reduce reliance on private banks. A more detailed argument (and a counter-argument) could be made.

## **2. Complementary Local Currencies**

Complementary local currencies have been long advocated by many in the post-growth and degrowth movement and allied groupings. ToG indicate that they can foster stronger local economic ties. To elaborate the point, they could encourage the relative insulation of local economies from the dominant system, keeping financial flows local (“plugging the leaks”) and denying profit to “extractive” companies. They at least encourage a greater consciousness about the local economy. The evidence on their impact is not strong and in a review we concluded that they were best considered as part of a linked system of local economic institutions, in which case they can, under some conditions be effective<sup>461</sup>.

ToG also argues that they can be particularly helpful under conditions of economic stress. They mention a number of cases in the 1930s. There was also an upsurge of such schemes in Argentina following the dollarisation-based crisis at the turn of the century. However, in both cases the schemes withered away, or in some cases were closed down by governments uneasy about their subversive impact. We think there is some scope for them, especially as our economies and societies inevitably encounter more systemic eco-geopolitical shocks. Whether or not they constitute counter-growth initiatives would depend on the circumstances and their design<sup>462</sup>.

### **Access to credit**

These proposals are meant to take the provision of credit out of the hands of the private banks and, seemingly, to offer an alternative to “interest-bearing debt”.

---

460 For what it's worth, the author supports a temporary UBI during times of crisis. As for a permanent arrangement, there is an advantage in the simplification and removal of stigma from the benefits system, but there are a number of dangers there. Other members of SSM are more enthusiastic. See Carolyn Kagan's pieces on UBI here: <https://steadystatemanchester.net/2016/05/09/universal-basic-income-or-citizens-income-a-digest-of-issues/> and <https://steadystatemanchester.net/2017/03/15/universal-basic-income-is-it-the-only-cornerstone-of-a-just-society/> We also discuss the idea and a possible alternative, Universal Land Rights, in *The Viable Economy and Society* [reproduced as a chapter in this collection].

461 See the chapter in this collection “*The Viable Economy – and Viable Finance*”.

462 Dittmer critically reviews complementary currencies in relation to achieving a steady state economy. Dittmer, K. (2013). Local currencies for purposive degrowth? A quality check of some proposals for changing money-as-usual. *Journal of Cleaner Production*, 54, 3–13. [https://www.researchgate.net/publication/248381463\\_Local\\_currencies\\_for\\_purposive\\_degrowth\\_A\\_quality\\_check\\_of\\_some\\_proposals\\_for\\_changing\\_money-as-usual](https://www.researchgate.net/publication/248381463_Local_currencies_for_purposive_degrowth_A_quality_check_of_some_proposals_for_changing_money-as-usual)

### **3. Direct clearing facility.**

This involves “*simple accounting systems that record debits and credits between firms when they trade with each other. The overall balance always sums to zero.*” It is not unlike the bills of credit that merchants and later industrial capitalists commonly used historically. These formed a basis for commercial credit, which then hybridised with interest bearing credit offered by financial institutions<sup>463</sup>. This might suggest some difficulties in “keeping the system pure”.

As ToG notes, there is such a system in operation in Switzerland, the WIR. It has been running for many years and is one of the few complementary exchange systems that has reached, and maintained, a viable scale.

ToG also suggest that the Bank of England get involved, seemingly as an enterprise to enterprise equivalent of the digital currency proposal discussed above.

Again the question poses itself: to what extent would these ideas act as a brake on the growth tendencies of the present system? It would be a topic for some macroeconomic modelling.

### **4. Public banking.**

Again the idea is to provide an alternative to the commercial banks. Presumably the proposed infrastructure of large and small public (not privately owned) banks would operate like the Triodos Bank, which, as I understand it, only makes loans on the basis of the deposits it receives: at least this proposal is seen as an alternative to “*creating money by allocating credit*”.

Most attractive about this idea is the establishment of institutions with a fundamentally different mission from the commercial finance sector: positive support for, and investment in, the green, community, mutual and local dimensions of the economy. It might also mean a more resilient financial system since “*relationship banking*” would likely reduce risky loans while the dispersed and plural nature of the system would mean failure of one element would be unlikely to pull down the rest of the system as nearly happened in 2008.

It could be a counter-growth initiative but the likely impact needs to be quantified and the design principles clearly laid out.

In our earlier critique [the previous chapter in this collection] we set out the parameters of a possible system (in that context as an alternative to the PM sovereign money proposal). Since then, a comprehensive report on community banking has been published by the RSA and this is worth referring to<sup>464</sup>.

---

463 De Brunhoff work cited, p. 80.

464 <https://www.thersa.org/globalassets/bridges-campaign/invest-in-communitites/rsa-road-to-resilience-community-banking.pdf>

## Immediate redistribution of power

The proposals under this heading are meant to be more rapidly deployable than the foregoing reforms.

### 5. *Modern debt jubilees*

The cancelling of debt, especially for the poor who cannot in any case repay it, is to be welcomed. ToG suggested this is done centrally by Central Bank creation of money which is then distributed to (indebted?) households in order to pay down debts. They suggest the Treasury and Bank of England consider options and put together a scheme.

Cancellation of debt is unlikely to be a major brake on the overall growth tendency of our present system: applied across the board it could actually stimulate consumer spending. It could, however, reduce the objective destitution of many households, burdened with unpayable debts and the need to labour incessantly to meet those obligations.

### 6. *Monetary financing.*

PM are here proposing that the government and or the Bank of England fund public expenditure by the creation of new money rather than by adding to government debt. The precedent is Quantitative Easing, the purchase of bonds by the Central Bank (Bank of England in our case), which flooded the financial institutions with liquidity which then mostly found its way into further speculation. PM are proposing something not unlike the Green or People's QE idea, with the main aim of avoiding the building up of debt.

This idea seems to draw on thinking of the Modern Monetary Theory (MMT) school, which argues that a government with its own Central Bank and sovereign money<sup>465</sup> need never run out of money<sup>466</sup>. Soon after the release of ToG, and in response to the Covid-19 crisis, the Bank of England in effect did effect what appears to be monetary financing of government expenditure, distinct from QE, shortly after the governor, Andrew Bailey had ruled out the idea. However, it seems to be a short term emergency measure, as was previously made in 2008, not an adoption of Positive Money's monetary financing proposal as the policy norm. It is done by increasing the "size of" the government's account at the BoE to an unlimited limit (from a mere £370M)<sup>467</sup>. Interestingly John McDonnell's team rejected the adoption of MMT, after giving it some consideration<sup>468</sup>. The problem is that the creation of money does not create value. So there is ultimately a reckoning. In weak, peripheral

---

465 The UK, the US, and many other States but not the countries of the Eurozone, individually, since they share a Central Bank.

466 For a sympathetic overview from a non-MMT post-Keynesian economist see Michell, J. (2020). MMT: History, theory and politics. <https://criticalfinance.org/2019/11/22/mmt-history-theory-and-politics/>  
For a critical left view, see Henwood, J. (2019). Modern Monetary Theory isn't helping. *Jacobin*, <https://jacobinmag.com/2019/02/modern-monetary-theory-isnt-helping>

467 Coverage in the Financial Times <https://www.ft.com/content/664c575b-0f54-44e5-ab78-2fd30ef213cb>

economies this “printing of money” has led to hyperinflation. Here the risks of that are lower but it would mean an effective devaluation (more money in the system without the value creation to back it). The empirical Marxist economist, Michael Roberts, explains the problem clearly:

*“Yes, the state can print as much as it wants, but the value of each dollar in delivering productive assets is not in the control of the state where the capitalist mode of production dominates. What happens when profits drop and a capitalist sector investment slump ensues? Growth and inflation still depends on the decisions of capital, not the state. If the former don’t invest (and they will require that it be profitable), then state spending will be insufficient.”* <sup>469</sup>

And in a country reliant on imports, like the UK, unless you can “print” US dollars, the global reserve currency, in which global commodities are largely priced, then the value of the national currency will reduce on creating large amounts of it without underpinning value creation.

## 7. Reformed tax system

PM recognises that some of the above proposals could be counter-effective, for example minting money to pay off debts would enrich creditors. They propose dealing with this via taxation reform which could also address other aspects of the current malign system. Specifically they suggest taxing high incomes more, as well as taxes on wealth, financial transactions and property and land. We don't disagree.

Finally ToG calls for the abandonment of the GDP indicator and its replacement by a dashboard of measures of economic well-being that clearly (following Max-Neef, and Doyal and Gough) separates fundamental needs from economic need satisfiers. Decision-making would move away from an economic Cost-Benefit analysis to the use of frameworks based on multiple criteria.

## Tackling the root causes

Has PM, in this ToG report actually latched onto the right issues? The answer is, to some extent. The report is in a number of ways more adequate than the previous one and the input from ecological economics is noticeable. However, we are not convinced that the right issues have been selected. Our view can be summarised as follows.

| PM's Diagnosis | Key idea | Evaluation |
|----------------|----------|------------|
|----------------|----------|------------|

468 See Meadway, J. (2019, June 3). Against MMT. *Tribune*. <https://tribunemag.co.uk/2019/06/against-modern-monetary-theory> and Reynolds J. (2019, June 4). Why Labour doesn't support Modern Monetary Theory. *Labour List*. <https://labourlist.org/2019/06/why-labour-doesnt-support-modern-monetary-theory/>

469 <https://thenextrecession.wordpress.com/2019/02/08/the-green-new-deal-and-changing-america/> See also his detailed examination and critique of MMT: Roberts, M. (2019). Modern Monetary Theory: A Marxist Critique. *Class, Race and Corporate Power*, 7(1). <https://digitalcommons.fiu.edu/classracecorporatepower/vol7/iss1/1>

|   |  |   |
|---|--|---|
| Growth imperatives                                  | These lie in the nature of money and the credit system, particularly the banks.  | Causality is back to front: growth imperatives lie in the production system of expanded reproduction. Credit facilitates this. Banking is only one source of credit for capitalist expansion.   |
|   | Growth imperatives apply when the system stalls.   | Growth imperatives are always there.  |
| Financialisation                                    | Financialisation is a key problem, changing the nature of capitalism. But removing it could mean that GDP growth is re-stimulated. | Financialisation is a phase in the long-term endemic crisis of capitalism. The problem is the capitalist mode of production.  |
| Nature of capitalism                                | Separation of owners and workers. Workers produce and owners profit. Profit realised in market transactions.                       | Correct so far as it goes but misses the critical role of expanded reproduction: part of surplus product converted to capital which is re-invested.   |
| Interest bearing credit and a steady state economy. | Unlikely to be possible because credit is intimately bound up with capitalism.   | Would be possible if the state of simple reproduction were adhered to, i.e. interest not re-invested (but shared or spent on consumption <sup>470</sup> . However it is questionable that this is capitalism (i.e. system where capital is self-expanding). |

---

470 Or better, social welfare and ecological restoration.

|                                      |  |   |
|--------------------------------------|--|---|
| Money                                | Debt-based money is problematic and reform is needed to end it.              | Credit is one dimension of money which combines a number of functions, pre-capitalist (universal commodity, means of exchange, store of value) with the credit relations that emerged under mercantilism and matured under capitalism.<br>Taking credit relations out of money is infeasible. |
| <b>Proposals</b>                     |  |   |
| 1 Central Bank Money (a) and UBI (b) | a) Digital accounts for citizens held at the Central Bank (Bank of England). | Unclear why this is a counter-growth strategy. Substitutes a State entity for a private one: that could be two-edged.   |
|                                      | b) Non-discretionary payments to all citizens via Central Bank accounts.     | Worth considering to mitigate severe economic shocks (e.g. pandemic impacts). Possibly a counter-growth initiative, if accompanied by highly progressive taxation on income to control consumer spending.   |



|                                     |   |   |
|-------------------------------------|---|---|
| <p>2. Complementary currencies.</p> | <p>Strengthen local economies by raising consciousness of the local economy and “plugging the leaks”.</p> | <p>Worth considering on the grounds indicated (middle column) but evidence for their efficacy is limited. Likely to be of greater relevance as national economies fragment and as part of a system of alternative financial institutions.<br/>Possibly a counter-growth strategy.</p> |
| <p>3. Direct clearing facility.</p> | <p>Business to business exchange and credit system.</p>   | <p>Could become integrated with the dominant systems of finance capital – design and governance would be critical.<br/>Unclear whether it is a counter-growth initiative, though could promote localism.</p>  |
| <p>4. Public banking</p>            | <p>New, community-based, citizen-owned and largely not-for-profit financial infrastructure.</p>           | <p>Could encourage clean, local, social investments so well worth having.<br/>Could be counter-growth depending on context, design, and governance.</p>   |
| <p>5. Modern debt jubilees</p>      | <p>Debt cancellation or provision of money by the State to repay debts.</p>                               | <p>To be welcomed as a measure to take highly indebted households out of poverty. Would reduce profiteering from personal hardship.<br/>Applied more widely it would be unlikely to be counter-growth in effect.</p>  |

|                       |   |   |
|-----------------------|---|---|
| 6. Monetary financing | The State (government / Central Bank) conjures money into existence to fund green and public works. | Given the elasticity between money and the generation of value it is feasible as a temporary expedient but carries macro-economic risks. Unlikely to be counter-growth in nature since it would stimulate consumption and hence material flows. |
| 7. Tax reform         | Increase taxes on high incomes. Wealth, financial transactions and property and land taxes.         | Essential measures to shift the economy towards greater economic justice and greener activity. Done in the right way it could be a serious counter-growth strategy.   |

## But what would the alternative be?

If policy proposals are to be criticised then it is only fair to suggest some alternatives. The most recent list that we have produced from Steady State Manchester identifies thirteen broad proposals. These originated from a list first produced by Giorgos Kallis and colleagues<sup>471</sup> but they have been considerably amended, adapted and added to. Of these, numbers 4, 6 and 13 overlap with certain ToG proposals, while number 5 indicates a different approach to credit, i.e. ensuring that it's availability facilitates needed investment while limiting it both in scale and in its application. Lange (2018) in a thorough analysis of post-growth macroeconomics also makes an interconnected set of proposals. Several items in our list overlap with his proposals, although they are formulated rather less abstractly here<sup>472, 473</sup>.

**1. Stop subsidizing and investing in activities that are highly polluting.** For example, UK government subsidy for fossil fuels is approximately £6.9bn p.a. & for aviation approximately £9Bn. Move this money to clean production.

471 <https://degrowth.org/2015/05/15/yes-we-can-prosper-without-growth/>

472 Lange, S. (2018). *Macroeconomics without growth: Sustainable economies in neoclassical, Keynesian and Marxian theories*. Metropolis-Verlag. Lange's synthesis of proposals is summarised in our review of his book: <https://steadystatemanchester.net/2018/11/09/an-economy-that-does-not-grow/>

473 Parrique counted a total of 232 distinct policy proposals from the degrowth movement. Parrique, T. (2019). *The political economy of degrowth. Economics and Finance*. Université Clermont Auvergne; Stockholms universitet. <https://t.co/PM0ww3MJf2> Appendix 5, p. 844.

- 2. Work-and resource sharing.** Reduce the working week to less than 32 hours; support employers to facilitate job-sharing, with income loss for the top 10% only. Share wasted and badly distributed resources and the wealth of our abundant economy.
- 3. Minimum and maximum income.** High incomes mean disproportionate resource use: cap them but also set a floor.
- 4. Tax reform** for a progressive system that progressively taxes the use of energy and resources, wealth, property and land value. Frequent flyer and workplace parking levies. Tax financial transactions. Preferential tax rates for labour-intensive, low impact, services & goods.
- 5. Controls on credit.** Money creation via credit is necessary for business but uncontrolled it leads to a spiral of unnecessary production and consumption. Impose regulation of bank lending for tight but cheap credit. Make it a requirement that share offers are for clean production and do not lead to the replacement of labour with technology.
- 6. Citizen debt audit and cancellation** to eliminate unpayable household debts.
- 7. Support the alternative, solidarity society** through subsidies and tax exemptions for co-operatives, social enterprises, community land trusts etc. De-privatisation of public space, opening up resources to community groups. Government level procurement to favour non-capitalist enterprise. Develop alternative, degrowth-consistent local credit alternatives<sup>474</sup>.
- 8. Optimise the use of buildings.** Retrofit, refurbish, downsize and share, saving fuel costs and emissions. Expropriate vacant housing. Respond to any remaining need by building low energy social housing, within already urbanised areas. Add a jobs-generating deep retrofit programme so property brought back into use is cheap to heat and has low emissions. Legislate to prevent speculation on property values and the bidding up of prices by estate agencies.
- 9. Reduce advertising and marketing.** To tackle demand side drivers of excessive material consumption.
- 10. Establish environmental limits**, via equitable, absolute and diminishing caps on the total of CO<sub>2</sub> that can be produced and the total quantity of material resources (material, water, land) used, including, via a foot-printing approach, emissions and materials embedded in imported goods.
- 11. Make international trade agreements conform with frameworks on climate change and consumption of nature.**
- 12. Implement ecological footprint product, reparability and service labelling** to make it easier for consumers to understand the ecological impact of their consumption choices – for example via extending energy ratings on appliances.

---

474 Gerber, J.-F. (2015). An overview of local credit systems and their implications for post-growth. *Sustainability Science*, 10(3), 413–423. <https://doi.org/10.1007/s11625-015-0298-4>

**13. Abolish or augment and qualify the misleading GDP indicator.** Focus on real things- jobs, incomes, activity, investment, care, health, well-being and environmental restoration. However, rather than treating each of the three domains, economic, social and environmental, separately, use measures that reflect their inter-connectedness.

Taken together these options begin to restructure the economy away from rent-seeking footloose capital, favouring instead right-sized profits, commitment to place and non-capitalist entrepreneurial forms<sup>475</sup>, or at least those are criteria that could be used to evaluate them.

## **The political economy of economic growth: on strategies for change.**

There is something of a Fabian tone to the ToG report. That is to say it frequently resorts to formula such as “*The ONS/government/Treasury/Bank of England should ...*”. These appeals for enlightened action are hardly going to cause change. This criticism also applies to our own proposals, as presented above. However, we would see change as based on a confluence of action at several levels, namely the construction of alternative economic and social relations on the ground, resistance to capital in workplaces and communities, and political action at the levels of the local and national State.

Long ago Engels identified the weakness of moral exhortation as a strategy for system change. The utopian socialists seemed to assume that,

*“If pure reason and justice have not, hitherto, ruled the world, this has been the case only because men have not rightly understood them.”*<sup>476</sup>

The Fabian tradition, so strong in the UK, is somewhat similar, with its reliance on the power of expertise in the hands of the State to make necessary (and in their case rather limited) reforms to the existing system.

ToG seems to exemplify these approaches with its combination of moral exhortation, the role of rational review by State institutions, and no mention of a political strategy. This seems to lack a necessary emphasis on the power interests at play, particularly on the part of incumbent firms and corporations. This will require a critical understanding of the role of the State as a guarantor and facilitator of capitalist social and economic relations. This is increasingly so in this neoliberal phase of capitalism but the problem goes beyond neoliberalism as such.

---

475 On this concept see Robin Blackburn (1991) *Fin de Siècle: Socialism after the Crash*. *New Left Review* I/185, Jan/Feb 1991.

476 Engels, F. (1880/1892/1970). *Socialism: Utopian and Scientific*. Marx/Engels Selected Works, Volume 3, p. 95-151. Moscow: Progress Publishers. Online Version: Marx/Engels Internet Archive 1993, 1999, 2003. <https://www.marxists.org/archive/marx/works/1880/soc-utop/index.htm>

Engels might add, where are the contradictions of the system that can be used by an organised political movement to exert leverage and force system change? A political strategy is needed, linked up with other political and social movements that are engaged in the contested terrain of the State and the other societal institutions, but that will inevitably mean debate and transformation of the policy platform on which to organise<sup>477</sup>. This critique could be seen as part of that debate.

## Conclusion

Positive Money is to be commended for its efforts in helping to bring the deep and systemic problem of Economic Growth to the public eye. While this report is a great improvement on their previous report of 2018, and contains some worthwhile policy ideas, its overall diagnosis of the growth imperative, and hence how to neutralise it, is misguided, relying on a fetishisation of the money system<sup>478</sup> at the expense of the deep structures of capitalist accumulation.

---

477 My 2009 piece explores this question. Burton, M. (2009). Sustainability: Utopian and Scientific. In this collection.

478 Dussel, E. (2014). *16 tesis de economía política: Interpretación filosófica*. México D.F.: Siglo XXI. "The capital that delivers interest is a fetishised form par excellence, because the distance of the place where capital obtains its surplus value from the worker is removed in such a way that it does not appear to have any relation with the interest obtained in the banks by the lending of money." §7.51 (my translation).

## Section 6: Carbon emissions - Manchester as a case study.

Mark H Burton, 2021 (based on pieces from 2013 and 2020)

This section is based on several pieces published on the Steady State Manchester website over the years, as well as an article<sup>479</sup> that reviewed the attempts by activists to shape municipal policy on climate change.

### A local climate change strategy: steps and missteps

In February 2008, Manchester City Council (MCC) adopted a set of Climate Change Principles which committed Manchester to becoming a low carbon city by 2020 (MCC, 2008). This would mean that

*“Manchester will be on track to reduce its greenhouse gas emissions to a level consistent with keeping global temperature increases to below 2°C above pre-industrial levels and will have adapted its economy, society and infrastructure accordingly – both to cope with the effects of inevitable climate change and to mitigate future emissions.”* (MCC, 2009)<sup>480</sup>.

The 17 principles can be summarised in terms of 5 themes:

- Involves a wide range of partner organisations in direct action to reduce emissions and disseminate best practice, with the Council in a leadership role;
- Enables ‘decoupling’ of economic growth from emissions growth;
- Helps to mitigate the practical and financial consequences to households and businesses of switching to lower carbon patterns of consumption of energy and other goods;
- Grows Manchester’s skills, expertise and capacity base in energy and environmental technologies and builds climate change awareness into mainstream learning;
- Motivates widespread personal behaviour change towards lower-impact modes of living (summary from MCC, 2009).

The following January the Council published a follow-up report, Climate Change Call to Action (MCC, 2009)<sup>481</sup>. This report was produced as part of a UK government initiative whereby Manchester would be one of three large cities with Climate Change Action Plans. The report, whose writing had been

---

479 Burton, M. (2013). In and against social policy. *Global Journal of Community Psychology Practice*, 4(2). <http://www.gjcpc.org/pdfs/burton-v4i2-20130522.pdf>

480 MCC. (2008). *Principles of Tackling Climate Change in Manchester*. Manchester: Manchester City Council. Document no longer available online.

481 MCC. (2009a). *Climate Change Call to Action*. Manchester: Manchester City Council. Report no longer available online.

outsourced to a London based consultancy firm, received a cold reaction from the local environmental movement. It was considered weak and in some areas vague while there were some significant silences, not least the role of aviation in greenhouse gas emissions (the City Council had a 55 per cent stake in Manchester International Airport).

As a response, a coalition of activists was formed: "*Call to Real Action*". Some were active members of local green organisations (Friends of the Earth and the Green Party in particular) but many were not affiliated to formal groupings. One activist, with a background in climate camp activism and current involvement in producing a fortnightly local newsletter on climate change and who has maintained an independent stance in the local political context, took a central role in bringing together the coalition. The goals of the coalition were to,

- Produce an alternative vision of what the Council - and the people of Manchester- can do about climate change: reducing emissions and creating resilience.
- Produce a report, at least as detailed as Call to Action, by 31st March, 2009
- Adopt a maximally open and transparent process.

Call to Real Action proceeded through large, participative and open meetings and workshops which gathered and refined ideas. These were then written up by working groups focussing on various sections of the report (transport, aviation, food, business and economic development, and so on). These separate sections were then collectively edited (using a virtual platform) into a consolidated report, ready by the deadline. The process was in many ways a model of how to produce policy collectively, from a social movement.

The final 62 page report, also called "*Call to Real Action*"<sup>482</sup> was published on time and presented to the council. It emphasised the need for actions that were sufficiently clear and strong, that were based on scientific knowledge about the city's emissions (including embedded, or outsourced ones) with measurable targets, that entailed a re-engineering of the city's economy and a rethinking of its economic strategy (based on the pursuit of economic growth), and that covered the 'no-go area' of aviation and the airport. It also emphasised the critical importance of engaging with Manchester's diverse communities both to communicate the proposals and also to develop them further with wide ownership. It suggested that the council should bring forward publication of its plan to before the International Climate Change Congress in Copenhagen, that November, to encourage other areas to take similarly bold steps.

After some hesitation the council responded, to the surprise of the coalition, favourably. They invited representatives in for discussion and embarked on a participative process for constructing its Climate Change Action Plan. This

---

482 Call to Real Action. (2009). *Call to Real Action, Full Report*. Manchester: Manchester Climate Forum. <https://www.scribd.com/document/232572392/Call-to-Real-Action-V2>



proceeded from a participative workshop and then by working groups (I was a member of one of them) consisting of council officers, hired consultants (this time locally based), representatives from partner organisations (health services, development companies, universities, etc.) and social movement activists.

The plan that emerged, *Manchester A Certain Future*<sup>483</sup>, was considerably stronger than the one that had looked likely to emerge following the appearance of “Call to Action” in January. The council took seriously the need for multilateral involvement and it set up a multi-stakeholder Steering Group (for the Plan) and an Environment Advisory Panel, to advise the council's officers and elected members concerned with this topic. A Certain Future was launched by the then UK Minister for Energy and Climate Change, Ed Miliband, at an event chaired by one of the participants in Call to Real Action. A commitment was made to Total Carbon Footprint measurement (an important issue for economies like the UK where the process of de-industrialisation and outsourcing of production to production zones in the global South has reduced direct emissions – within the UK – while the total attributable emissions have increased rapidly).

However, it is important to make a balance of what has been achieved. Comparison of the three reports, Call to Action, Call to Real Action, and A Certain Future indicated that while some of the proposals from Call to Real Action were adopted, the overall shape of the report is little changed<sup>484</sup>. To illustrate, there remain two “Elephants in the Room”, Economic Growth and Aviation. The overall economic model of global competition for economic growth is unchanged and the illusion is maintained, despite the evidence that economic growth and greenhouse gas emissions can almost certainly not be de-coupled<sup>485</sup>.

Finally, it can be noted that the welcome to activists acted to silence some of them as they became implicated and embedded in the official programme. This seems to have happened in two ways. Firstly some (former?) activists became members of the city's A Certain Future Steering Group and thereby had responsibility for the implementation of the plan. Assuming a corporate responsibility tends to engender the auto-censorship of dissent. Secondly, between 2009 and 2012, a wider grouping of activists became members of the council's Environmental Advisory Panel. This did not function very well, certainly not as a way of effectively advising the council on environmental matters. The presence of such a forum though, could be interpreted as a “pressure valve” for criticism. As Marcuse put it,

---

483 [https://www.manchesterclimate.com/sites/default/files/MACF%202010-20\\_0.pdf](https://www.manchesterclimate.com/sites/default/files/MACF%202010-20_0.pdf)

484 More detail can be found in Table 1 of Burton, M. In and against Social Policy. *Global Journal of Community Psychology Practice* 4, no. 2 (2013). <http://www.gjcpp.org/pdfs/burton-v4i2-20130522.pdf>, where the proposals of the three reports, Call to Action, Call to Real Action, and A Certain Future are compared.

485 See the chapters in this collection on decoupling.

*“The tolerance which was the great achievement of the liberal era is still professed and (with strong qualifications) practiced, while the economic and political process is subjected to an ubiquitous and effective administration in accordance with the predominant interests. The result is an objective contradiction between the economic and political structure on the one side, and the theory and practice of toleration on the other.”* Marcuse, (1965, p. 134)<sup>486</sup>

I have dwelt at some length on this now rather old history because it illuminates two key themes.

1. The contradictions of a city administration pursuing conventional economic strategies that assume continued and even accelerated economic growth while also attempting to mitigate carbon emissions.
2. The difficulty of non-governmental, community and campaigning actors in having a real and lasting influence on the rather closed system of government policy formulation and delivery.

Later iterations of the city’s “climate journey” have recapitulated both these phenomena.

## Ten years passed

For some years there was little progress in advancing the council’s climate agenda and strategy. The council spun off its climate partnership to an underfunded non-governmental agency. It adopted an evidence-based carbon budget (more on this later). Yet little real change has happened in terms of the big drivers of emissions, other than changes that are outside the control of local actors such as the relative decarbonisation of the national electricity supply. In 2019, however, there was a resurgence of social movement activity, most notably with the emergence of *Extinction Rebellion* and the youth climate movement. Councils began to declare a climate emergency. Manchester was reluctant but eventually relented, in the face of sustained campaign and backbench councillor pressure, with one of the better motions making that declaration. However, as local group *Manchester Climate Emergency*<sup>487</sup> has continued to show, the declaration has not been followed by coherent action. Meanwhile, the Manchester Climate Change Partnership has set out a new programme in line with its carbon budget which takes us to 2038. There follows a review from 2020 of that strategy, based on Steady State Manchester’s piece on the draft published then.

---

486 Marcuse, H. (1965). Repressive Tolerance. In Wolff, R.P., Moore, B., & Marcuse, H (Eds.), *A Critique of Pure Tolerance*. Boston: Beacon.

<http://www.marcuse.org/herbert/pubs/60spubs/65repressivetolerance.htm>

487 <https://climateemergencymanchester.net/>

## **A commentary on Manchester Climate Change Agency's Annual Report, 2020**

A brief Annual Report for 2020 has been issued by Manchester Climate Change Agency<sup>488</sup>.

### **A little background**

The report is from the Manchester Climate Change Partnership. This is the arms length agency set up, but woefully under-resourced, by Manchester City Council. In principle that distance does give some scope for taking an independent line from the council, but the Partnership also has to keep the council “on-side”. For that reason independent critical voices are vital.

The introduction to the report refers to a letter<sup>489</sup> the Partnership sent to the council. It makes the point that the Covid-19 pandemic gives us the

*“... opportunity to reimagine the world we live in; the opportunity for citizens’ quality of life, health and wellbeing to become the overriding aim of politicians, business and community leaders; the opportunity to fundamentally reshape the global economy so it acts in the interests of people, planet and profits, and; the opportunity to ensure we can get on track to meet the 1.5-2°C aim of the Paris Climate Change Agreement.”*

We agree. However, the council's failure to seize the opportunity to put into place emergency and experimental mobility lanes for cyclists and other non-motorised road users, except within the city centre, would seem to indicate a reluctance to really seize the opportunity referred to. We will return to consider why actions are not meeting the scale of the climate challenge below.

The Partnership makes a number of specific suggestions in its letter, and identifies all the right areas. It is, however, questionable whether these largely unquantified proposals amount to the scale of change needed.

Turning now to the report itself, we have the following comments. We use the report’s own headings to organise our comments.

### **Action! Engage, Influence and Support Manchester Residents and Organisations to Take Action Urgently.**

There has been some success in engaging other organisations in making the changes required to reduce the city's emissions to zero by 2038. A number of organisations, accounting for 20% of the city's direct emissions, have partnered with the Partnership and submitted outline plans. However, on digging into

---

488 [http://manchesterclimate.com/sites/default/files/Mcr%20Climate%20Change%20Annual%20Report%202020\\_0.pdf](http://manchesterclimate.com/sites/default/files/Mcr%20Climate%20Change%20Annual%20Report%202020_0.pdf)

489 [http://www.manchesterclimate.com/sites/default/files/MCCP%20Letter%20to%20SRL%20RE%20Recovery%20Plan%2C%20Our%20Mcr%20Reset%20%26%20Framework%20Refresh\\_FINAL.pdf](http://www.manchesterclimate.com/sites/default/files/MCCP%20Letter%20to%20SRL%20RE%20Recovery%20Plan%2C%20Our%20Mcr%20Reset%20%26%20Framework%20Refresh_FINAL.pdf)

these plans<sup>490</sup>, and where available the more detailed planning by these organisations, we cannot be confident that sufficient robust, quantified action plans are in place to make the cuts needed.

The Partnership has work that is not yet completed to bring in further organisations. What is missing is an overall picture of where the cuts to emissions are to be made and by whom.

The Partnership mentions a failed bid *“to develop a new programme to support residents and communities to take action on climate change”*. This programme was something we recommended in our commentary on the Partnership's current strategy when it was in draft. The failure to obtain funding for this vital work is symptomatic of the pitiful level of funding that the Partnership enjoys. The Manchester Climate Change Agency<sup>491</sup>, the office which supports the Partnership's work, has just three members of staff. There is energy and enthusiasm from a number of local communities, sadly organised on the basis of city council wards, rather than the real communities and neighbourhoods: a start was made in some places but this has been largely put into abeyance by the pandemic and lock-down. Funding bids have been made locally and we are optimistic that some success will be announced soon. But without proper funding for an infrastructure to engage communities across the city (and the region), climate action will continue to be marginalised.<sup>492</sup>

## **Operations and Governance**

Further down the report we see that,

*“The Agency’s Board of Directors have agreed a development plan for 2020-21. The plan is to expand the Agency from three members of staff to 13, subject to funding.”*

The council could make a start by seconding more staff to the agency, as could a number of those partner organisations mentioned above: if there were a climate emergency, then this is just what we should expect to happen. It would involve the re-designation of functions: even with the cuts of the last 10 years, the council is big enough to easily do this to the tune of three or four posts. The universities could be particularly imaginative and establish a joint action research and policy team.

## **Staying within our carbon budgets<sup>493</sup>**

This is the core of the report. Things are not going too well. We learn that,

---

490 <http://www.manchesterclimate.com/MCCP>

491 <http://www.manchesterclimate.com/MCCA>

492 This was all too prescient: ward-based initiatives that had started in some parts of the city mostly faltered and mostly ground to a halt during the Covid-19 crisis. The exception was Chorlton ward that is in receipt of a large grant for this work.

493 For an analysis of the city's carbon budget see Steady State Manchester (2018). *Manchester's Climate Change Strategy: All CO2 and mirrors?* <https://steadystatemanchester.net/2018/12/12/manchesters-climate-change-strategy-all-co2-and-mirrors/>

*Based on the data for 2018 and projected emissions for 2019, 26% of Manchester's remaining carbon budget for 2018 to 2100 has been used in the initial two-year period (2018 and 2019). The distribution of the carbon budget can be in a variety of ways, however slower reduction rates must be compensated for by faster reduction rates in the future to keep within the budget.*

Put another way,

*"The emissions estimated for 2018 and 2019, the first two years of the carbon budget period, show Manchester is not yet following the recommended pathway meaning the carbon budget is being used at a faster rate. Emissions fell in these years by 2% and 4% respectively. This is against the 13% year-on-year reduction in emissions that are set out in the [city's] Climate Change Framework."*

This increases the rate at which emissions must fall in the remaining years from 13% to 14.8%, close to the 15% figure that Greater Manchester has to achieve, although that will also have to be increased now. It was always known that two contradictory realities are in play here. Firstly, it was going to be harder to make the cuts in the early years, since it requires a wholesale reorganisation of the way we do things. Secondly, there is time to catch up, but that catching up gets harder the longer radical action is delayed. Because of the first reality, the Tyndall Centre broke down the budget into 5 year blocks. Manchester has used up 58% of its first five year sub-budget in two years. This is what the city's carbon budget now looks like year on year.

Manchester 2  
deg budget

15000 ktCO2

| Year | Actual and<br>adjusted<br>required | Actual and<br>adjusted<br>required:<br>cumulative | Remaining<br>budget at end<br>of year | Reduction<br>achieved /<br>required |
|------|------------------------------------|---|---------------------------------------|-------------------------------------|
| 2018 | 2,256                              | 2,256   | 12,744                                | 2.00%                               |
| 2019 | 2,166                              | 4,422   | 10,578                                | 4.00%                               |
| 2020 | 1,566                              | 5,987   | 9,013                                 | 14.80%                              |
| 2021 | 1,334                              | 7,321   | 7,679                                 | 14.80%                              |
| 2022 | 1,136                              | 8,458   | 6,542                                 | 14.80%                              |
| 2023 | 968                                | 9,426   | 5,574                                 | 14.80%                              |
| 2024 | 825                                | 10,251  | 4,749                                 | 14.80%                              |
| 2025 | 703                                | 10,954  | 4,046                                 | 14.80%                              |
| 2026 | 599                                | 11,553  | 3,447                                 | 14.80%                              |
| 2027 | 510                                | 12,063  | 2,937                                 | 14.80%                              |
| 2028 | 435                                | 12,498  | 2,502                                 | 14.80%                              |
| 2029 | 370                                | 12,868  | 2,132                                 | 14.80%                              |
| 2030 | 316                                | 13,183  | 1,817                                 | 14.80%                              |
| 2031 | 269                                | 13,452  | 1,548                                 | 14.80%                              |
| 2032 | 229                                | 13,681  | 1,319                                 | 14.80%                              |
| 2033 | 195                                | 13,877  | 1,123                                 | 14.80%                              |
| 2034 | 166                                | 14,043  | 957                                   | 14.80%                              |
| 2035 | 142                                | 14,184  | 816                                   | 14.80%                              |
| 2036 | 121                                | 14,305  | 695                                   | 14.80%                              |
| 2037 | 103                                | 14,408  | 592                                   | 14.80%                              |
| 2038 | 88                                 | 14,496  | 504                                   | 14.80%                              |

*Author's own analysis, based on the Tyndall carbon budget.*

All is not yet lost but the challenge is immense.

Note that this is a two degree budget, not a 1.5°C budget, the “aspiration” of the Paris conference. It is more realistic in that the world will continue to warm once emissions stop – the chances of keeping it to within 1.5 degrees are minimal. On the other hand, this Tyndall Centre advised budget does not assume that unproven and probably infeasible “negative emissions technologies” will mean the world can overshoot and then bring the climate back. Finally, these are emissions that take place in the city and those from the city's use of gas and electricity. They do not include emissions from creating and delivering the stuff we buy nor those from international shipping and aviation. More on this below.

Much of the emissions load is not under the direct control of the city and its organisations. This cuts both ways, accounting to a large share of the success in making reductions up til 2018. Much of this was due to the partial decarbonisation of the electricity supply, taking coal out of the mix. Measures such as a carbon tax, or an effective tax on motor car emissions, would also make an impact. However, there are a lot of things the city could do to reduce

its direct emissions, particularly by establishing genuinely transformational partnerships<sup>494</sup> for the areas that need most attention – e.g. for a low carbon warmth offer to drive down emissions from housing while ensuring people stay warm.

The point also cannot be made often enough that though challenging, **this budget is unjust**. By continuing to emit even at these lower rates, countries like the UK are saying to the countries of the global South – we'll continue to use your just share of permissible emissions until the point at which the world as a whole has to have stopped emitting. By then it will be nearly another degree warmer on average, so those countries will be increasingly devastated. The report rightly points out that three areas need to be targeted for Manchester's direct emissions reductions: buildings (mostly from gas burning) and transport are two. They also mention that a lot more electricity could be generated photovoltaically on our rooftops.

## Aviation Emissions

While aviation emissions aren't included in the Manchester carbon budget, failure to cut these emissions will impact on it, reducing it. Therefore the Partnership has been reviewing options for their inclusion. They propose accounting for those flights taken by Manchester residents. This would mean an aviation-specific budget of 6.6 Mtonnes of CO<sup>2</sup> equivalent, just over a third the size of the already adopted carbon budget. While this proposal has some logic to it, we argue instead that the city benefits disproportionately (through revenues) from its share in ownership of the Manchester Airport Group and is thereby economically dis-incentivised to make radical reductions. Setting an aviation-specific carbon budget could help mitigate this but it would be fairer to set it to reflect the financial stake the city has in the airport. This approach would also apply to Greater Manchester as a whole since the 10 local authorities are all co-owners of this climate monstrosity.

## Consumption-based Emissions

We have long called for the city to take account of its consumption-based emissions. The inclusion of a section on this is therefore welcome. They refer to the C40 cities report which estimated consumption emissions as equivalent to a 60% addition to territorial emissions although we would caution that they could be higher. Following advice from Tyndall Centre researchers, they suggest focussing on likely “hotspots” for emissions, such as “*food and drink, construction, clean and waste water, and non-food manufactured goods*”. This seems sound: as the C40 Cities work indicates, there are opportunities for cities to make a significant contribution to global emissions reduction by taking into account their consumption patterns.

In part this comes back to an earlier goal of Manchester climate planning: creating a low carbon culture in the city. There is a very long way to go in doing this.

---

494      *Could the Covid-19 pandemic be a portal to a viable society and economy?* In this collection.



## Resilience to a Changing Climate

A picture of a man on a bike on a tarred track through woodland accompanies this section. There are a number of bitty pieces of a potential strategy identified but are they sufficient? The man on the bike will know that trees mean a cooler microclimate. In coming years there will be dangerous heatwaves, exacerbated in places like Manchester city centre with its tonnes and tonnes of concrete, steel and glass. Hackney<sup>495</sup> aims to increase its tree cover by 30% over the coming years, because, as councillor Jon Burke noted in a recent interview<sup>496</sup>, trees are more effective than air conditioners. In the Netherlands, Arnhem<sup>497</sup> plans to plant trees along its roads and to dig up 10% of its tarmac and send 90% of rainwater into the ground rather than via sewers. Like Barcelona already has done, it will create “cooling down” spots, in Arnhem's case with ponds as well as covered areas. Manchester needs a truly ambitious plan to do similar. It is, not just a question of trees – there needs to be a reduction in space allocated to roads and parking to reduce the risk of flash flooding while improving general urban liveability and reducing emissions and the dirtiness of the air.

## Inclusive, Zero Carbon and Climate Resilient Economy

As they say, *“it's the economy, stupid”*. Economic activity is intimately linked with flows of materials and energy, and hence with climate emissions. Yet, *“The Manchester Inclusive, Zero Carbon and Climate Resilient Economy Advisory Group has not been established at the time of writing”*. Perhaps it is assumed that the invisible hand of the market will sort things out. After all, we are told that *“In 2019, Manchester's economy produced 104 tonnes of CO2 per £1m GVA (Gross Value Added) which is a reduction of 55% on 2005 levels.”* So Steady State Manchester needn't worry about economic growth? Well, not so fast! That reduction, is due to a number of factors. Research by Carbon Brief<sup>498</sup> identifies them.

*“Decreases in CO2 emissions from electricity production is one of the main drivers economy-wide..., accounting for around 36% of the total emissions reduction in 2017. This was driven primarily by the transition away from coal and towards gas and renewable generation.*

*Lower non-electric energy use in the industrial and residential sectors has been another major factor ..., responsible for 31% of the emission reduction in 2017. Savings in industry was the largest part of this.”*

This graph shows the relative shares of each type of electricity generation.

---

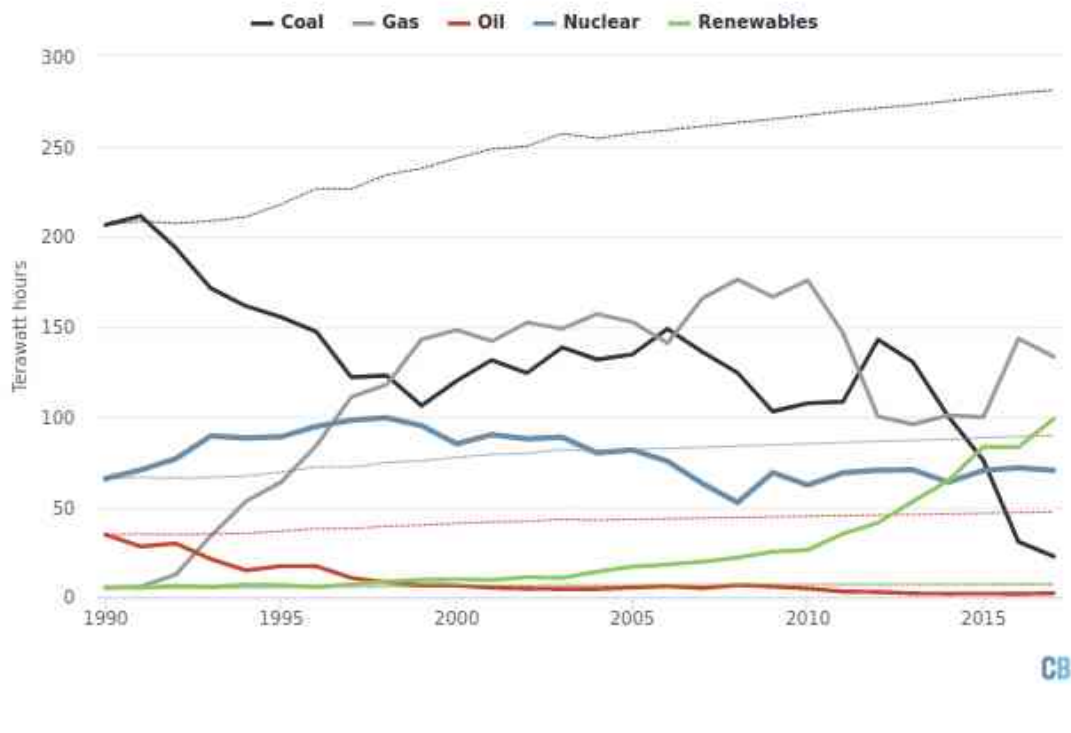
495 <https://www.hackneygazette.co.uk/news/environment/hackney-council-environment-chief-jon-burke-on-the-climate-emergency-challenges-1-6336742>

496 <https://mcrqnd.buzzsprout.com/919177/4167350-we-are-sent-to-the-town-hall-to-find-solutions-to-these-problems-how-councils-can-take-on-the-climate-crisis-with-councillor-jon-burke>

497 <https://www.theguardian.com/world/2020/jul/29/dutch-city-arnhem-redraws-layout-prepare-global-heating-effects>

498 <https://www.carbonbrief.org/analysis-why-the-uks-co2-emissions-have-fallen-38-since-1990>

## UK electricity generation by fuel



Annual electricity generation in terawatt hours (TWh) per year by fuel (solid lines), along with a "business-as-usual" scenario (dashed lines) where grid mix is held constant at 1990 levels and electricity use per capita remains fixed at 2005 levels rather than declining in recent years. Usage data from the Department for Business, Energy and Industrial Strategy (BEIS) energy trends series ET 5.1; chart by Carbon Brief using Highcharts.

Reproduced from Carbon Brief under a Creative Commons License

Note the steep decline in coal use over the 5 years 2012-2017. That is also the period when Manchester's emissions/GVA ratio declined most steeply. That isn't the only factor, and the picture is a complex one. However, the implications are, firstly that changes in the carbon intensity of GVA are not largely due to local decisions, but again, depend on factors not decided locally. Secondly, those changes have been due to the picking of some "low-hanging fruit", such as the retirement of coal-fire power stations, and areas subject to diminishing returns, such as improvements in vehicle efficiency. Continuing to prioritise the growth of sectors such as logistics (lorry freight), aviation and speculative construction, will only serve to stoke up the city's carbon emissions.

As we've said many times, the pursuit of continued expansion of the economy, is incompatible with climate safety and urban liveability. As an aside to our city's leaders, now that we are in a full blown recession, why not gracefully retire the stupid pretension of endless growth and instead plan to live within our ecological and planetary means, with fair shares for all? "World class cities"<sup>499</sup>

499 The use of this term and the subsequent "do things differently" are deliberate allusions to Manchester council's pretensions and catch phrases.

like Amsterdam<sup>500</sup> and Paris<sup>501</sup> are giving us some clues as to how to do this. Manchester really *could* “do things differently” and become the first major post-growth city.

## Concluding sections

Towards the end we learn that,

*“It had been envisaged that the Partnership and Agency would publish their action plan for this period alongside this annual report. This work is currently on-hold, pending the appointment of a new Chair for the Partnership and a new Director for the Agency.”*

This does not inspire great confidence since the climate isn't hanging around waiting for us to get our act together. However, the report does conclude with a summary of key priorities for the city, because,

*“Urgent and sustained action in these areas is needed to ensure we meet our existing climate change commitments.” ...*

The priorities are,

- *Buildings: retrofitting existing and building zero carbon new buildings,*
- *Renewable energy: working towards 100% as quickly as possible,*
- *Transport: walking and cycling more; using more public transport; switching to zero emission vehicles,*
- *Food: shifting to diets better for our health and the planet's,*
- *The things we buy and throw away: buying less; only buying products and services with high environmental and social credentials; reusing and recycling more,*
- *Green infrastructure and nature based solutions: to adapt to the changing climate and absorb CO2 as well as increasing biodiversity, improving health and achieving other benefits.*

...

*To support this Manchester Climate Change Partnership and Agency will be working with Manchester City Council during 2020 to embed climate change at the heart of the Our Manchester Strategy reset and associated recovery work. The Strategy is expected to be published in early-2021.”*

---

500 <https://www.kateraworth.com/2020/04/08/amsterdam-city-doughnut/>

501 <https://www.smartcitylab.com/blog/governance-finance/paris-15-minute-city/>

That is laudable and essential. But unless the Agency is given the resources it needs to do its work, and the city council begins to take its own declaration of a Climate Emergency seriously, then these aspirations will remain just that: intakes of breath.

## Section 7: Another false solution: the “circular economy”

The “circular economy” is a popular idea in sustainability circles but to what extent is it a serious solution to the burgeoning resource use and extraction of the current global economy? In the following short piece we cast doubt on it. It is not that re-use and recycling are a bad idea, but that in a growing economy with growing material flows and a lack of perspective on what is really needed for a decent quality of life, they will be far from an adequate response<sup>502</sup>.

---

502 This recent article in Harvard Business Review makes similar and complementary points: Mayers, K, T Davis, and L.T. Van Wassenhove. ‘The Limits of the “Sustainable” Economy’. *Harvard Business Review*, 16 June 2021. <https://hbr.org/2021/06/the-limits-of-the-sustainable-economy>.

# The circular economy: is it the solution to resource depletion and pollution?

Mark H Burton, 2016<sup>503</sup>

The main promoter of the circular economy (CE) defines it like this:

*A circular economy is one that is restorative and regenerative by design, and which aims to keep products, components and materials at their highest utility and value at all times, distinguishing between technical and biological cycles*<sup>504</sup>. (Ellen MacArthur Foundation - EMF).

It sees waste products being fed back into the production cycle as resources, reliance on renewable energy and other resources, and overall zero waste. Proponents distinguish it from the dominant economy which is linear: matter is extracted as resources, transformed by production and then ends up in environmental sinks. The CE is meant to be based on three principles:

1) *Preserve and enhance natural capital by controlling finite stocks and balancing renewable resource flows.*

2) *Optimise resource yields by circulating products, components, and materials at the highest utility at all times in both technical and biological cycles.*

3) *Foster system effectiveness by revealing and designing out negative externalities*<sup>505</sup>.

The basic ideas are sound: closing cycles and ceasing to treat the environment as unlimited resource pool and sink for pollution. The problems lie in the extent to which a CE can allow “*business otherwise as usual*” with little change to our pattern of life, our levels of consumption and the continued expansion of the economy. To illustrate the problem, here are three criticisms of the CE: practical, political and physical.

## 1) Practical: the implausibility of matching waste products to inputs.

*“Circular systems also maximise use of end-of-use bio-based materials, extracting valuable bio-chemical feedstocks and cascading them into different, increasingly low-grade applications*<sup>506</sup>.”

---

503 Published October 2016 at <http://steadystatemanchester.net>

504 <https://www.ellenmacarthurfoundation.org/circular-economy>

505 <https://www.ellenmacarthurfoundation.org/circular-economy/overview/principles>

506 See previous citation.

To what extent can waste outputs and resource inputs be matched? There is no reason to think that these two things are going to cancel out, resulting in a near zero-waste and low-extraction system. Moreover, different industries are located in different places, so even if outputs could all become inputs, there will be substantial energy inputs needed to close the loop, transferring outputs from one site to be used as inputs in another site. And the outputs are not generally usable as inputs: they will typically need processing, which again requires energy and in many cases other primary resource inputs.

## 2) Reformism

The CE advocates generally support a growth economy model, promoting what is perhaps a more sophisticated version of the “green growth” fudge. In a recent report from the EMF, the following claim is made about the CE if implemented in Europe:

*The modelling for 2030 suggests that the disposable income of European households could be as much as 11 percentage points higher in the circular scenario relative to the current development path, or 7 percentage points more in GDP terms.<sup>507</sup>*

However, as the economist Christian Arnsperger notes<sup>508</sup>, citing work, commissioned by Veolia, by François Grosse, the benefits of a circular economy only apply under the following conditions:

An annual raw material consumption growth rate below 1%.

A very high recycling rate (more than 60 to 80%) in order to delay significantly the resource depletion rate.

Grosse notes that:

*“As a whole, the relative impact of cumulative present-day recycling becomes negligible after a few decades in view of global production growth.”*

Now it may be objected that Grosse only considers recycling, in this analysis, but this is the most concrete element of the proposed CE, To illustrate how the CE is wedded to the growth model, consider this quotation, again from the EMF report cited above:

*A circular economy could greatly benefit the environment and boost competitiveness and resilience. A circular economy would decouple economic growth from resource use.*

---

507 <https://t.co/yFiGXsbf1T>

508 <https://carnsperger.wordpress.com/2016/06/22/one-engineers-deeper-wisdom-francois-grosse-and-the-rediscovery-of-the-perma-circular-mindset/>



As readers of our work will be aware, the decoupling hypothesis has poor support, or at best, economic growth makes it much harder to reduce material throughputs (and hence both resource use and emissions)<sup>509</sup>.

### **3) Physical: the Circular Economy cannot suspend the laws of thermodynamics.**

Ultimately, the goal of endlessly recycling and regenerating the substrate for the industrial system is impossible: materials get dispersed and degraded through their transformation and it becomes infeasible to identify and collect every fragment: think of the tyres on a bus or train brakes which are in the process of being degraded to powder and gas. Or think of the many volatile solvents that are necessary for industrial processes: they too disperse, into the atmosphere over time. Those particles are never going to be reclaimed, and these are just the most obvious aspects of the trend to dissipation of all materials, and of energy too<sup>510</sup>.

As this passage from a European Academies Science Advisory Council report notes:

*Recovery and recycling of materials that have been dispersed through pollution, waste and end-of-life product disposal require energy and resources, which increase in a nonlinear manner as the percentage of recycled material rises (owing to the second law of thermodynamics: entropy causing dispersion). Recovery can never be 100% (Faber et al., 1987). The level of recycling that is appropriate may differ between materials.*<sup>511</sup>

As Christian Arnsperger suggests, to retrieve the idea of circularity requires a second concept, that of sufficiency, of enough. Without that, it is at best a way of postponing the inevitable crash, and at worst a way of giving false credibility to the growthist delusion. So the idea of resource cycling loops needs combining with the radical reduction of consumption, long product durability, re-use and repair.

---

509 <https://steadystatemanchester.net/2016/04/15/new-evidence-on-decoupling-carbon-emissions-from-gdp-growth-what-does-it-mean/>

510 For an accessible treatment of physical constraints on the economy see [http://www.huffingtonpost.com/dave-pruett/what-economists-dont-know\\_b\\_10742790.html](http://www.huffingtonpost.com/dave-pruett/what-economists-dont-know_b_10742790.html)

511 [https://www.ria.ie/sites/default/files/easac\\_circular\\_economy\\_commentary\\_may\\_2015.pdf](https://www.ria.ie/sites/default/files/easac_circular_economy_commentary_may_2015.pdf)

## Section 8: Plans and visions: the spatial dimension

The next chapters are concerned with planning and the spatial dimension of the Viable Economy and Society. How we imagine the future of human settlements, how land will be used, and what is to be encouraged and discouraged meanwhile: these are critical questions that make concrete what can sometimes seem like the theoretical and abstract idea of the post-growth alternative.

The first chapter is the result of some work Mark Burton did as a research consultant with the University of Sheffield's Urban Institute. It was concerned with the question of how community based knowledge can inform the planning process. However, as the conclusions make clear it is not possible to disentangle the question of knowledge from those of politics, ideology and political economy.

The second is a piece written with Carolyn Kagan as part of Steady State Manchester's work to identify an alternative spatial model, and vision, for the city region, Greater Manchester. It is written as a *letter from the future* and uses the technique known as "backcasting", identifying possible actions and policies on the basis of an identified end point. It drew on the contributions of people who came to a workshop on a *People's Spatial Framework*. A short article about it was also published by *Greater Manchester Housing Action*. It identifies four underpinning ideas for an alternative future for the city: the polycentric city and region, a more localised economy, the bioregional concept and zero carbon.

Finally, James Vandeventer, another SSM collective member, explores the impact of the financial speculation-led building frenzy<sup>512</sup> on the prospects for a Viable Economy in the Manchester city centre districts.

---

512 This is explored and contextualised historically and economically in this piece by members of Greater Manchester Housing Action: <https://www.versobooks.com/blogs/5110-the-housing-crisis-in-manchester-capital-of-the-long-90s>

# Done deals: citizens and urban planning

Mark H Burton, 2019

## Background

Urban settlements, their inhabitants and their governments, face a variety of challenges in assuring livelihoods, liveability and indeed people's life chances.<sup>513</sup> Faced with a complex set of “wicked problems”, including the impacts of global heating and the ecological crisis, increasing housing demand, the decline and flight of older industries, deteriorating infrastructure, property asset inflation, austerity, increasing inequality and poverty, traffic congestion and air pollution, city governments face an unenviable and contradictory agenda with multiple interest groupings to respond to and arbitrate with. It is therefore not surprising that planning decisions should be a field of contestation and conflict, but also one characterised by a rhetoric of partnership and of meeting needs<sup>514</sup>.

One dimension of this terrain is the role of knowledge. The concept of the “knowledge economy” has gained currency among city strategists. This seeks to replace the industrial creation of value with that based on “leveraging knowledge assets”, those knowledges that rest on the universities, cultural sectors and the new science-based sectors, for example biomedical, digital and high value engineering. This privileges certain kinds of knowledge over what might be termed “popular knowledges” and that divide also characterises the current political crisis and impasse in the UK together with the problematic of urban planning. By “urban planning” we mean both formal plans and strategies as well as the myriad of decisions about specific “developments”, whether for new buildings, changes of use, infrastructure, water and land management.

In these contested arenas, whose knowledge matters? What is the interplay between professionalised knowledge and everyday citizen knowledge? What are the knowledge interests in play here? What are the relations between different knowledges and power interests, for example in communities, local government and the development industry? What are the boundary issues that

---

513 This is a shorter version of a longer working paper, available from the author. The research on which this was based was part of the “Whose Knowledge Matters” project at the Urban Institute, Sheffield University, funded by ESRC. Quotations are reproduced with the permission of participants in the research. Other work from this project, was published as Habermehl, V, and Perry P. (2021). ‘The Risk of Austerity Co-Production in City-Regional Governance in England’. *International Journal of Urban and Regional Research* 45, 3 : 555–71. <https://doi.org/10.1111/1468-2427.13010>.

514 Christopher Ansell, Eva Sørensen, and Jacob Torfing, ‘Improving Policy Implementation through Collaborative Policymaking’, *Policy & Politics* 45, no. 3 (7 July 2017): 467–86, <https://doi.org/10.1332/030557317X14972799760260>; Laurence Bherer, Pascale Dufour, and Françoise Montambeault, ‘The Participatory Democracy Turn: An Introduction’, *Journal of Civil Society* 12, no. 3 (2 July 2016): 225–30, <https://doi.org/10.1080/17448689.2016.1216383>; Janet Newman et al., ‘Public Participation and Collaborative Governance’, *Journal of Social Policy* 33, no. 2 (April 2004): 203–23, <https://doi.org/10.1017/S0047279403007499>; Francesca Polletta, ‘Participatory Enthusiasms: A Recent History of Citizen Engagement Initiatives’, *Journal of Civil Society* 12, no. 3 (2 July 2016): 231–46, <https://doi.org/10.1080/17448689.2016.1213505>.

define which knowledge counts and which is “out of scope”? Whose knowledge is voiced and whose isn't? To what extent are these contestations actually about knowledge at all, rather than about ideology? In effect, how and when does knowledge operate?

## Planning in Greater Manchester

The Greater Manchester city region is the urban conurbation centred on the cities of Manchester and Salford and incorporating the surrounding metropolitan boroughs of Bury, Bolton, Rochdale, Oldham, Tameside, Stockport, Trafford and Wigan. Since the regional tier of local government (the Greater Manchester Council) was abolished by the Thatcher government, the ten boroughs have worked in partnership to fill the strategic gap at this sub-regional scale. This collaboration is widely seen as a successful model and it provided the ground on which, in 2016, the Cameron conservative government delegated a number of central government responsibilities to the meta-council body that emerged from the former Association of Greater Manchester Authorities, namely the Greater Manchester Combined Authority. This delegation of responsibilities, usually but questionably termed “devolution” (and colloquially, DevoManc), involved imposition of a directly elected Metropolitan Mayor for Greater Manchester. The Mayor's powers are limited in the planning arena and strategic plans have to be unanimously agreed by the Mayor and the ten local council leaders, the eleven making up the Combined Authority.

With a history going back to before the devolution agreement, the Greater Manchester Authorities have been working up a Spatial Planning Framework. In its 2019 iteration the Greater Manchester Spatial Framework (GMSF) has a dual function. It is both an attempt to produce the first plan for the city region since the 1980s and a way of dealing with pressures from central government. Local authorities have to produce local plans and consult on them, and to ensure a 5-year pipeline of land for new housing, in line with the government's imposed targets. Through GMSF nine of the councils in Greater Manchester<sup>515</sup> are approaching these problems together, aiming to avoid a situation where penalties are applied due to the lack of plans and a housing land supply, with *“the spectre of moving from plan-led development to a developer-led process of planning by appeal, which would be costly for all”*<sup>516</sup>. However, the Spatial Framework aims to be more than this, a “plan for jobs, homes and the environment”. In the forthcoming 2021 iteration it has again been renamed as “Places for Everyone”<sup>517</sup>. The GMSF had been through at least two earlier drafts. The version produced in 2017, shortly before the election of the Mayor, Andy Burnham, came under widespread attack from local campaigners. An

---

515 Stockport, a minority Labour administration where no party is in overall control, dropped out in 2020 as a result of the Liberal Democrats and Tories withdrawing support for the plan.

516 Graham Haughton, ‘Learning from the GMSF Process’, *Town and Country Planning*, no. 1 (January 2018): 18–21.

517 <https://www.greatermanchester-ca.gov.uk/news/greater-manchester-councils-to-set-out-next-steps-with-places-for-everyone-joint-plan/>

unprecedented number of responses were made to the consultation, the majority concerning local sites in the protected Green Belt which were proposed for building housing and industrial facilities. The developer lobby also argued that the plans were not ambitious enough. The incoming Mayor promised a radical rewrite with the aim (though not the promise) of eliminating the encroachments on the Green Belt.

The GMSF is, however, only part of the picture. The majority of planning decisions are made at the local council level. In the City of Manchester the boom in high-rise construction has brought controversy and opposition from heritage campaigners and critics of a development model centred on small flats and construction as an outlet for speculative finance. The Green Belt is not the only type of green space in contention. Building on former industrial land that has reverted to nature (Pomona Island, Nuthurst Vale, Rye Bank Fields) and the privatisation via enclosure of playing fields and associated commons in the Mersey Valley (Turn Moss) have likewise led to lively campaigns that have had mixed success. These high profile sites by no means exhaust the totality of planning in contention. For example, consultations over the redevelopment of a district centre and former swimming baths and over the construction of cycle routes (Chorlton) have also become contentious. There is also the question of unplanned urban development, for example the way that other developments, such as University expansion and the inadequacy of public transport impair communities, and the continuing question of relationships between citizens and both elected members and officials employed by councils.

In this piece several of these experiences are drawn upon to characterise the dominant planning model *visa vis* citizen interests and voice in the Greater Manchester planning context and to make suggestions for better ways of doing planning with communities.

## **Methods**

The principal sources that underpin this account are,

1. A workshop session with citizen campaigners from across Greater Manchester, on planning issues.
2. A Series of interviews with members of citizen and community groups concerned with planning issues in the neighbouring Chorlton (Manchester) and Stretford (Trafford) areas.

These were augmented by,

3. Analysis of planning documentation and responses in the public domain.

4. Attendance at a question and answer session on the Greater Manchester Spatial Framework between Metropolitan Mayor Andy Burnham, his chief planning official and representatives from groups campaigning on green space. It was organised by the Save Greater Manchester's Green Belt coalition (SGMG) <sup>518</sup>
5. Analysis of media coverage and social media discussions on planning issues in Greater Manchester.
6. Attendance at other planning-related workshop events organised by the University of Sheffield Just Cities research programme.
7. Attendance at consultation events for a) the previous iteration of the GMSF, 2016), b) pre-planning consultation for three “development opportunities” in the Chorlton area, c) cycle and walking strategy consultation events covering the Greater Manchester Beelines plan and the Chorlton Cycleway proposals, 2018 and 2019.

Workshop (1 above) and interview (2) transcripts were coded using an emergent set of labels which were then rationalised to reflect the aims of the study and the most salient points discussed. A thematic analysis was then made for the set of interviews and for the citizen planning workshop and their headline terms shared with the respective participants before synthesising the narrative here, which was also informed by sources 3-7.

## **The citizen experience.**

### **Citizen knowledge of place.**

The knowledge that citizens have of their locality was seen as an essential element in constituting community. Planners do not have direct access to this kind of knowledge and consequently were seen as ignoring vital aspects of places, how they function and how they are structured, spatially and socially, in their proposals.

*“I suppose, a lot of people say it’s quite stunning views looking at the moors. But even the small green spaces, you know, the sort of little scrappy areas, you know, people do value these because, you know, we seem attuned to these sort of natural areas, even if we sort of live in quite an urban part of town.” KMW 10*

*“The most heartening comment is an appreciation of the local and the small scale and, you know, value that’s on your doorstep.... you don’t need to get into the car and go to the Lake District or Snowdonia, as lovely as it is. Actually it’s changing your lens, changing your glasses and having an appreciation of what may be a bit of green space on a corner of [location] or whatever, you know. Is there still a bit of green area...?” KMW 19*

---

518 Gordon Tilstone, SGMGB Group Reps Meet Andy Burnham 02/02/19, 2019, <https://www.youtube.com/watch?v=7dxnuD-O0EE>.

*“... it’s not necessarily very spectacular in terms of its landscape, you know, the National Trust wouldn’t buy it; it’s scuzzy, it’s scrappy. But that’s not important. I don’t want to create a hierarchy of green spaces and landscapes. I want to say that the actual idea of green space that separates built up areas is important.*

*Secondly, the encroachments on that are of poor quality. There’s no life enhancing landscape development to large warehousing sheds and pretty soulless executive style Barrett box clone building. You know, it’s incredibly unimaginative and it’s not creating the kind of urban landscape that... ” KMW 11-12*

*“I’ve spoken to large numbers of people at meetings or simply walking around the area and the first thing everybody says to you, ‘It’s a nonsense, this.’ And it’s through simple appreciation of the practicalities that people get through living in the area. It’s nothing complex or complicated but it’s simply the fact that when people consider the implications for things like transport, for things like schools, for things like infrastructure of any description, the environment, they realise it’s completely and utterly impractical and it will fly in the face of everything that the spatial framework says in terms of protecting the environment and encouraging activity and all that sort of thing.” KMW 18*

*“If you fail to take account of that grainy sort of grounded knowledge, you lose sight of what binds communities together and you lose sight of what we understand by community. And that’s the danger, isn’t it?!” KMW 24*

*“When it came to planning applications that the council was trying to push through, we actually knew more than they did about the land.”  
Ch 2:6*

## **Citizen priorities**

Active citizens had very clear and detailed priorities for the places they cared about. The mundane connected with the ideal, in ways that contrast with the more abstract and typically economic priorities of officialdom.

*“my area at home is friendly, it’s multicultural, the park’s within walking distance, I like the local shops, I like its location and that it’s handy for town and for other areas. It’s mostly the people, it is a friendly community.*

*And for [a different area] also, it’s accessible, it’s lively, it’s in the city centre but there are also quite a lot of different communities around there. We’ve got a lot of different music types going on, those types of things. And in terms of dislikes, traffic and air quality, probably*



*apply to both, and air quality more so in the city centre. Litter, the lack of green space in the city centre, over-development in the city centre.” KMW 7-8*

*“... the disillusionment and negativity about many, many residents and their feelings of powerlessness, which I think is important for why we’re here today: rubbish, bad landlords, commuter traffic everywhere ... millions of cars during the working day and then they all disappear at night.*

*Poor quality green spaces because they’re just not managed any more properly, .... Speeding, air, pollution and what I call transience, which is people moving all the time so the number of people staying in one street for longer than a year is getting less and less.” KMW 12*

*“There are these buses but the actual roads themselves, they’re absolutely clogged between 7:00 and 9:00 in the morning and certainly, from the time the school run starts in the afternoon. So, the prospect of actually building more houses there is anathema to, you know, the residents, of course.*

*The schools are full, there’s a huge waiting list to get into local schools for people who live in the area.” KMW 13*

*“People who are growing up [here] can’t afford to buy a house ..., because the house prices have gone silly. If you’re older and you want to downsize, there are limited reasonable options and if you’re in a freezing cold house and you don’t have that much money, you’re still in the freezing cold house, you know?” Ch 1:16*

*“I’m involved in two campaigns, at the moment. They’re both within walking distance of my house, less than five minutes’ walk. ... I don’t believe any green space should be built on at the moment in this world of climate change, pollution etc, although I am a strong advocate of sufficient housing for our population.” Ch 2:1*

Given the chance to identify everyday issues of importance to them, citizens often have no difficulty doing this. A one-off open meeting on anti-social behaviour (requested by the owner of a general store and post-office, brokered by local councillors and chaired by the author), identified a host of issues including drug dealing, speeding cars, sexual harassment, policing levels, supervision of schoolchildren, communications with police, council and school governing bodies, petty crime and perceptions of safety. Yet there existed no regular established forum or channels for citizens to voice and work on these questions with those in authority positions. This goes beyond planning decisions and suggests a more pervasive deficit in the local democratic process.

## **Finding out about plans by chance**

In several contexts, citizens had only learned about planning proposals by chance. This led to suspicion and resentment.

*"... my partner, ..., noticed one of those small notices, I think, for planning application way-way back. Let's see, over a year ago and said, 'Oh, they're thinking of developing ....'. To be honest, I didn't take much notice of it, but she was right. Before you knew it there was a development there, or a proposed development there for three 3G football pitches, which would have been fenced off and leased to Salford City and a large 4G pitch which would have had an eight meter high fence." Ch 2:2*

*"So, then a lot of people said, 'Hold on, why haven't you told us this before? How long's this been going on? They're not local.' .... And then a campaign started to grow up of people saying, 'Look at the plans closely, this is a privatisation of Green space. It's green belt. It's sports pitches. But they're going to be building fences around the pitches, putting flood lights up, dramatically altering the nature of [it]'. Ch 4:2*

*"They have ward plans and we've actually tried to find out what the ... ward plan amendments are going to be done and they said, 'Oh, we're not doing it with communities. We're just going to do it as councillors and council officers.' And so, we've made a big fuss and they're now grudgingly going to have a session." KMW: 32*

Planning applications are generally publicly notified through council websites and via small notices posted in public places. However an ordinary community member is likely to miss them.

*".... nor does the council come to us. We have to watch out, one of the things civic societies have is a kind of responsibility for planning .... In some places civic societies automatically get alerted to when there's a planning application in their area. We don't, we have to scour all the planning applications all the time to see what's coming up." Ch 5:11-12*

*"I suppose the other thing I would say about some of these things is the absence of a local newspaper means that it's very difficult for people to find out what's going on and what to get involved with and how to get involved with things." Ch5: 36*

## **Poor consultation practice**

Poor practice in conducting formal consultations was a common concern. It was understood that this was partly a result of austerity and the resulting lack of capacity in councils. However, participants almost universally pointed to an

underlying culture of paternalism and the devaluing of community expertise. In some cases this led to the strong suspicion that what was being consulted on was seen by the council, and their developer allies, as already a “done deal”.

*“I think there’s a feeling of, you know, when plans are presented as they have been, that these things are being done to us rather than for us. And that really gets people’s backs up because none of us are against building affordable houses, none of us are against building the sort of properties that we really need.” KMW: 22*

*“I think what’s happened with the spatial framework is, maybe, that people have felt so under-listened to and undervalued at a very local level, when they got given the opportunity to comment on something like the spatial document, all these local issues came out.” KMW: 31*

*“... the very fact that the consultation was so badly handled and there was no indication as to how people would get feedback from the information that they put in.*

*The information was collected, the questionnaires were poorly designed. When I look back, with the benefit of hindsight, I can’t even believe they did what they did, because it was so clumsy and so badly thought through. The expectation that they would, somehow, push through a site for 70 executive homes and give people a choice as to what the layouts were...It’s almost beyond belief, really.”. Ch 1: 6-7*

*“... I’ve seen it over the years, a highly paternalistic kind of local government culture that, essentially, operates in a kind of, ‘This is what we’re going to do. I’ll tell you what we’re going to do, what do you think of that?’ kind of model.” KMW: 27*

*“I would have been ashamed to write the report like their consultation report, but it wasn’t a report of the consultation. It was a summary of the tick boxes part of the consultation.” Ch 5: 37*

*“ a lot of us on the committee ... went to a consultation, yeah, it was called a consultation, unbelievably. A consultation held by the council ... and it wasn’t a consultation. It was basically speeches by the leader of the council, the chief exec and [a prominent developer] telling us... It wasn’t a consultation...” C2: 19*

*“... and then actually get rid of the traders’ concerns by using evidence that isn’t evidence and hope they don’t have time to investigate it, and also put the consultation at their busiest trading month. ... If you don’t want proper input, when do you do a consultation? Well, if you want to get one steam-rolled through, when do you?” Ch4: 13*

*“... very few actual documents printed showing the route. It was all supposed to go online. We were supposed to go online and have a look at it. Well, certainly, I’m quite switched on digitally, but I cannot get my head around a huge document on a computer screen.” Ch4: 21*

*“And digital is not the way to have a consultation.  
.... not everybody has digital access, not everybody’s confident in using it.” Ch4: 22, 31*

*“Some of that is about capacity, but some of that is about culture. We actually don’t want, we’re doing consultation because we have to do consultation, we don’t want things to change. We know what we want to do”. Ch 5: 19*

*“The face-to-face meetings, I think were there two of them or maybe three, maybe more? Really were well attended. They weren’t recorded in any way whatsoever, .... There was no attempt to capture what kinds of questions people were asking or indeed what answers they got.” Ch5: 7*

## **Faulty information supporting planning proposals**

Participants considered that in some cases, planning proposals rested on questionable evidence.

The following questions were asked of the Metropolitan Mayor and his Head of Planning during the meeting with green space campaigners about the January 2019 draft of the Greater Manchester Spatial Framework. They illustrate the contestability of planning assumptions.

*“The GMSF uses two sources for its projections of the need to build. The government’s housing targets, which inflate likely demand above the level suggested by the ONS, and projections from Oxford Economics. Oxford Economics offers two projections which see the economy growing by 39% and 59% respectively by 2035. Both of these are at the higher end of economic forecasts and well above those of the OBR. Yet GMCA has picked the higher of the two. You have rightly blamed the government for imposing the housing demand methodology why has the authority opted for the inflated projection from Oxford Economics which means likely over—estimation of space needed for offices, warehouses and industry?” SGMGB: S*

*“Andy, you make great play about the reduction in net Green Belt take in the latest version of the GMSF, which is welcome in two ways. Firstly, by removing some of the Green Belt land allocated in GMSF for housing and secondly by adding into Green Belt, land which is not*

currently Green Belt.

We have three comments:

1. Some of the reduction of Green Belt has been achieved by allocating housing, land which is not technically Green Belt but is long established Public Open Space, football pitches etc. not technically Greenbelt.
2. Some of the land added into Greenbelt includes. land which is already parks and Public Open Spaces.
3. Some of the remaining Green is already built up. For example in my patch you have halved the greenbelt and left large areas which are already built on, including 5 hectares of commercial greenhouses. I am sure there are similar examples elsewhere." SGMGB: P

Other instances were identified in more local planning exercises.

*"Once they'd actually submitted the planning application, the detail was really poor on things like traffic analysis and the bat survey and amphibian survey. Just some of the maps didn't correspond with each other. It was all a bit vague about where these fences were going to go."* Ch 3:2-3

*"Some people think we would have won but it would have had to have gone to a judicial review, if they got those plans through. As it happened, they blinked, they realised that their plans were shoddy. And they we probably lose a judicial review because of the poor quality of the plans. It's since come out that there was £160,000 spent by ... Council on [prominent developer]'s companies."* Ch 3: 3

*"They pick and cherry-pick their findings and they structure their studies to prove what they want to prove.."* Ch 4: 13

## **Citizen perceptions of local democracy**

Perceptions of local democracy varied but were generally critical. Political interests were commonly seen as tied to those of developers.

*" ... Council with its long tradition of basically granting developers whatever they want, most of the time, it appears to me, have had terrible press with respect to social housing, affordable housing etc, over the last year or so."* Ch 2: 8

*"What does concern me though is that a group that's got over a thousand signatures ..., the councillors really haven't engaged with us. They're ploughing their own furrow and I'm quite keen to tell them that they're playing a very dangerous game (laughter), ignoring a thousand people locally."* Ch2: 10

In some cases, councillors were seen as pursuing sectional interests.

*“But obviously, from the way [councillor A] talks about ..., none of what we said at that meeting was taken back to the council anyway.”*  
Ch4: 13

*“Before the consultation even came out the councillors in which, in the vicinity in which the precinct sits wrote an explanation in defence of the development proposal in a widely circulated community newsletter, which led everybody, certainly [in our group] and other people that I know to say, 'Hang on, wait a minute, we might not all agree with this.'*  
*Even before we'd seen the detailed proposals, the councillors were defending it.”* Ch 5: 5

*“That kind of, the councillors coming and trying to sell something, 'we've got to play our part' is part of them being acquiescent to the Labour Party in the council where there isn't debate and discussion much.”* Ch 5: 15

*“We've got an interesting set of rhetoric with one of the local councillors who keeps saying, “Oh, very good idea, very good idea, but timing is everything.” ...He never says what else is going on that timing is so crucial, but it's a kind of, wink-wink, you believe me, timing is everything, but we'd better not go too fast on this.”* Ch 5: 13

Councillor approaches to obtaining citizen perspectives can be limited.

*“... there's a lot of people [in this neighbourhood] with quite a lot to say and quite a lot of experience in different fields. That's a gift for the council, isn't it? ...*

*A gift for the council and they don't use these gifts really, across the whole community really, when you think about it.”* Ch 1: 24.

And these shortcomings result in perplexity and alienation for citizens.

*“... there has been a lot of talk about individual councillors and getting people to trust you but it's a bit hard to know how we can try to influence those systems.”* KMW: 40

*“... people feel that as part of the democratic process, they should be listened to but because of this inherent, perhaps paternalism, perhaps married with the austerity, that they're not being listened to in that respect. So, perhaps, we're not as democratic...”* KMW: 27

However, it was recognised that councillors can be supportive of community interests, and some are interested in a more participative ways of working with citizens.

*“...in terms of [our most local] councillors, is [some] are really interested in a more bottom-up way of developing, and [others] who think they represent the voice of the people. Even that’s not entirely fair, because one of them, after the consultations on [a proposal], did attend the executive meeting in the council where they talked about it and presented a community perspective, which was different from the one that they had written about.*

*...He had about four minutes to speak, so let’s not over-emphasise what kind of representation he could make...” Ch 5: 6*

*“... we’re trying to develop a bit of the area behind the village green and make it into a sort of park for the... there’s literally, there isn’t a park for the children to play in. ... And we have actually had a fair amount of support from the council for that. You know, they’ve been good in that respect and that’s an example of something emerging from sort of bottom up, as it were. And it’s a really positive thing for the community.” KMW: 22*

### **The model of planning – the done deal.**

Perhaps the strongest perception among active citizens was that the consultation process was often a sham, used to legitimate but not fundamentally revise proposed plans. Following one of our participants, we call this the “done deal” syndrome.

*“I think there’s a feeling of, you know, when plans are presented as they have been, that these things are being done to us rather than for us. “ KMW: 22*

*“The ideas might be good that get thrown at us. However, if you do it as a done deal, if it’s like ‘take it or leave it’ as an option, if you skew things to make your argument and dismiss arguments out of hand”  
Ch 4: 20*

*“I think a lot of people object to being presented with a plan in the first place because it’s like, ‘That’s already been decided,’ and everyone’s immediately got their backs up. And even if you sort of, you know, read it and thought, “Well actually, that might not be a bad idea.’” KMW: 20*

*“They’re going through the motions of consultation because they have to and because it’s politically in their interests to, but it’s obvious that they’ve already got an image in their mind of what they want. So, it depends on your definition of consultation.” Ch 4: 5*



*"I think a lot of that comes down to feelings of power and powerlessness, because there's a feeling that developers have the ears of the authorities and they have a lot of, you know, and if they've got a planning application and they lose, they can appeal, whereas we can't. As residents, we can't..."* KMW: 23

This is not to say that planning proposals have already been decided on with no scope for their rejection or revision on the basis of community feedback: indeed this would be contrary to the law. The perception, and the experience, of community actors though, is that "developments" have a momentum that is often unstoppable and that consultation is a mere formality.

How fair is this perception? In England, nearly half a million planning applications are received annually and 88 per cent of these, whether major or minor, are granted<sup>519</sup>; the rate is similar in Greater London although with some variations between authorities<sup>520</sup>. Minor decisions tend to involve things like alterations to buildings and are typically decided by officers using delegated powers. The major decisions are likely to go to the local authority planning committee where councillors make the final decision, on the basis of information supplied by planning officers. Where an application is refused, it can be appealed (by the developer), and overall the planning inspectorate upholds some 50% of appeals (for schemes involving 50 or more housing units). While 40% of appeals are upheld where both the officers and councillors had refused it, 65% are upheld where the officers recommended approval but the councillors refused the application<sup>521</sup>. It can be seen that the chances of a major planning application being approved are high, and for those that are refused, there is a good chance of winning an appeal against the council. This is a powerful argument for initiatives like the Greater Manchester Spatial Framework which could provide a set of criteria (in addition to the, very variable, Supplementary Planning Guidance that local authorities can define), against which developers' proposals have to be tested. Councillors' room for manoeuvre is relatively small, since the National Planning Framework has a "presumption for ('sustainable') development",

*"Local planning authorities should approach decisions on proposed development in a positive and creative way... Decision-makers at every level should seek to approve applications for sustainable development where possible"*<sup>522</sup>

---

519 Ministry of Housing Communities and Local Government. 'Planning Applications in England: October to December 2018'. Statistical release. London: National Statistics, 21 March 2019.

520 Built Environment Communications Group, 'London Borough Planning Committee Decisions, May 2018 - April 2019', Planning Committee Research Document (London: BECG, May 2019).

521 anon, 'Refused for Good Reason: When Councillors Go against Officer Recommendations.', Insights (Nathaniel Litchfield and co. Ltd, August 2018), <https://lichfields.uk/media/4419/refused-for-good-reason-when-councillors-go-against-officer-recommendations.pdf>.

522 Ministry of Housing, Communities & Local Government, '4. Decision-Making - National Planning Policy Framework - Guidance - GOV.UK', 27 March 2012, <https://www.gov.uk/guidance/national-planning-policy-framework/4-decision-making>.

As the climate crisis intensifies, and hence the need to protect green space and other natural resources is heightened, it may be that a *presumption against development* would be more apt to our collective predicament<sup>523</sup>. However, in the North West at least, councillors appear to be moving in the opposite direction<sup>524</sup>.

The “done deal” style of planning-consultation, and the biases of the National Planning Framework, cast citizens and communities into the role of objectors, complainants and nuisances, rather than as co-creators of solutions for their communities.

*“So, if it’s characterised as a plan that’s given and then it’s a matter of responding to it and reacting to it, then your knowledge is cast into that kind of antagonistic, reactive or it’s likely to be.....”* [another participant finishes the sentence] *“emotional”*. KMW: 21

*“Yes, I think there might be a lack of trust on both sides and it’s how to remove..... that barrier. Because I think they automatically assume that well, we’re just campaigning because we don’t want everything to change, we want everything to stay the same.”* KMW: 38

Even these flawed protections in the current legislation are under threat with the Johnson Conservative government in 2020 issuing a White Paper with proposals to severely limit the power of local government and communities to review and object to development<sup>525</sup>.

## **An alternative**

Participants had ideas about a better way of planning, one that involved active and concerned citizens from the start, rather than via consultations that could appear to be about “done deals”.

*“There’s a really good thing going on in Oldham, at the moment. ... it sounds like there’s people actually working with residents, in the whole of the town centre about what to do once Spindles has gone. I think that’s what it’s about, how the whole town centre is going to work. And they’re quite excited about it. But they’ve done that by bringing in ... creative people to work with groups.”* KMW: 22

---

523 Davey, B. ‘Land Planning Policy at the Limits to Growth’, *Feasta Website* (blog), 2019, <http://www.feasta.org/2019/05/30/land-planning-policy-at-the-limits-to-growth/>.

524 Place North West, ‘Planning Committees Prioritise Affordable Homes over Green Belt’, *Place North West* (blog), 28 May 2019, <https://www.placenorthwest.co.uk/news/planning-committees-prioritise-affordable-homes-over-green-belt/>.

525 See Carolyn Kagan’s analysis on the Steady State Manchester website: <https://steadystatemanchester.net/2020/10/25/is-this-the-best-we-can-do-to-plan-for-the-future/> Following considerable campaigning against those proposals, and perhaps more tellingly, the loss of a by-election in a formerly safe parliamentary seat, at least some of the proposals were withdrawn in September, 2021, <https://www.cpre.org.uk/news/government-to-abandon-parts-of-planning-proposals/>

*“... if people feel involved and they have a level of information, then they’re able to make very good coherent decisions and campaign effectively for things that they do want.*

*On the participation thing, we have a process that we do on projects ... which is like a couple of sessions working with local communities and we take them through exactly the same analysis and options, appraisal and like preferred option process that we go through. So, we’ll do that with them and show them how to do it and like we’ll co-create a plan with them.*

*And I don’t see with technology as to why that sort of process couldn’t be done for something like spatial framework....*

*I think all the kind of tools are there to do it.” KMW: 23-4*

*“... it’s almost like if you work on a very, very local, neighbourhood level, sort of community level, with a certain set of requests, you know, a bit like this and then all those kind of collected and then you then have a group which is all of those people together. So, that’s at ward level.*

*And then you come up with a collective thing that you take forward and then all the wards or all the South Manchester wards get together and then all of Manchester does that.*

*And so, what it does, is it distils up but each time, the next level up, the results of that then go back right the way down the chain. So, the people at the bottom who might have said, ‘We want to have, I don’t know, we need another park here,’ and then when it went this far, this far, suddenly, it got lost. Why? Why did the park get lost? Because when it was up against the this, the this and the this, collectively, everyone thought, ‘Well, the trouble is we can’t fit a park any more.’ But in that way, and then slowly, slowly, it gets up to this Greater Manchester Spatial level. I mean, I think they’re really important but it’s very difficult for me to make a comment specifically on [another district], for example. I have a general sense to protect green space where we can anyway, but actually, I have no idea whether... because it’s just so much more extensive, you know, than I can deal with.”*

*KMW: 33-34*

*“I’ve got the word ‘community conversations’ in my head because I think that, I guess there’s probably going to be some sort of resources issues here as well, that we talked about. Getting a group of people together with different levels of expertise and different interests will produce, will in my view, produce a better result and better ideas really.*

*So, I’m quite interested in things like, so distance panels as well. Bringing across a section of people, giving them, or helping them to get good, rounded information on the issue and then discussing that issue and coming up with ideas. I think there’s got to be a lot more of*

*that and I don't think Manchester is even touching on that, touching the sides on that really.*

*I'm trying to be positive rather than critical but not everyone wants to go to a public meeting. It's quite intimidating." Ch 1: 20*

There was a general advocacy for a more open and open-ended, deliberative process to arrive at options and ways forward.

*"It's constructive conversations about how life could be better and how it could be different, which involves officials having to listen. I don't think they've taken any training for listening, actually. From what I said in the beginning about Manchester, I don't think Manchester focuses on how do you deeply listen to people. It's more, how do you make it look good, that you've done something and reflected back.*

*This deeply listening involves a measure of humility and realising that you haven't got the answers yourself." Ch 1: 21*

*"Let's suppose that hadn't had that history. They've got this site that they want to develop. They could start by asking people what should we do with this site? Here are, if they've got a plan, a strategy, why should people know about it? Here are the requirements of our strategy. Here's our, you don't even need to say; I'm just thinking about housing, here's our analysis of housing need. People know what the housing need is; you don't need to have a formal analysis of that on a local basis.*

*You could build up a picture of what might be possible. Then they'd pull that together, put a development plan and consult on it. You could build up a picture of what might be possible. Then they'd pull that together, put a development plan and consult on it. ....*

*I think it should be done in an engaged way, that could mean things in different areas, but it certainly means involving as many people as possible, not just people with titles in an area... The other part of the answer, so my first position is yes, do planning differently, but the other part of the answer is, be seen to respond to the consultation."*

*Ch 5: 18-19*

However, these ideas take us beyond planning as such, into the realms of community life and governance.

Interviewer: *"the discussion becomes quite interesting because in a way it's not just about planning, it's actually about the fabric of community life in the place."*

Respondent: *"All developments are. .... it's about community development where the built environment is one that comes under particular scrutiny because there are processes involved in it. Highways also come under scrutiny but there's not the same kinds of*

*procedures involved with that. Green spaces, same, but there's not the same, I mean the same issue. The people that are concerned about the precinct development are also concerned about green spaces and about the roads and whether you can walk along the pavement,..." Ch5: 22-22*

*"But to be just told, 'imagine a place' is really difficult unless you have a facilitated process for doing that and some understanding of possibilities. ...when I was working and you did regeneration projects, trying to involve local people, ... understood that you couldn't just ask people how could this be different. You had to take them and show them lots of examples of different places and different things. Same with the council house sell-off. The people who were resisting council house sell-offs went to other estates where they'd done anything different to see what the difference was because they knew that it was a problem but didn't know kind of what solutions there might be." Ch 5: 29-30*

## **Different knowledges**

In a more deliberative process, different kinds of knowledge would be brought into play so there would be a dialectic relationship between the expert, grounded, grainy, place-based, lived knowledge of citizens and the more technical, structured, formal knowledge of planners. Local politicians would tend to bridge these two spheres. However, it was also pointed out that this is something of a simplification, because many active citizens do in fact have expert knowledge, and will also conduct their own research, and some experts will also be community residents themselves.

*"People are experts. So, [person X] became an expert on drainage law. He's a physicist by nature. But he just started reading up on it and said, 'Well, hold on. What they're proposing to do with the flood water is against the law since the 2014 something or other Act.'" Ch 3: 11*

*"... we've started doing our own travel surveys now, our walking rates are very high for locals" Ch 4: 14*

*"I don't think came over clearly enough when we were talking about knowledge is, you can't make a distinction between expert and non-expert knowledge in this arena because some of your, one of our members, we published a piece in our newsletter recently, used to be an architect with a very strong interest in ecological issues and he wrote a very, got a very strong sets of principles that ... he argues should be used for ecological reasons in the development of the precinct.*

*He's an ordinary person living in the community now, he's an older*

*person who lives in an older people's retirement complex, but he's got expert knowledge. ... there's not a distinction between lay knowledge and expert knowledge." Ch 5: 16*

*"Somebody who used to be in advertising can bring his expert knowledge as a resident to critique the way the council communicates with us. The planner, ex-planner has expert knowledge, on our committee, has expert knowledge, but he's an ordinary resident. He's talking about those things, not as a planner, but as somebody who lives in the community." Ch 5: 16*

*"Often in these kind of discussions about knowledge, forms of knowledge and so on, there's a division between expert knowledge and lay knowledge and I think in community development work and in space and place work, you can't make those distinctions so clearly. You have to think about it differently, it's not about one or the other. But it is about where people are positioned in the system and communities are very much outside the system although if you look at any of the rhetoric and any of the legislation, it's all about involving communities." Ch 5: 17*

These considerations indicate that hard and fast distinctions between expert knowledge and lay knowledge are difficult to maintain, or at least they criss-cross people's locations inside and outside the system, and over time. This suggests that an easy rhetoric of co-production, itself a professionalised, service-orientated term, requires replacement with a more complex understanding of deliberative and participative processes for what we could instead call the *democratic co-gestion*, of communities, their structures, spaces and life patterns.

## **The bigger context: capital and the presumption for development**

How realistic are those aspirations for a different kind of planning settlement, one based on deliberative, co-production or co-gestion of plans and indeed communities themselves? It is here that we are confronted with the bigger picture, where money and power interests dominate. Again, there was acknowledgement of this in the discussions we had with active citizens.

*"... why is the scale so important? Well, it's the economy, stupid. You know? If Manchester Airport drives so much, what drives the SEMMMS<sup>526</sup>, you know, a little bit of a link and is now becoming an outer Manchester orbital motorway, isn't it? ...[valleys of natural interest and nature trails have been] concreted over and all the rest of it because the 'need' for that is so much greater." KMW: 29*

---

526 "South East Manchester Multi-Modal Strategy", which includes a major road building programme.

Participant 1: *“Well, it is but I mean I'm saying, you know, in reality, the spatial framework is about... I mean, there was an interesting piece was it on the Today programme, about smart motorways and stuff like that. You know, come on! It's about bigger trucks moving food and moving things faster because we want to eat global, don't we?”*

*So, it's scale...*

Participant 2: *We could go much bigger than this, then and talk about economic growth and is it actually a sensible thing? But then I'm not quite sure that's too big for this discussion.”* KMW: 30

*“Who knows, when you're talking about a Singaporean billionaire, ... plus a high profile ex-footballer, ... plus a highly ambitious leader of the previous Conservative council, ..., plus, [the proposed development] was part of a much wider development, .... Then you're talking big money.”* Ch2: 5

*“One of the things that I'm hearing in these last comments and also building on what you were saying is if we don't understand how the planning system fits into the broader political system, it's very hard to know how we can influence change because we don't know what's driving some of these processes, what's behind them and at which points we could actually get to be heard and influence, so that we could actually do something.”* KMW; 39-40

Would-be citizen-planners realised that there were some very powerful moneyed interests involved, intrinsically linked to a ruling ideology of expansion, development, economic growth which they were prepared to question:

*“I'm interested in who owns the land across Britain and I'm highly aware of the fact that land ownership is highly concentrated. ... We've lost half of our public land since 1979, which is when Thatcher was elected. It's been done in dribs and drabs. It's largely, not been noticed, when people talk of privatisation, they don't really talk about the privatisation of land, but about 480 billion of it has gone. It's been done under the name of, oh, we need to build houses, but that hasn't happened, quite obviously. Land banking has happened.”*  
Ch 2: 2

The building frenzy that has engulfed cities across the world has been documented and explained at various levels. Harvey explains it in terms of the search for profitable investment options given the hyper-accumulation of capital <sup>527</sup>. Other theorists place this in the context of the secular long term

---

527 David Harvey, 'Globalization and the Spatial Fix"', *Geographische Revue* 3, no. 2 (2001): 23–30.



falling rate of profit (from investing industrial capital)<sup>528</sup>. The consequences have been documented in the case of Manchester <sup>529</sup>, which appears to be replicating, qualitatively if not quantitatively, London's experience of housing development as a capital sink with ownership dominated by finance capital with overseas investors having a large stake. This race towards the skyline will have consequences for the liveability of the city itself <sup>530</sup>. While much emphasis has been on the city centre, the Greater Manchester Spatial Framework itself reveals the interconnections between the central and peripheral elements of 'urban growth hub', 'airport city', and motorway-hugging "growth corridors", binding them together in an almost coherent narrative with rather minor supporting roles played by green space, low carbon, biodiversity and social inclusion.

Moreover, this economic nexus is supported by a development industry that can spend millions conducting research, producing and responding to policy documents and attending events. The seductive power of the development industry is illustrated by the annual MIPIM conference in Cannes. This four day event, that the organiser calls the "World's Largest Property Market", "gathers the most influential players from all sectors of the international property industry for four days of networking, learning and transaction through premium events, conferences and dedicated exhibition zones" <sup>531</sup>. Attendees in 2019 included the Metropolitan Mayors of Greater Manchester, the West Midlands, Merseyside, and the West of England, as well as other local and national politicians. At MIPIM, these Mayors made calls for inward investment and development partners for their regions, presenting them as attractive investment opportunities.

Not surprisingly, all this effort has its ideological consequences. It can be hard to apprehend, let alone combat, the pervasiveness of the ideology of the inevitability of growth, of endless "development" on a linear path. However, it is enshrined in the National Planning Policy Guidance (paragraph 81) which states that,

*"Planning policies should:*

*(a) set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration;*

---

528 Michael Roberts, *The Great Recession: Profit Cycles, Economic Crisis a Marxist View* (Lexington, KY: Self Published, 2010).

529 J Silver, 'From Homes to Assets Housing Financialisation in Greater Manchester' (Manchester: Greater Manchester Housing Action, 2018), <https://www.dropbox.com/s/45uj6plrnl4hwrB/FROM-HOMES-TO-ASSETS.pdf?dl=0>.

530 J. S. Vandeventer, 'Does Housing Financialisation Deliver a Viable Economy for Greater Manchester? -', Greater Manchester Housing Action, *Does Housing Financialisation Deliver a Viable Economy for Greater Manchester?* (blog), 6 May 2018, <http://www.gmhousingaction.com/housing-financialisation-deliver-viable-economy-greater-manchester/>.

531 <https://www.mipim.com/>

*(b) set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;*

*(c) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment; and*

*(d) be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances.”* <sup>532</sup>

The economic growth ideology comes with a number of implicit assumptions about the relative values of the big, the new, the high, the economic, the technological at the expense of the small, the old, low level, the human and the natural, that our participants identified in, for example, the apparent unimportance of nature trails in comparison to motorways, or biodiversity in relation to housing, or watercourses in relation to advertising hoardings. With this comes a relative devaluation of citizen knowledge and experience in relation to professional, formalised knowledge. In the face of this over-arching reality, the episteme, or ideology-action-structure complex<sup>533</sup> of urban growthism, perhaps ideas of co-gestion are hopelessly naïve.

Perhaps not. Two linked arguments can be made for at least an opening for co-gestion.

1) *Niche exploitation*. While the overwhelming reality is one of domination by an overall economic rationality with its associated institutions, power structures, knowledges and ideologies, that domination is not necessarily all-pervasive. There are always islands where a different set of social arrangements can be explored and enlarged even though they can be threatened and undermined by the dominant system. In small niches that are not economically strategic, for example, it is possible to establish other ways of designing and planning elements of human settlements. Examples from Greater Manchester include community energy initiatives, successful community acquisition and management of “assets of community value”, and on a larger scale the planning for the cycling and walking network of *Beelines*.

b) *Social movements for change*. At times such approaches can achieve a more transformative scale. Examples are the “flat-pack democracy” initiatives characterised, but not reducible to, the recent wave of elections of independent councillors to local councils and the take-over of some smaller councils by citizen activist groups with a more participatory, co-gestion orientated

---

532 Ministry of Housing, Communities & Local Government, ‘6. Building a Strong, Competitive Economy - National Planning Policy Framework - Guidance - GOV.UK’, 2012, <https://www.gov.uk/guidance/national-planning-policy-framework/6-building-a-strong-competitive-economy>.

533 C. Kagan and M. H. Burton, ‘Putting the “Social” into Sustainability Science’, in this collection.

approach to planning and decision making<sup>534</sup>, and there is the wider global movement of radical municipalism with its central planks of radical localism, participatory governance (the feminisation of politics), and the emphasis on concrete action as politics<sup>535</sup>. These developments are, in the main, tentative and fragile, as demonstrated by the defeat of most of the Spanish radical municipalist administrations in the May 2019 local elections, chiefly the result of left in-fighting and the resurgence of the centre left PSOE party. However, even those defeats tell us something about the nature of the forces ranged against radical co-gestion and something about the preconditions for developing these approaches in a more resilient way<sup>536</sup>. What they do suggest is the possibility of expanding the niches where co-gestion can be established, connecting with other social movements and challenging the status quo.

---

534 Harris, John. 'How to Take over Your Town: The inside Story of a Local Revolution'. *The Guardian*, 12 June 2019, sec. Society. <https://www.theguardian.com/society/2019/jun/12/how-to-take-over-your-town-the-inside-story-of-a-local-revolution>.

535 Barcelona en Comú, ed., *Fearless Cities: A Guide to the Global Municipalist Movement* (Oxford: New Internationalist, 2019); Bertie Russell, 'Fearless Cities Municipalism: Experiments in Autogestion', *Open Democracy*, 21 February 2019, <https://www.opendemocracy.net/en/can-europe-make-it/fearless-cities-municipalism-experiments-in-autogestion/>; Steady State Manchester, 'Fearless Cities: Could We Have the New Municipalism in Greater Manchester?', *Steady State Manchester* (blog), 13 August 2018, <https://steadystatemanchester.net/2018/08/13/fearless-cities-could-we-have-the-new-municipalism-in-greater-manchester/>.

536 Charlie Clemons and Jake Soule, 'Red Bologna Today', *Jacobin*, 12 March 2015, <https://jacobinmag.com/2015/12/italian-communist-party-red-bologna-march-1977/>; C. Kagan and M. Burton, 'Prefigurative Action Research: An Alternative Basis for Critical Psychology?', *Annual Review of Critical Psychology* 2, no. 73–87 (2000).

# People's Spatial Framework: A Letter from the Future

Carolyn Kagan and Mark Burton, 2020

*Dear Greater Mancunians*<sup>537</sup>,

We are writing to you from 2035, and are delighted to tell you that Greater Manchester has been transformed into a liveable countryside city. It has met its carbon targets ahead of the 2038 deadline set back in 2019<sup>538</sup>, although the climate has changed greatly and still gives cause for concern as a result of the build up of emissions during what we now call the “consume and dispose period”.

So, what are our lives like now? The City and towns have been transformed and nearly all the everyday functions and events happen in our neighbourhoods. This means we don't have much need for travel, but when we do, to visit friends and relations, the buses are frequent, reliable and free, and those roads that still exist are full of bikes, trikes and people walking and children playing: there are very few cars about, those that are, do not emit the polluting emissions of yesterday, and the great majority of small motorised passenger vehicles are to enable disabled people to get around and provide collective transport – a bit like the community transport you are familiar with. If we have to travel to other places a long way away, we go by train – fares are cheap and there are plenty of stops so we can get to the stations easily. We've all got used to travelling relatively slowly. We look back wryly at the idea,

---

537 *It isn't usual for a letter to have footnotes, but we thought readers might like to have some background to some of the ideas.*

This piece draws upon letters drafted by participants during Steady State Manchester's People's Spatial Framework workshop, 23 January, 2020

<https://steadystatemanchester.net/2019/12/10/event-a-peoples-spatial-framework-january-23/>

We are grateful to Mike Duddy for comments made on an earlier draft.

Our main aim, both for the workshop and this letter, is to help clarify what could be the alternative, or alternatives, to the "official story" about spatial development for GM. We see that as a gap; it is all very well knowing what we are against but what are we for? So we'd want this to be circulated widely but our main audience is people already engaged in working for a better set of options: we'd like them to pick it up and run with it, deepening and broadening the clues that we give, as they see fit. We wouldn't be able to do a detailed road map all by ourselves and nor should we wish to: it has to be a collective product. It might also be of use to some of the insiders who have disquiet about the direction things are going in. They could be politicians or officials interested in simultaneously addressing the ecological, social and economic challenges.

A similar exercise by the Australian permaculturist, David Holgren, was something of a model for this exercise and his ideas, although for a very different context, are also worth reviewing. See <https://holmgren.com.au/a-history-from-the-future/>

538 <https://www.greatermanchester-ca.gov.uk/news/greater-manchester-sets-out-concerted-activity-designed-to-decarbonise-the-city-region/>

which never came to fruition, of getting to London in an hour, although the railways have been improved greatly with new lines built. A lot of the former roads have been transformed to green and blue-ways, sometimes with community allotments in them but often just beautiful places to be. We live in close contact with nature, not in what could be seen as “the big car park” of the past. Front gardens are a treat to see – where there used to be parked cars there are now thickets and rockeries and sometimes ponds.

City and town centres are places we go to, just to be or to meet people. They are such lovely places they are a joy to be in. Nearly everyone knows their neighbours these days and there are frequent community bring-and-share collective meals. These cut down on energy use as well as encourage us to socialise.

We are using far less energy altogether. Our household appliances have become much more efficient, and in some places, neighbours are sharing fridges and cookers, all of which have been converted to electricity. Appliances do cost more than they used to but they last longer and anyway, people have less interest in acquiring “must have items” to demonstrate their status with unnecessary, vanity items. But the source of our electricity has changed too. We have a district energy centre in every neighbourhood: this is a hub of renewable energy which differs according to the conditions in each area. In some areas hydro power contributes, in others it is mostly solar or wind and there is some strictly limited use of biomass. All of our houses have been well draught-proofed and we have nearly all changed our window dressings to insulate better<sup>539</sup>. Most houses have their water heated by solar thermal panels and everyone is careful not to waste hot water. Older and private rented homes are fully retrofitted, leading to almost zero energy bills.

You wouldn't recognise our high streets or what used to be out-of-town retail parks. Many of the old retail units have been transformed into work spaces, so many people work very close to home, always with revitalising gardens nearby (and very few of us work longer than 5 hour days). A lot of the businesses around are workers' cooperatives, and we are pleased to say there are repair and share shops in every neighbourhood. Most neighbourhoods have two or three small workshops and there has been a resurgence in the use of traditional crafts, often using the abundant woodland products from the Red Rose Forest. However, there are many workshops using and maintaining modern technology, in energy-frugal ways.

Most of our food comes from within 50 miles of the city and much of it is from local suppliers who we have met and got to know through the weekly farmers' markets. Instead of large monoculture uses of farm land, farmers grow smaller amounts of a greater range of crops – they know what we need and when. Some neighbourhoods have fish ponds, the best of them integrated with other water and waste management systems. You will know about supermarkets –

---

539 <https://www.notechmagazine.com/2012/11/retrofit-measures-can-achieve-energy-savings-comparable-to-new-replacement-windows.html>  
<https://www.lehmans.com/blog/making-old-time-window-quilts/>

they now include food preparation workshops, and we long ago got used to taking our own bags and jars to fill with produce. They, too, have developed great links with local farmers and food companies, so you will find different things in different places, which is lovely. People still eat some meat but it mostly comes from rabbits, squirrels (still a bit of a pest) and backyard pigs. There has even been a revival of the former practice of building dove cotes to harvest pigeons, popularised as “dove-chicken”.

Each neighbourhood is surrounded by woodland and green spaces and have become, in effect, urban hamlets. The cities and towns have begun to shrink somewhat as many people have moved to more rural areas, and those have been revitalised as more people have moved in. They now have community services and facilities in every village as well as decent rural bus services. The former retail centres in the city and towns have been drastically re-modelled. As work has become more local, many of the large office blocks have been turned into good quality social housing and the surrounding areas made into parks. Part of Deansgate in the centre of Manchester is a large boating lake – rather like the one in the Palace of Versailles. Some of the former office buildings have become exhibition hubs – taking exhibitions and collections out to the neighbourhoods rather than expecting people to travel in to the centres to see them. Other poorly built ones that took far too much energy to run have been demolished and scavenged for materials. Controversially, some of the traditional Cottonopolis legacy buildings which cannot be made carbon neutral are also being recycled: reclamation technology and the certifying of re-used materials have made great strides in recent years, largely to avoid the carbon emissions from steel and concrete production.

Lastly, we should tell you that there are lots of people living here from all over the world. They came as climate refugees but enrich all of our neighbourhoods enormously. Many came, out of necessity, by plane, and the airport is now a large welcoming place, where incomers can get to know something about the different neighbourhoods, meet local people and decide where it is they would like to live. The airport supports only a few essential flights (emergency response, for example). Let us tell you, the places we live in are now so enjoyable, we hardly even think of overseas holidays any more!

## **How we got here.**

You'll be wondering how it turned out like this and it is a little difficult to reconstruct the history, but we'll try.

The 20s were a time of turmoil when it seemed like the country was at a crossroads. Many people, from distinct sections of the population, felt betrayed by the governing class and for some, nationalism and xenophobia seemed attractive. However, the traditions of standing with one another and working together were also strong and they won the day. Somehow, common cause was made between those seeking a fairer and more equal society and those who wanted more local control over decision-making. This was helped along by

the new government that came into power in 2024, a surprise win for a coalition of parties that united on a reforming platform of climate action, increased equality and deepening democracy. The outgoing Tory government had grudgingly adopted some stronger climate policies, faced as they were with the gathering storm of the climate emergency which was having devastating consequences. The new government's Devolution Act of 2026 was actually a new national constitution with a Parliament for the North West and strategic councils based largely on eco-regions: ours was, at first, rather unprettily called Manchester Upper Mersey catchment. This meant that there was an increasing focus on making the best uses of all the region's resources, with an emphasis on energy conservation and waste reduction. A public competition resulted in a much better name that people could identify with: "Greater Manchester Towns and Country".

The re-election of the Greater Manchester Mayor in 2020. and the coming to prominence of a new generation of leaders at Manchester City Council, led to an increased seriousness in both tackling the ecological and climate crisis with a realisation that to do this and to respond to the intractable social and economic problems of the region required a break from the old, globalisation focussed, inward investment, boosterist, economic model. Perhaps Steady State Manchester's work on an alternative economic and social model (as in the 2020 publication, *The Viable Economy ... and Society*<sup>540</sup>) had some influence. The examples of radical municipalist administrations elsewhere<sup>541</sup> were also important, as was the progressive greening of some of the more innovative and progressive think tanks and consultancies such as CLES and IPPR North.

Before its replacement by the eco-regional strategic council, the Greater Manchester Combined Authority took the brave step of completely rewriting the Spatial Framework document<sup>542</sup> (under sustained pressure from campaigners) using the concept of the 20 minute, polycentric city, which had already been gaining traction in places such as Melbourne, Portland, Barcelona and Paris<sup>543</sup>. This meant an end to the hubristic plans for "growth corridors and hubs". Perhaps the crises in global supply chains were a key influence in this change in direction. The unforeseen economic impacts of the coronavirus pandemic and the impact of the Middle East conflicts on oil supplies (the Second Oil Shock, harking back to that of the 1970s) had led to shortages in a variety of things from foodstuffs to petrol to car parts and electronic equipment. The global recession that came in its wake also meant an increased emphasis on what Steady State Manchester had been calling for

---

540 In this collection

541 <https://steadystatemanchester.net/2018/08/13/fearless-cities-could-we-have-the-new-municipalism-in-greater-manchester/>

542 <https://steadystatemanchester.net/2019/03/15/steady-state-manchesters-response-to-the-2019-greater-manchester-spatial-framework/>

543 <https://steadystatemanchester.net/2019/11/20/the-future-is-20-minutes-away-20-minute-neighbourhoods/>



since 2012, *endogenous development*, or the use of local wealth and resources to power needed, and selective, economic development<sup>544</sup>, as well as the maintenance of an economy that was more localised and which increasingly prevented wealth leaching out as corporate profits for companies headquartered and owned elsewhere. However, something closer to home also necessitated radical change. After many months of continued flooding from the Irwell, Medlock and Irk, swathes of the city and suburbs became uninhabitable. The destruction from flooding resulted in many living in emergency accommodation for many months, and a surge in homelessness. The entire social support infrastructure barely escaped wholesale collapse and there was considerable civil unrest. It was looking like Manchester society was going back to conditions not seen since the nineteenth century.

Leaders, demonstrating a welcome new humility, worked with citizens and other organisations, public and private, to turn the crisis into an opportunity to hasten a new trajectory towards the locally robust, polycentric eco-region that we can now appreciate.

The establishment, in 2019, of the Greater Manchester Co-operative Commission<sup>545</sup> (previously called for in SSM's 2016 Policies for the City Region<sup>546</sup>) catalysed the development of co-operatives, large and small, which became over the coming two decades the dominant sector in the eco-regional economy.

The supply chain disruptions, together with the collapse first of more large retail chains and then some of the internet trading giants, led to a reconfiguring of the way the city provided for its needs. Public, private, and community-based initiatives sprang up for local food production and supply: the economics of doing this had changed markedly as energy costs meant supplies from further afield became more costly and wages in the horticultural sector became more competitive (though prices increased). Sections of the population began working part time in formal jobs and spending part of the working week in local food production for themselves and families and/or for local markets. The land reforms enacted nationally by the coalition government in 2007 undoubtedly helped. They combined a land value tax for large holdings together with the step by step public ownership of land under the new regional land trusts: just as in many indigenous societies, individuals were not allowed to own the freehold for land<sup>547</sup>. Nobody was displaced or dispossessed as a result of this as the granting of long leases or *usufruct*<sup>548</sup> agreements replaced freehold.

---

544 <https://steadystatemanchester.net/2014/05/12/where-will-the-money-come-from-endogenous-economic-development-for-the-viable-economy/>

545 <https://www.greatermanchester-ca.gov.uk/news/greater-manchester-launches-commission-to-support-the-development-of-the-co-operative-sector/>

546 <https://steadystatemanchester.files.wordpress.com/2017/03/policies-for-the-city-region-the-longer-version-v3-final.pdf>

547 <https://www.cusp.ac.uk/themes/s2/blog-bg-usufruct/>

548 For a discussion of this principle, see Gallant, B. 'Usufruct: Rethinking Our National Inheritance'. *OpenDemocracy*. Accessed 18 September 2021. <https://www.opendemocracy.net/en/oureconomy/usufruct-rethinking-our-national-inheritance/>

This had the advantage of stopping land-banking and speculation dead, while democratising and increasing access to productive land. This helped catalyse the horticultural revolution across the eco-region. The government's controversial but groundbreaking adoption of a Universal Basic Land Right<sup>549</sup> (2032) was another factor. It meant people had a stake in the land, whether directly through a land holding, or indirectly via a share in a land-based enterprise.

Manchester had always been good at building innovative partnerships. Now the focus of these was ecological and social transformation. An early example was the partnership brokered by the city council and the GM Combined Authority with the alliance of social housing providers and, initially, two large energy companies and an association of building contractors. The core of this was the “18 degree warmth offer”. Rather than paying for electricity and gas, the householder paid for guaranteed minimum standard of warmth in two or three rooms between October and April. This was provided by the Warmth Partnership which combined traditional energy supply together with insulation and local generation measures (high quality insulation and heat recycling, low tech insulating curtains and draft proofing, and solar panels for water heating and/or electricity generation). A key part of the programme was boiler replacement. Starting with the older more inefficient gas boilers, over a period of 12 years, all the gas boilers were replaced by a combination of heat pumps, green gas boilers (in certain neighbourhoods where the gas supply was greened with biogas from composting and hydrogen produced by electrolysis from surplus electricity), district heating, and back up electric heating for those houses near passivhaus insulation standard. The programme was so successful, that once teething problems in the financial model were sorted out, it was adopted across Greater Manchester, not just for social housing but for private tenants and owner occupiers alike. It helped to have an investment from the Greater Manchester Pension Fund<sup>550</sup>, which sold first its coal mining holdings (2020) and then over the next five years its remaining fossil fuel holdings, much of them invested in local renewable energy and public transport. Eighteen degrees was the minimum standard: people, unless they had special needs for additional warmth, were discouraged from overheating their accommodation because of the reverse tariff for additional energy purchase (the more you bought, the steeper the cost). The 18 degree standard also meant an end to damp and cold homes: it was a win-win all round. As the model spread across the country, there was a change from a large number of overheated houses and a smaller number of cold houses to a situation where average internal temperatures fell from above the 2007

---

549 See “*The Viable Economy ... and Society*” in this collection.

550 <http://fossilfreegm.org.uk/>

average of 17.5 back to the 1990 figure of 16<sup>551</sup>. However, almost all houses had two to three rooms at the comfortable temperature (wearing warm clothing in winter) of just over 18 degrees.

As the polycentric development model took off, commuting reduced. In any case the impact of the oil crisis and the stalling of electric vehicle manufacture and distribution made this inevitable. Of course many people still commuted, using the new, regulated bus system which increasingly linked up with trams, collective taxis, rail, and active travel options. The reduction in motor car ownership (helped by the growth of car pools, car hire and car share schemes) meant that roads could be narrowed, car parks repurposed as squares, playgrounds and market-places, and the streets de-cluttered and greened. The scrapping of many cars led to the growth of a local recycling industry with climate refugees from the global South teaching locals many skills and techniques. A surprising spin off was the resurgence of blacksmithing and other metalwork crafts and trades. We must say, though, that in all of this, disabled and older people had a very loud voice, so motorised transport for those who needed it remained, but mostly in collective form.

Re-use, recycling and refurbishment became the norm, conducted by a burgeoning of sole proprietor and co-operative enterprises, as well as community based initiatives including repair cafés, needlework and woodcraft groups, and maker centres. It isn't a medieval craft economy though, since the judicious use of appropriate technology<sup>552</sup> is valued. However, the emphasis has changed to making equipment, including electronic equipment, last for years and years – some computers from 2020 and before are still in use, running open-source software<sup>553</sup> – there isn't much incentive to replace perfectly serviceable equipment since the demise of Microsoft, Apple and Google and the rapid rise of the international Open Tech Co-op Federation.

Flash flooding and rain run-off problems, a feature that the hard townscapes inherited from the Consume and Dispose Period, exacerbated with the changing climate, were resolved by innovative water management schemes. This led to an increase in urban wetlands with reed beds for water purification, fish production and general amenity. It also helped stabilise temperatures which, with the diminishing of the North Atlantic currents (a result of Greenland's ice melting), meant colder winters, but also heat waves as a result of the general increase in global average temperatures. The best designs used the reflectivity of water in winter to direct sunlight into the southerly aspects of buildings.

---

551 Data from note to UK 2050 Pathway Calculator  
<http://2050.hellings.webfactional.com/assets/onepage/29.pdf>

552 [https://en.wikipedia.org/wiki/Appropriate\\_technology](https://en.wikipedia.org/wiki/Appropriate_technology)  
<https://www.pachamama.org/appropriate-technology>  
[https://www.appropedia.org/Appropriate\\_technology](https://www.appropedia.org/Appropriate_technology)

553 <https://opensource.com/resources/what-open-source>

From 2020 onwards there was a groundswell of interest in trying to confront both social inequality and environmental justice. The widespread carbon literacy programmes were adapted to include economic, and alternative economic literacy. This meant that by 2025, it was the norm for people to discuss alternative ways of living and of organising in their neighbourhoods. This was supported by the development of Neighbourhood Development Plans, now within the revised National Planning Framework which includes a presumption against development<sup>554</sup>. Most councillors adapted well to their new roles of community animators. You will have heard that the youth climate strikes continued with huge amounts of popular support. The increased involvement of everyone in discussions and thinking about the issues facing us put pressure on the politicians and the companies to act and to implement some of the changes outlined above. We'd say from about 2023 the mobilisation of large sectors of knowledgeable people, taking action in their own households and neighbourhoods, but also via frequent lobbying and pressure on the power-holders, made a really huge difference. It took the 3 years from 2020 to 2023 to increase knowledge and understanding and for the majority of people to say **Enough!**, and that's the word that came to be used as a shorthand for the new economic and social settlement.

## So, to finish off

Looking back, it seems remarkable that so many things came together so that we were able to transform our city and region so well. It took an enormous amount of work, organisation, and a big dose of creativity but, although ecological, social and economic problems still challenge us, there really is no comparison with the sorry state we were in back in 2020. What's more, nearly everyone feels they are part of this collective project. Yes we grumble and argue but that's because we are still trying to make things even better.

Note: this backcasting exercise took place before the Covid-19 pandemic.

---

554 Davey, B. (2019). Land planning policy at the limits to growth. *Feasta Website*. <http://www.feasta.org/2019/05/30/land-planning-policy-at-the-limits-to-growth/>

## Section 9: Policies

The next piece is our “policy suite”, now called “Viable Greater Manchester”. Work on alternative policy proposals and frameworks has been an important part of Steady State Manchester’s work since we started in 2012<sup>555</sup>. Viable Greater Manchester began as a response to us being challenged to be more specific about what we would do if we were local politicians – if we were so critical of their models and strategies. A working paper<sup>556</sup> identified the key elements of the mainstream economic model and the problems with it before reviewing alternative approaches from two Manchester based groupings, the Centre for Local Economic Strategies and the Foundational Economy group at The University of Manchester’s Business School. It then took some ideas from those approaches and identified what we saw as the bits missing from their approach. This led to a first draft of a policy framework. When the first election for a Greater Manchester Metropolitan Mayor took place in 2017 we produced our Policies for the City Region. That paper was revised for the subsequent election, delayed by the Covid pandemic by one year, in 2021 and that is what is reproduced here.

Our idea was always to produce a suite of ideas that could be drawn upon, with or without acknowledgement by political actors and others. Some of the policy ideas were in tune with what key actors were calling for or proposing and some have come to fruition (e.g. a carbon budget, a co-operative development commission) while others are in the process of implementation (e.g. bus system regulation) or development work (e.g. improvements to building insulation, local banking), not necessarily as a result of our persuasion, and others (e.g. reducing the dependency of the local economy on private motoring and aviation) seem a long way off.

We have been encouraged by the interest shown in our thinking, and we have reason to believe that this is increasing as the ecological, social and economic pancrisis advances.

- 
- 555 For example, *In Place of Growth: Practical steps to a Manchester where people thrive without harming the planet*. November, 2012  
[https://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth\\_ipog\\_-\\_content\\_final.pdf](https://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth_ipog_-_content_final.pdf)  
Universal Basic Income: Is it the only cornerstone of a just society? (Carolyn Kagan) April 2017 In this collection.  
*In Place of Pay Inequality*, (Ben Irvine) March 2014  
<https://steadystatemanchester.files.wordpress.com/2014/03/in-place-of-pay-inequality-steadystatemanchester-equalitynorthwest-2014-final.pdf>
- 556 *So What Would You Do? An Alternative Strategy for the City Region*. November, 2016  
<https://steadystatemanchester.files.wordpress.com/2016/11/so-what-would-you-do-v2-0.pdf>  
We also drew on another working paper, *Housing in the Viable Economy*, October, 2016  
<https://steadystatemanchester.files.wordpress.com/2017/01/housing-in-the-viable-economy-241016-final.pdf>

Also in this section, there are chapters on Universal Basic Income, by Carolyn Kagan, and the ecological dimensions of housing speculation in the urban core of Manchester, by James Vandeventer.

# Viable Greater Manchester

Policies for a Socially Just & Ecologically Safe City Region.

SSM collective, 2021<sup>557</sup>



This is a contribution from *Steady State Manchester* to the debate about policies for the city region.

We are a group working out how best to respond here to,

- ✓ environmental challenges including climate change, resource depletion and damage to the environment
- ✓ deep-seated social problems including poverty, social deprivation and fragmentation
- ✓ economic problems including debt, unemployment, austerity and instability.

We published the first edition of this paper<sup>558</sup> in 2017 and have updated it for 2021, taking account of

- ✓ New challenges – including the evolution of the global *pancrisis*, of climate change, biodiversity loss, ecological overshoot and (as a consequence the Covid pandemic) continued economic, political and social dysfunction.

---

557 Originally published as *Viable Greater Manchester: Policies for a Socially Just & Ecologically Safe City Region* by Steady State Manchester, March, 2021. Some rights reserved: Licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License. ISBN: 978-1-9163858-1-8

558 As *Policies for the City Region*.



- ✓ Changes in our region, including the adoption or progression of some of the things we previously called for (a carbon budget, co-operative development, bus regulation), but also despite ambitions for a green city region with social justice, a continuation of the old economic model that prioritises speculative building, inward capital investment and expansion of the freight and aviation sectors.

Such issues need to be tackled nationally and globally as well as here in our region where we can “take back control” and devise our own solutions.

It’s a huge task and we don’t have all the answers. We’ve borrowed and built on ideas from Manchester and all over the world. We do know that we can’t carry on with business as usual. Economic growth, as conventionally understood, is part of the problem, not part of the solution. The Greater Manchester Combined Authority (GMCA) plans contain some good ideas but will not create the fundamental shifts we need to reduce our massive carbon footprint. Nor will they put local people in control and reduce inequalities.

These practical proposals for Greater Manchester are relevant to the work of the GM Mayor, the GM Combined Authority and the local authorities, but perhaps more so to everyone who lives or works in Greater Manchester. They cover money, work, enterprise, housing, caring for each other, democracy, inequalities and the strengths of communities as well as energy and the environment. We set out specific policy proposals and also refer to other documents we have produced setting out detailed policies, or in some cases those of other organisations. In every case we explain our thinking. We don’t always spell out the detail of policies: those who will have to implement them will want to do that, adapting them to specific contexts and needs. Our role is to point the general direction, especially where a change of direction is needed. We do, however try to provide enough clues and background, as well as sources to aid that process. We do not intend to present an exhaustive list of desirable policies, but a representative set for a Viable Greater Manchester.

## The Viable Economy and Society

We base our approach on our framework, The Viable Economy<sup>559</sup>, which identifies an alternative set of values and principles for a seamless economic, social, political, cultural and ecological framework.

### Key features of the Viable Economy:

#### **Economically viable**

1. An economy that is **resilient** in the face of bubbles, financial, economic and geo-eco-political crashes, supply chain interruptions and the whim of National governments.
2. More money staying **local** and more democratic and local control over savings and investment.
3. An economy that delivers (and measures) what we **need** rather than growth for growth's sake.
4. A **balanced** economy without the hyper-development of some sectors (e.g. financial speculation, armaments).
5. An economy that **does not have to keep expanding**, although where some sectors will grow,(e.g. renewable energy) and some must shrink (e.g. fossil fuels).
6. Where needed **investment comes from within** rather than from exploitation of other peoples or as profit-seeking from external investors.

#### **Socially viable**

1. **Control over the economy** rather than the economy controlling us.
2. An economy that relies on and builds **equality, solidarity and cooperation** among people, here and elsewhere.
3. An economy that rather than increasing inequality, progressively becomes more **equitable**.
4. **Less exploitation** of the majority world while keeping open channels for communication and learning globally.
5. An economy founded on **stewardship of human and social capital**, that does not waste people's energies and talents, that includes everyone.
6. With an increased space for non-commercial transactions: the **collaborative** or solidarity economy.

#### **Ecologically viable**

1. Radically reducing both the exploitation of finite resources and the emission of pollutants, including greenhouse gases: a **one-planet economy**.
2. Based on production and consumption for need: **a frugal abundance**.
3. More security for us all because the **environment is protected** from further destruction.
4. **Resilient** to climatic and other ecological shocks.
5. An economy that practices **stewardship of the natural world** that we depend on.

---

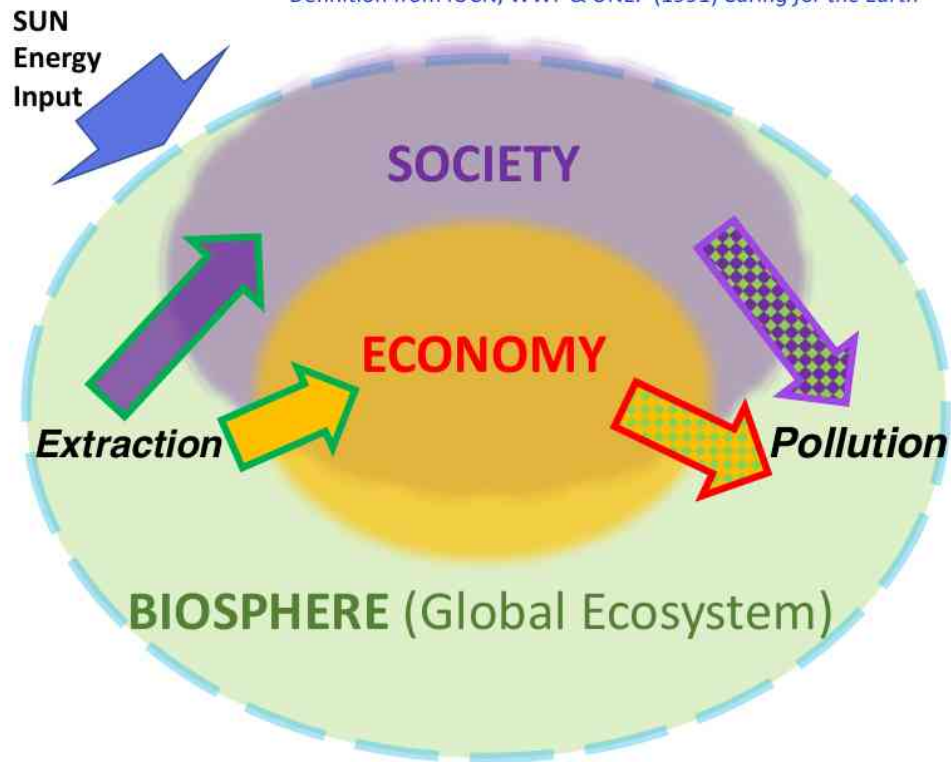
559 Steady State Manchester (2020) *The Viable Economy ... and Society*. In this collection.

## How we understand the economy, society and ecosystem.

### **Ecologically sustainable development**

*'Living within the carrying capacity of supporting ecosystems.'*

Definition from IUCN, WWF & UNEP (1991) *Caring for the Earth*



**SOCIETY** is ENABLED by the Biosphere & operates almost entirely within the it. A small but increasing fraction of society operates with ecological dissonance as if **DISCONNECTED** from the Biosphere and without acknowledging their complete dependency upon it.

The **ECONOMY** is a social construct which is crucial for health & well-being achieved by extraction from the Biosphere which can absorb consequent waste and redundant products only within limits. Inefficiencies & **EXCESSIVE USE OF ENERGY AND MATERIALS** impacts & **DEBILITATES** the Biosphere which increasingly curtails its capacity to absorb waste products and regenerate.

The **BIOSPHERE** is the global ecosystem ultimately powered by the sun that comprises the myriad of regional ecosystems & their geophysical domains. Their resilience depends upon an extensive biodiversity. This is now dangerously challenged by the **GROWING AND UNSUSTAINABLE** impacts of human activity. A **SUSTAINABLE STEADY STATE** can be achieved by switching to an **ECOLOGICAL CULTURE** founded on the principle of **SUFFICIENCY** for all.

## The Policies: Treading lightly for shared prosperity



The diagram illustrates the relationships among the main policy ideas.

### 1. An ecological economy and society.

#### 1.1 An energy transition: less energy, clean energy.

Climate change is the central issue of our times. It is true there are other extremely serious and urgent challenges, but climate change is likely to sweep all before it. With mean global surface temperatures near 1.25 degrees C above the pre-industrial level and with the symbolic threshold of 400 ppm. of Carbon Dioxide in the atmosphere passed, it seems likely that we are at or near the point of no return for runaway global warming with very little time left to massively curtail carbon emissions if catastrophic and possibly runaway heating is to be averted. Locally, climate emergencies have been declared and carbon budgets have been agreed but with little obvious impact: the current rate of emissions is exceeding the budgeted annual allowance by far.

It is not surprising then that there is some mention of environmental sustainability and climate change in many strategy documents and discussions now. However, in most cases the issue is a subsidiary one, subordinate to economic growth (itself the chief cause of global warming<sup>560</sup>), and the measures put in place to deal with it are typically characterised by inadequacy and wishful thinking.

560 IPCC report, 2014: summary for policymakers.  
[http://report.mitigation2014.org/spm/ipcc\\_wg3\\_ar5\\_summary-for-policymakers\\_approved.pdf](http://report.mitigation2014.org/spm/ipcc_wg3_ar5_summary-for-policymakers_approved.pdf)

Even orthodox economists now argue that climate change needs to be central. Lord Stern argues that this will save money in the long run while boosting economic growth<sup>561</sup>. We have exposed the limitations of that view<sup>562</sup> and instead take a different approach: **serious attention to both preventing and responding to climate change must become central to the economic strategy of the city region**. Just as the pandemic has shown us that health comes before narrow economic calculations, so the climate emergency tells us to fix the emissions problem, whatever it takes economically speaking. That means a managed reduction in the material size of the economy and a particular focus on energy demand reduction and the replacement of fossil fuels. The logic of this realistic approach extends into all areas of economic and social strategy.

We therefore begin with an emphasis on the conurbation's energy use with a view to reducing our impact on the environment, especially the climate, while creating local prosperity through wise investment and enterprise in the local economy.

### 1.11 Keeping within the Carbon Budget for the region

**Policy 1.111:** A Regional **energy demand reduction plan** with targets for domestic, industrial, transport and embedded energy use. This will mean agreeing plans with large organisations and publishing the results every year.

*The thinking behind it:*

GMCA has set a total carbon budget for the Greater Manchester region<sup>563</sup> with an indicative date of 2038 by which time emissions will effectively be zero<sup>564</sup>. However, there is little sign of the huge reductions in carbon emissions needed to stay within it<sup>565</sup>. The key to our impact on the climate is our energy use. For Greater Manchester it is roughly equally spread between the categories Transport, Homes and Business. It is not enough to just switch to renewables because,

- a) some energy sources (transport especially) are difficult, although not impossible, to replace, and

---

561 He has reiterated this argument 10 years on from the original report: <https://www.theguardian.com/environment/2016/oct/27/10-years-on-from-the-stern-report-a-low-carbon-future-is-the-only-one-available?> Where we do agree with him is in the emphasis on the critical role of cities in climate change mitigation and adaptation.

562 See our work on this issue here: <https://steadystatemanchester.net/?s=decoupling> and section 4 of this collection.

563 [https://www.research.manchester.ac.uk/portal/files/83000155/Tyndall\\_Quantifying\\_Paris\\_for\\_Manchester\\_Report\\_FINAL\\_PUBLISHED\\_rev1.pdf](https://www.research.manchester.ac.uk/portal/files/83000155/Tyndall_Quantifying_Paris_for_Manchester_Report_FINAL_PUBLISHED_rev1.pdf) See this helpful page from Manchester FOE on carbon budgets, and the slides from a workshop we ran on the topic: <https://www.manchesterfoe.org.uk/blog/2019/05/19/what-climate-targets-have-been-set-in-manchester/> <https://steadystatemanchester.net/2019/11/23/carbon-budgets-and-footprints-a-guide/>

564 The net zero date is less important than the cumulative emissions: it is essential that big cuts to emissions are made early on.

565 <https://steadystatemanchester.net/2020/07/30/bigger-cuts-for-manchester-in-its-annual-greenhouse-gas-emissions/> Included within section 6 of this collection.

- b) replacing the current levels of fossil fuel energy will require a very demanding renewables infrastructure with impacts on land use for farming, recreation, and the natural world, including carbon sequestration and biodiversity.
- c) Expansion of renewable energy depends on the mining of increasingly scarce minerals, chiefly in the global South. Mining still relies on petrochemicals and uncontrolled it devastates communities and ecosystems.

Replacing fossil fuel energy with the same amount of renewable energy means that each of the above three problems is made worse. The only way forward is down: the reduction of overall energy use<sup>566</sup>.

It is therefore necessary to both “power down”, reducing energy demand, and “power up” - switch to renewable sources<sup>567</sup>. This requires a coherent plan, with clearly quantified targets and actions for all sectors of the economy.

Most current approaches to energy and carbon emissions management involve “after the event” interventions (carbon trading, carbon taxes, etc.) while what is needed are ways of preventing excessive energy and carbon bearing fuels from entering the economy in the first place. The city region could experiment with setting resource input caps, on an indicative basis at first, with a view to formalising them in planning agreements between the Combined Authority and other organisations (commercial, public and community-orientated)<sup>568</sup>. Powers could be sought to make such agreements mandatory and binding with effective sanctions.

Investing in the two elements of power down and power up could create good quality employment<sup>569</sup>, necessary in the transition away from the eco-toxic economy and in the context of recovery from the impacts of brexit and the Covid-19 pandemic.

---

566 Allwood, J., Azevedo, J., Clare, A., Cleaver, C., Cullen, J., Dunant, C., Fellin, T., Hawkins, W., Horrocks, I., Horton, P., Ibell, T., Lin, J., Low, H., Lupton, R., Murray, J., Salamanti, M., Gonzalez Cabrera Honorio Serrenho, A., Ward, M., & Zhou, W. (2019). *Absolute Zero*. Apollo - University of Cambridge Repository. <https://doi.org/10.17863/CAM.46075>

567 See Centre for Alternative Technology. (2013). *Zero Carbon Britain: Rethinking the Future*. Wales: Centre for Alternative Technology Publications. Retrieved from <http://zerocarbonbritain.com/>

568 Davey, B. (Ed.). (2012). *Sharing for Survival*. Dublin: FEASTA. Also <http://www.feasta.org/documents/energy/Cap-and-Share-May08-summary.htm>

569 Campaign Against Climate Change Trade Union Group (2014) One Million Climate Jobs: Tackling the Environmental and Economic Crises. <http://www.climate-change-jobs.org/>



## 1.12 Fossil fuel replacement

**Policy 1.121:** Replace, within 3 years, 50%, and in 5 years, 100% of electricity used in the city region with alternatives that are, a) zero carbon, b) locally produced, c) community owned.

*The thinking behind it:*

Electricity generation accounts for 37% of Greater Manchester's carbon emissions<sup>570</sup>, so by powering up clean, renewable energy, business, public and third sector organisations can make a huge impact by preferentially sourcing their electricity from these sources.

- There are already options in the existing energy market, but more can be done to stimulate these replacement power sources through establishment of local power generation (wind, solar, geothermal and micro-hydro).
- Already there are community owned initiatives such as Stockport hydro and the installation of solar panels on social housing and schools, but the examples of Germany and Denmark show us that there could be far more installation and crucially that this could be owned and managed by communities, returning the profits to the local economy.
- There have also been schemes for the collective tendering of supply contracts for domestic consumers, facilitated by local authorities but these have been limited in ambition, concerned solely with price reduction. There need to be innovative tariffs that disincentivise higher levels of consumption.
- It would be worth reviving the proposal to establish a local supply company. This could go hand in hand with the review of existing contracts between public sector with dominant energy companies, and help for community energy schemes to access affordable start-up finance and a market.
- Greater Manchester Clean Switch<sup>571</sup> allows end users to easily make a change in their energy supplier. It is vital that such changes really do mean a reduction in carbon emissions, rather than merely the moving around of permits to emit<sup>572</sup>.

See also section 3 below, **Divest from fossil fuels**.

---

570 Based on data from, GMCA (2016) Change and Low Emissions Implementation Plan (2016-2020). [https://www.greatermanchester-ca.gov.uk/downloads/file/221/change\\_and\\_low\\_emissions\\_implementation\\_plan\\_2016-2020](https://www.greatermanchester-ca.gov.uk/downloads/file/221/change_and_low_emissions_implementation_plan_2016-2020) p. 17

571 <https://bigcleanswitch.org/salford/>

572 This can happen by a company switching a higher percentage of the green energy they buy to their green tariff thereby making their standard tariffs “dirtier”. Worse still, a company can merely buy excess REGO certificates from the market, which merely gives them a permit to continue buying carbon-emitting energy. Clarity is needed. See <https://www.ethicalconsumer.org/energy/shopping-guide/energy-suppliers>



**Policy 1.122:** GMCA to work with organisations across GM to plan and deliver the replacement of fossil fuels in accordance with its climate commitments.

*The thinking behind it:*

Fossil fuel consumption also needs to be phased out in other sectors of the region's activity. Greater Manchester has committed to the Compact of Mayors' "voluntary action to reduce the carbon footprint and make the most of the area's energy and resources".

Taking into account the lower starting point, in comparison with Copenhagen (we have little District heating and primitive cycle infrastructure, for example), GMCA could nevertheless reasonably establish an ambitious target to eliminate fossil fuels entirely within the next 10 years<sup>573</sup>, with the reductions front-loaded. In addition to contributing to the avoidance of yet more severe climate change, this would have a major impact on the region's air quality. An IPPR paper on a Zero Carbon London provides some pointers<sup>574</sup>.

**Policy 1.123:** Sectoral Green Deals for the establishment of low carbon ways of living.

*The thinking behind it:*

Sectoral Green Deals, based on inter-sectoral partnerships would aim to do three things:

- 1) Significantly reduce material and energy use while maintaining provisioning of human needs and reasonable wants.
- 2) Ensure the livelihoods of a significant number of local people and their families.
- 3) Largely use locally available capital and revenue while increasing the potential for citizen participation, mutuality and democratic governance.

Together such deals would help transform the relationship between economic activity, society and the ecosystem.

*Four examples of sectoral green deals appear in the Appendix.*

### 1.13 Affordable low energy housing

**Policy 1.13:** An ambitious programme to refurbish, extend, re-purpose, rebuild social and affordable, low energy housing.

*The thinking behind it:*

Elsewhere<sup>575</sup> we set out the following principles for housing in the viable economy:

- Everyone should have secure access to adequate, truly affordable housing throughout their life, providing the basis for living well through promoting stability, physical and mental health, and strong

---

573 Oldham council states the aim to be "carbon neutral by 2025".

574 IPPR (2015) Zero-Carbon London: a plan for the next mayoral term.  
[http://www.ippr.org/files/publications/pdf/zero-carbon-london\\_Nov2015.pdf](http://www.ippr.org/files/publications/pdf/zero-carbon-london_Nov2015.pdf)

575 Steady State Manchester (2016) Housing in the Viable Economy.  
<https://steadystatemanchester.files.wordpress.com/2017/01/housing-in-the-viable-economy-241016-final.pdf>

communities. Adequate housing has sufficient space and amenities and is free from damp or structural defects.

- In order to stabilise housing markets and promote equitable distribution, new housing should be built only to meet housing needs and not as investment.
- New and existing homes should be designed to be carbon neutral during construction and use<sup>576</sup>, and residents should be empowered to use energy as efficiently as possible.
- Wherever possible, better use should be made of existing buildings rather than building new homes. Agricultural land, green belts and flood plains should be protected from development.
- Everyone should be able to live in neighbourhoods with a healthy environment and good access to public transport, services, work opportunities and green spaces for recreation and production.

With regard to the retrofitting and refurbishment of existing housing, a good place to start is the GM Housing Retrofit Strategy, prepared by Urbed and Carbon Co-op<sup>577</sup>. It proposes a target of 17kg CO<sub>2</sub>/m<sup>2</sup>. A key recommendation is that "90% of housing stock to be at Energy Performance Certificate (EPC) rating B, and 17 kg/CO<sub>2</sub> per m<sup>2</sup> by 2035. with the remaining 10% of homes achieving a minimum of EPC band C".

One delivery model, based on a transformative partnership, is the first of our Sectoral Green Deal examples, the Warmth Offer (see Appendix).

## 1.14 Strengthen the Region's Green Economy

**Policy 1.14:** Promote and support the development of the green economic sector, especially renewables and energy saving products.

*The thinking behind it:*

We have advocated for a *Replacement Economy* - the new or expanded sectors that would take the place of the most environmentally and socially damaging sectors. Rather than promoting the low carbon economy in order to facilitate economic "growth", it is vital that this is done for its own merit. In so doing, there is scope for re-establishing the region as a manufacturing centre, which in itself will contribute to climate risk reduction by reducing shipping emissions. We are not against growth in these sectors of the economy, so long as the overall material scale of the economy is scaled down to a sustainable level<sup>578</sup>. It will also help provide good quality jobs for Greater Manchester's people. Maintaining the overall scale of the economy while expanding eco-socially beneficial sectors means downsizing damaging sectors.

---

576 We commend the GMCA's commitment to a net zero requirement for new housing. Pioneering schemes for zero or low carbon council housing are in place in Hackney and Greenwich and planned for Salford.

577 URBED / Carbon Co-op (2016) Greater Manchester Low Carbon Housing Retrofit Strategy (Discussion Draft). [http://urbed.coop/sites/default/files/GM\\_%20Low%20Carbon%20Housing\\_Retrofit\\_DiscussionDraft%281%29.pdf](http://urbed.coop/sites/default/files/GM_%20Low%20Carbon%20Housing_Retrofit_DiscussionDraft%281%29.pdf)

578 Steady State Manchester (2013) Good and bad growth. (Blog post.) <https://steadystatemanchester.net/2013/09/29/good-and-bad-growth/>

That includes armaments, the private car industry and the airport. That needs political boldness supported by popular campaigning. It means design and delivery of alternative occupations for those currently working in damaging sectors and/or re-purposing of plant where that is feasible. GMCA does not have the power to do this but it can use its “soft power” to help build and support a coalition for change, and to garner the resources to make this happen.

The recommendations in the foregoing policies will all contribute to this aim, as will some of those below. This policy area requires clarity about the sectors that will provide the best returns, not just in terms of profits (essential as they are for viability) but for incomes and environmental impacts. Some work has been done on the opportunities for what is the UK's third largest regional LCEGS sector<sup>579</sup>, but more needs doing, in the context of competitive production from low wage economies, to prioritise this area and support the industry, especially its SME's<sup>580</sup> (which give a greater return to the regional economy than big corporates).

### **1.15 Contain and reduce aviation and private motoring.**

**Policy 1.151:** Freeze the expansion of the airport and flight numbers, set aviation reduction targets by phased reduction of flights and setting a date to close one of the two runways.

*The thinking behind it:*

*“Unregulated carbon emissions from the aviation sector are the fastest growing source of the greenhouse gas emissions that are contributing to global climate change<sup>581</sup>”.* For the UK, emissions from aviation made up some 6% of total emissions in 2014. Since 1990, aviation emissions have doubled. As the Committee on Climate Change noted, *“It is important that decisions about UK airport capacity are consistent with the UK’s commitment to cut greenhouse gas emissions by at least 80% by 2050, as set out in the Climate Change Act.”<sup>582</sup>* but expansion of aviation will make it very difficult to meet even the inadequate 2050 emission reduction targets<sup>583</sup>. As recent court judgements have shown, it is a legal requirement to take the Climate Change Act into

- 579 LCEGS: Low Carbon and Environmental Goods and Services, see [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/224068/bis-13-p143-low-carbon-and-environmental-goods-and-services-report-2011-12.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/224068/bis-13-p143-low-carbon-and-environmental-goods-and-services-report-2011-12.pdf) For information on Greater Manchester's LCEGS sector see Pro-Manchester web page on the Green Economy. <http://www.pro-manchester.co.uk/sector-groups/green-economy/>
- 580 Steady State Manchester (2016) Are small firms getting a good deal in Greater Manchester? (blog post) <https://steadystatemanchester.net/2016/03/14/are-small-firms-getting-a-good-deal-in-greater-manchester/>
- 581 World Wildlife Fund (2014) Nobel Prize Winners to ICAO: Carbon Emissions Have a Cost. (Press Release.) <https://web.archive.org/web/20201203010940/https://www.worldwildlife.org/press-releases/nobel-prize-winners-to-icao-carbon-emissions-have-a-cost>
- 582 Committee on Climate Change (2016) UK aviation emissions must be consistent with UK climate change commitments, CCC says. (News release). <https://www.theccc.org.uk/2016/10/25/uk-aviation-emissions-must-be-consistent-with-uk-climate-change-commitments-ccc-says/>
- 583 The Aviation Environment Federation (2015) Infographic: Why airport expansion risks the UK's climate change commitments. <http://www.aef.org.uk/2015/03/16/infographic-why-airport-expansion-risks-the-uks-climate-change-commitments/>

account in planning for the future and that includes aviation. As Manchester climate scientists, Larkin et al. have shown<sup>584</sup>, “*Limited opportunities to further improve fuel efficiency, slow uptake of new innovations, coupled with anticipated rises in demand across continents collectively present a huge challenge to aviation in cutting emissions.*” They also drew attention to the risk of airport investments becoming stranded assets<sup>585</sup> should serious climate change mitigation action be taken, a possibility that is already becoming a reality given the massive reduction in flying during the pandemic and the projections for a continued reduction after the lock-downs cease<sup>586</sup>. Our proposal is for minimum actions required if the city region is serious about playing its part in reducing climate change.

The experience of Covid-19 shows that a) a much lower level of aviation is possible and desirable, and b) given the likelihood of future pandemics and the urgent need for reducing greatly the emissions from aviation, the region’s economy, including its local government needs to find a viable escape from the economic dependency on aviation that it unwittingly attained in previous years.

**Policy 1.152:** Make plans to reduce the economic dependence of GM local authorities on revenues from the Manchester Airport Group. Initiate an award and incentive scheme for not flying.

*The thinking behind it:*

The airport makes a contribution to the City Region's economy. While that contribution is usually overstated<sup>587</sup>, with, pre-pandemic, for income from the airport contributing maybe 1% to local authority funding, there is an economic dependency on aviation because of the many jobs provided by the airport and by associated industries, even while the airport acts as a conduit for financial flows out of the region<sup>588</sup>. Covid-19 has shown the fragility of this dependency. A comprehensive framework therefore needs to be drawn up to replace aviation as a key plank in the region's economy, involving re-purposing of land and buildings, and harnessing the developing replacement economy to provide part of the alternative. Stay Grounded provides a helpful outline strategy for escaping aviation dependency<sup>589</sup>.

**Policy 1.153:** Radically reduce the use of private cars in urban areas.

---

584 Bows-Larkin, A., et al. (2016). Aviation and Climate Change-The Continuing Challenge. In R. Blockley & W. Shyy (Eds.), *Encyclopedia of Aerospace Engineering* (pp. 1–11). Chichester, UK: John Wiley & Sons, Ltd. <http://doi.wiley.com/10.1002/9780470686652.eae1031> AND [https://www.researchgate.net/publication/303446744\\_Aviation\\_and\\_Climate\\_Change-The\\_Continuing\\_Challenge](https://www.researchgate.net/publication/303446744_Aviation_and_Climate_Change-The_Continuing_Challenge)

585 Stranded assets: investments that have lost a large part of their value and cannot be realised.

586 <https://energymonitor.ai/sector/transport/why-airports-could-become-stranded-assets>

587 Steady State Manchester (2013) The supposed economic benefit of aviation expansion. (blog post) <https://steadystatemanchester.net/2013/06/25/the-supposed-economic-benefit-of-aviation-expansion/>

588 Wood, F., Bows, A and Anderson, K. (2012) Policy Update: A one-way ticket to high carbon lock-in: the UK debate on aviation policy, *Carbon Management*, 3:6, 537-540, <http://dx.doi.org/10.4155/cmt.12.61>

589 <https://stay-grounded.org/report-degrowth-of-aviation/>

This could involve a car parking levy on employers, taking car parks out of use, congestion charging and using the proceeds to fund public transport and pedestrian/cycle infrastructure, work with employers to establish inverse mileage allowance tariffs (e.g. more money for smaller cars, no payments for short journeys, decreasing rate as mileage increases).

*The thinking behind it:*

*"...Greater Manchester is a car-dependent city. .... The current dominance of drive-to-work commuting is obvious, even if we focus on radial commutes into Manchester City from the outer boroughs....But [excluding Salford-Manchester] 60-70% of the commutes in to Manchester City are by car."<sup>590</sup>*

The result is a city and region choked by cars. Suburban centres and residential areas are choked. Cycling is unpleasant and often dangerous due to having to share with cars and lorries. Air quality is poor and greenhouse gas emissions are high. Pedestrians have to contend with lethal speeding vehicles, pavements damaged by and obstructed with these metal hulks when they are not being driven. Public transport is poorly coordinated and suffers poor investment. Investment choices have been questionable: while convenient for those areas that have it, *Metrolink*<sup>591</sup> was perhaps not the best choice to bring clean efficient transport quickly to as many people as possible and it has made little or no impact on non-radial travel. Moreover fares are prohibitive for a significant part of the population.

To make a real difference there needs to be a combination of wise investment in cost-effective and low emission public transport and infrastructure to encourage cycling and walking, together with strong incentives to switch from car use and disincentives to use cars. At the same time there needs to be action to reduce demand to travel. Some progress has been made in the city region over the last four years, with plans for bus regulation (which needs to be speedily delivered now), tram-train proposals for some under-used rail routes, and a slow improvement in infrastructure for pedestrians and cyclists, but there is still far to go. The pandemic has seen an increase in cycling and walking but also a shift from public transport to private motors and an increasing problem of speeding, especially lethal given the inexorable increase in mass and size of private cars. Temporary "covid lanes" were installed by a number of authorities, some Low Traffic Neighbourhoods have been installed but some of the former have been withdrawn under organised pressure from a minority of car users. What we need here is the kind of unapologetic boldness displayed by councils as diverse as Hackney, Paris and Ghent. Moreover, there is a balance to be struck between good enough provision that protects cyclists and pedestrians from heavy motorised traffic, and over-engineered hard infrastructure whose expense and slow deployment stall the rapid transition that is needed.

---

590 Folkman, P., Froud, J., Johal, S., Tomaney, J., & Williams, K. (2016). *Manchester Transformed: Why we need a reset of city region policy* (CRESC Public Interest Report) (p. 61). Manchester: Centre for Research on Socio-Cultural Change (CRESC), University of Manchester. <https://hummedia.manchester.ac.uk/institutes/cresc/research/ManchesterTransformed.pdf>

591 Manchester's tramway network.



## 1.16 Help people make low carbon choices.

**Policy 1.161:** Offer structured help and incentives so people can choose lower carbon options for heating and travelling. This implies a series of initiatives and programmes as well as taking opportunities to incentivise low carbon behaviours in every sector.

### *The thinking behind it:*

This could be achieved through a number of different schemes such as subsidised energy survey and supplier accreditation services or brokerage of job swaps across the region to specifically reduce commuter time and miles. It is generally recognised that the transition to a lower energy and zero carbon alternative will require a combination of public policy and action from all sectors (public, private, civil) and from citizens themselves<sup>592</sup>. However, it is a fallacy to think that the transition is in the hands of individuals. People can and will make ethical choices if those options are available and are attractive to them. For some products and services (for example domestic heating and energy-saving) the decisions are not straightforward but require surveys, analysis and appraisal of options<sup>593</sup>. For other decisions, people need help to make relevant contacts and the support of organisations that employ, house, or otherwise serve them (as in the example of swapping similar jobs to reduce travel time, costs, demand on transport and emissions).

## 1.2 Adopt a planetary boundaries approach for economic and social plans and policies.

The climate crisis, caused by ever increasing levels of carbon dioxide in the atmosphere, is only one of the ways that the material economy, worldwide, is overshooting the capacity of earth systems to maintain environments that support life as we know it. Other planetary boundaries that have already been overstepped are biodiversity loss, land use change and the biogeochemical cycles of nitrogen and phosphorous<sup>594</sup>. It is not known whether a further boundary, the introduction of novel substances (synthetic chemicals including antibiotics and plastics) into the ecosystem, has also been crossed.

It is essential that the city region takes these alarm signals very seriously: together they make it quite clear that it is reckless to continue with the current model of continued material expansion of the economy: *economic growth*.

---

592 See e.g. Manchester Climate Change Agency <http://manchesterclimate.com/getinvolved>

593 London's "Green Homes Concierge" scheme is a good example <http://www.greenhomesconcierge.co.uk/your%20home>

594 Steffen, W., Richardson, K., Rockstrom, J., Cornell, S. E., Fetzer, I., Bennett, E. M., Biggs, R., Carpenter, S. R., de Vries, W., de Wit, C. A., Folke, C., Gerten, D., Heinke, J., Mace, G. M., Persson, L. M., Ramanathan, V., Reyers, B., & Sorlin, S. (2015). Planetary boundaries: Guiding human development on a changing planet. *Science*, 347(6223), 1259855–1259855. <https://doi.org/10.1126/science.1259855>

Luckily there is increasingly available knowledge about how to quantify and address these planetary boundaries at a regional and city scale so Greater Manchester does not need to re-invent the policy wheel. Two examples of relevant policies are given here.

**Policy 1.21:** Adopt an overall policy framework that scales down planetary boundaries to the regional level, monitors local impacts and identifies and implements positive mitigation.

*The thinking behind it:*

The planetary boundaries framework has been scaled to regional level and the city regional level<sup>595</sup>. A helpful example is Amsterdam’s Doughnut approach, which combines a regionalised planetary boundaries approach with the UN Sustainable Development Goals framework<sup>596</sup>. We commend this approach, and see no reason why the GMCA should not adopt it immediately, working with relevant expertise to adjust it to the Greater Manchester bioregional context.

**Policy 1.22:** Protect and restore green and wild spaces throughout the region.

*The thinking behind it:*

Green space, tree cover, undisturbed soils, wetlands lakes and watercourses, meadows, peatlands, all of these are examples of what is sometimes called “green and blue infrastructure”. Together they act as reservoirs of resilience for biodiversity, temperature stabilisation and water management (quantity and quality), as well as providing unmeasurable amenity value for citizens. Such areas include a few largely untouched natural spaces, agricultural land and former “brownfields” that have returned to nature.

Developers favour building on green space since the costs are lower than building on formerly occupied land. Generally it makes sense for needed building to take place on brownfields but as some recent disputes and campaigns have demonstrated, it is also worth protecting areas that have returned to nature and have value as amenity and as biosystems.

We propose the concept of a *presumption against development* for all green spaces. This does not mean a total ban on necessary development but instead turning the tables so that a case must be made for the building, rather than the legislated presumption for “sustainable development”. Our counter-proposal will require careful policy crafting, including navigation of the far from level playing field that planning legislation and guidance provides.

---

595 Dearing, J. A., Wang, R., Zhang, K., Dyke, J. G., Haberl, H., Hossain, Md. S., Langdon, P. G., Lenton, T. M., Raworth, K., Brown, S., Carstensen, J., Cole, M. J., Cornell, S. E., Dawson, T. P., Doncaster, C. P., Eigenbrod, F., Flörke, M., Jeffers, E., Mackay, A. W., ... Poppy, G. M. (2014). Safe and just operating spaces for regional social-ecological systems. *Global Environmental Change*, 28, 227–238. <https://doi.org/10.1016/j.gloenvcha.2014.06.012>  
Häyhä, T., Lucas, P. L., van Vuuren, D. P., Cornell, S. E., & Hoff, H. (2016). From Planetary Boundaries to national fair shares of the global safe operating space—How can the scales be bridged? *Global Environmental Change*, 40, 60–72. <https://doi.org/10.1016/j.gloenvcha.2016.06.008>  
Hoorweg, D., Hosseini, M., Kennedy, C., & Behdadi, A. (2016). An urban approach to planetary boundaries. *Ambio*, 45(5), 567–580. <https://doi.org/10.1007/s13280-016-0764-y>

596 Doughnut Economics Action Lab. (2020). *Creating City Portraits*. <https://doughnuteconomics.org/tools-and-stories/14>



However, Local Plans and Supplementary Planning Guidance are places where the principle can be included. The principle also needs enshrining in the Greater Manchester Spatial Framework, when its next revision is produced. The underlying ethical principle here is that of stewardship: the natural world is not ours to consume and use with no thought for the future but rather something that we as citizens have temporary custody and responsibility for. Attempts to put a monetary value on these aspects of nature are misguided and risk legitimising the continued hyper-exploitation of nature. Worse, the idea of creating a profit stream from natural infrastructure, as explored in the GMCA's Natural Environment Investment Plan<sup>597</sup>, is manifestly a step in the wrong direction.

## 2 A sustainable and affordable food supply and distribution network

There are a variety of developments across the region on themes such as

- procurement of foods by organisations
- poverty and its impact on people's nutrition
- wastage of food at every step from farm to home
- environmental impacts of every link in the food chain
- the health consequences of foods, food choices and the systems that shape them
- the expansion of local food production and processing and the employment and recreational possibilities that this can bring.

For an overview, see the website of *Good Food Greater Manchester*<sup>598</sup>. Some additional policy imperatives follow.

**Policy 2.1:** Establish Sustainable Food Partnerships in each borough and at GM level.

*The thinking behind it:*

Manchester, Tameside, Oldham and Stockport have all established Sustainable Food Partnerships. This is a step forward in the last 5 years but there is more to do.

To achieve sufficient scale, the approach needs replicating by each local authority and strengthening in those that have already made this step. There needs to be a strategic Food Board at city regional level, with a status within the political and administrative hierarchy reflecting the central importance of food in all our lives.

**Policy 2.2:** Influence supermarkets and market dominant food firms to work responsibly, source locally, reduce waste.

*The thinking behind it:*

---

597 <https://issuu.com/greatermcr/docs/gm-natural-capital-investment-plan-?e=35861904/67415668>

598 <https://www.goodfoodgreatermanchester.org/>

If we are serious about healthy, low carbon, affordable food, then we need to deal with the systems that distribute the larger part of what Greater Manchester eats. The food we eat comes overwhelmingly through supermarkets and these companies exert a powerful, often malign, influence over the entire food supply system. Their supply networks are vulnerable to shocks and disruptions of all kinds<sup>599</sup>. Shoppers have come to expect ready access to a horn of plenty of perfect fresh products at all times. This can only be achieved through significant over-production and therefore waste<sup>600</sup>. This also entails domineering relationships with suppliers. Consumption, imports and the use of energy-demanding refrigeration have all been increasing, in large part due to the clever marketing strategies of the supermarkets. "Imports grew by 51% between 1990 and 2005 by weight due to a combination of a 15% increase in consumption at the national level and a decrease in UK agricultural output"<sup>601</sup>. The establishment of large supermarkets drives smaller traders out of business and a *"Friends of the Earth study of local food schemes found that on average just over half of business turnover was returned to the local economy, compared to as little as 5 per cent for supermarkets"*<sup>602</sup>. Scotland and Northern Ireland have effective supermarket levies, returning value to the local economy<sup>603</sup>.

Local government can use its soft, place-making and convening power to bring supermarkets to account for their local impacts on diets, incomes and ecological footprints. Local sourcing of products is one element of what's needed<sup>604</sup>. One model would be Enfield council's practice of inviting companies operating in the borough to discussions as to how they can discharge their moral responsibility to local people that comes with the implicit "licence to operate"<sup>605</sup>. Sadly, up to now, local government has seen supermarkets as aiding economic regeneration, a short sighted and naïve view<sup>606</sup>.

**Policy 2.3:** Strengthen the emergent "alternative" food production and distribution network (e.g. community-supported agriculture/horticulture schemes) and the city region's significant food processing industry.

---

599 ESRC (2012) Global Food Systems and UK Food Imports: Resilience, Safety and Security. <http://www.foodsecurity.ac.uk/assets/pdfs/gfs-and-uk-food-imports.pdf>

600 World Wildlife Fund (2008) Environmental impacts of the UK food economy with particular reference to WWF Priority Places and the North-east Atlantic. [http://assets.wwf.org.uk/downloads/environmentalimpacts\\_ukfoodconsumption.pdf](http://assets.wwf.org.uk/downloads/environmentalimpacts_ukfoodconsumption.pdf)

601 WWF (2008) *ibid.* p. 29

602 Cited by Another Stirchley Is Possible (2008) What's Wrong With Supermarkets? <https://anotherstirchley.wordpress.com/whats-wrong-with-supermarkets/>

603 Sustainable Food Cities (2013) Supermarket Levy (campaign announcement) <http://sustainablefoodcities.org/newsevents/news/articleid/41/supermarket-levy>

604 Corporate Watch (n.d.) Supermarket local sourcing initiatives: the benefits of local food. <https://corporatewatch.org/content/supermarket-local-sourcing-initiatives-benefits-local-food-0>

605 Froud, J., Johal, S., Moran, M., & Williams, K. (2012). Must the ex-industrial regions fail? *Soundings*, 52(52), 133–146. [https://www.lwbooks.co.uk/sites/default/files/s52\\_13froud\\_johal\\_moran\\_williams.pdf](https://www.lwbooks.co.uk/sites/default/files/s52_13froud_johal_moran_williams.pdf)

606 Steady State Manchester (2014) Supermarkets, levies and the social franchise (blog post). <https://steadystatemanchester.net/2014/07/29/supermarkets-levies-and-the-social-franchise/>

### *The thinking behind it:*

Greater Manchester has two rather different sectors concerned with food. There is a small, energetic “alternative” network with community-farmer links, co-operative retailers, fresh produce distribution to retailers and caterers, and educational projects (for example on cooking) and food waste reduction and re-use initiatives. Associated with this activity has been work on policy development<sup>607</sup>. There is a much larger, industrial food processing industry in the city whose aims and ways of working have been very different. This is a significant element of the economy, worth £1.06Bn and employing 19,900 people in Greater Manchester in 2014. Researchers at CRESC, University of Manchester identify this as one of the sectors of the “Foundational Economy”, that “.... *sheltered sector of the economy that supplies mundane but essential goods and services such as: infrastructures; utilities; food processing, retailing and distribution; and health, education and welfare. The foundational economy is unglamorous but important because is used by everyone regardless of income or social status, and practically is a major determinant of material welfare.*<sup>608</sup>” The food industry, like other foundational parts of the economy is relatively resilient since people have to eat, whatever else happens<sup>609</sup>. We suggest that there should be scope for achieving a greater scale for the innovative, alternative, food sector while improving the quality and sustainability of the mainstream food processing and manufacturing industry, thereby contributing to food security, reducing environmental impacts, improving population health, while protecting and increasing jobs. This will require a strategic approach bringing together the five elements of government/public sector, private business, universities, active citizens and the organisations of civil society<sup>610</sup>, something that a GMCA with a clear orientation to the *Viable Economy* could make happen.

**Policy 2.4:** Work over the medium term for the replacement of charitable food banks with user-run food coops.

### *The thinking behind it:*

Recent years, in the context of government folly in pursuit of austerity in public expenditure, have seen increasing numbers cast into precarity and destitution, with the number doubling during the 2020-21 pandemic period. Civil society has responded with the growth of food banks, making available a basic basket of foodstuffs and other necessities on a charitable basis. This has been an

---

607 Feeding Manchester <http://sustainablefoodcities.org/findacity/cityinformation/userid/24> and Oldham Food Network <http://sustainablefoodcities.org/findacity/cityinformation/userid/460> (both Sustainable Food Cities network member entries).

608 Summary from <http://www.manchestercapitalism.co.uk/foundational-economy>

609 Our previous working paper includes a discussion of the relevance of the Foundational Economy and the need to go beyond it <https://steadystatemanchester.files.wordpress.com/2016/11/so-what-would-you-do-v2-0.pdf>

610 Björk, F. (2015) Penta helix: Conceptualizing cross-sector collaboration and social innovation processes. Urbinnovate blog, University of Malmö. <http://blogg.mah.se/urbinnovate/2015/04/27/penta-helix-conceptualizing-cross-sector-collaboration-and-social-innovation-processes/>

admirable response but it has its limits, casting poor people into an essentially passive role as recipients of charity, with the concomitant feelings of shame, anger and gratitude<sup>611</sup>. Whilst many food aid initiatives are important spaces of caring and solidarity<sup>612</sup>, and some run food purchase coops at the same time<sup>613</sup> they nevertheless fail to address the underlying causes of household food insecurity. A shift from reliance on charity to deal with food aid is needed in order to uphold the right to affordable access to food and good nutrition. Food pantries suggest an evolutionary pathway from the food bank model to something offering more choice and inclusion. DEMOS has proposed community supermarkets as an alternative to charitable food aid<sup>614</sup>, suggesting that co-operatives might be one way of delivering these, funded by a Government 'conversion fund' for those food banks willing to convert to an alternative, longer term form of affordable food initiatives. Indeed the conversion of food banks to food co-operatives has been shown to work elsewhere<sup>615</sup>, enabling people to regain power over their situation and establishing alternative economic relations for the distribution of food<sup>616</sup>.

### 3 Divest from fossil fuels.

**Policy 3.1:** The Greater Manchester Pension Fund (a significant financial "anchor institution") must redirect a sizeable proportion of its more than £1Bn investments from fossil fuels to the local economy, with an emphasis on environmentally and socially beneficial areas that yield a return to continue its primary responsibilities of paying pensions.

*The thinking behind it:*

This policy focusses on the Greater Manchester Pension Fund (GMPF), the largest local authority pension fund in England (also providing pensions for many other employers). It has a portfolio of investments, used to fund its pension commitments, of which at least 5% are in companies primarily concerned with the extraction, processing and distribution of fossil fuels<sup>617</sup>. There are two principal aims of this proposed switch in investments.

- 
- 611 Van der Horst, H., Pascucci, S., Bol, W. (2014). The 'dark side' of food banks? Exploring emotional responses of food bank receivers in the Netherlands. *British Food Journal*, 116 (9), 1506-1520. <http://www.emeraldinsight.com/doi/pdfplus/10.1108/BFJ-02-2014-0081>
- 612 Goldstraw, K. and Diamond, J. (2016). *A Good Society: A collaborative Conversation*. Ormskirk, I4P and Webb Memorial Trust <https://www.edgehill.ac.uk/i4p/files/2014/09/CS-1914b-Collaborative-I4P-Webb-report.pdf>; Lambie-Mumford, H. (2015). *Addressing Food Poverty in the UK: Charity, Rights and Welfare*. Sheffield, SPERI <http://speri.dept.shef.ac.uk/wp-content/uploads/2015/02/SPERI-Paper-18-food-poverty-in-the-UK.pdf>
- 613 Lambie-Mumford, H., Crossley, D., Jensen, E., Verbeke, M. and Dowler, E. (2014) 'Household Food Security in the UK: A Review of Food Aid,' Department for the Environment, Food and Rural Affairs (Defra) [SEG 1205] <https://www.gov.uk/government/publications/food-aid-research-report>
- 614 Paget, A. (2015). *British Aisles*. London, DEMOS [https://www.demos.co.uk/files/476\\_1501\\_BA\\_body\\_web\\_2.pdf?1427295281](https://www.demos.co.uk/files/476_1501_BA_body_web_2.pdf?1427295281)
- 615 From Food Pantry to Food Co-op: Lessons Learned. <http://www.charitydetox.com/detox-forum/2015/5/22/from-food-pantry-to-food-co-op-lessons-learned>
- 616 Caraher, M., & Cavicchi, A. (2014). Old crises on new plates or old plates for a new crises? Food banks and food insecurity. *British Food Journal*, 116(9). <http://openaccess.city.ac.uk/14988/>

1. Climate change requires assertive action to leave most fossil fuel reserves un-exploited. Yet the fossil fuel companies continue to invest in exploration. "Engagement", or efforts to directly persuade these companies to stop exploration, have not yielded any significant results. An international campaign<sup>618</sup> is encouraging investors to move their money out of the fossil fuel companies, thereby sending a strong signal to the markets, reducing the money available for further climate damaging fossil fuel extraction and incidentally securing the value of assets against their being stranded as a result of global action on climate.
2. The GMPF holds around £1.3Bn for potential re-investment. It can be directed to socially and environmentally positive, or at least benign, investment especially in Greater Manchester itself. A responsibly managed programme of divestment and reinvestment could have a catalytic impact regionally, especially if it was deployed to projects like pump-priming a regional public bank and to the (LCEGS) sector discussed under policy 1.41 above.<sup>619</sup> By divesting, GMPF would be joining two other influential anchor institutions in the region. Manchester Metropolitan University has no fossil fuel holdings and the University of Manchester has announced a programme to divest all its fossil fuel holdings. Until GMPF does divest, its enormous holdings are an embarrassment to a region that has ambitions to be a leading green city region.

#### 4. Anchor institutions

For CLES<sup>620</sup>,

*"...an anchor institution is an organisation which has a key stake in a place. It will have significant levels of spend and numbers of jobs, and is extremely unlikely to leave due to market forces. Anchor institutions typically include: local authorities, universities, further education colleges, hospital trusts, and housing organisations."<sup>621</sup>*

A government sponsored study gives some more detail:

*"The concept of anchor institutions emerged from the US where it has become an integral part of urban regeneration policy and practice. It is typically related to spatial immobility, large size and strategic contribution to the local economy as purchaser and employer. .... Anchor institutions must have a social role, a social purpose which*

---

618 See350 degrees website: <https://350.org/about/>

619 For a detailed briefings see Fossil Free Greater Manchester (2021) Information for councillors. <http://fossilfreegm.org.uk/index.php/councillors/>

620 CLES: Centre for Local Economic Strategies, a Manchester-based NGO.

621 Jackson, M. & McInroy, N (2015). Creating A Good Local Economy: The Role Of Anchor Institutions. Manchester: CLES. <http://www.cles.org.uk/wp-content/uploads/2015/04/Anchor-institutions.pdf> p.7



*enables it to develop mutually beneficial and sustainable relationships within the host community.*

*Possible anchor institutions include non-profit organisations such as higher education institutions..., for instance, university business schools, academic medical centres, cultural institutions including museums, libraries and performance arts facilities, religious and faith-based establishments and performance arts centres, utility companies, military bases, sports clubs and, under certain circumstances, large private sector organisations<sup>622</sup>.”*

Our own thinking emphasises using the wealth generated and located locally to invest in local pro-environmental and pro-social development, rather than following the path of dependence on capital external to the city or region<sup>623</sup>. The work CLES has done with Anchor Institutions in Preston (also Manchester<sup>624</sup> and Belfast) has focussed chiefly on their role in procurement of goods and services<sup>625</sup>. They demonstrate their positive impact on local employment and value retained locally. Another study, by Leeds Beckett and York St John Universities<sup>626</sup>, found similar results in the Leeds city region. Similar thinking underpins our earlier work on pay inequality in local government and its supply chains<sup>627</sup> and the requirement of the Living Wage Campaign that accredited Living Wage employers also mandate the Living Wage in their supply chains<sup>628</sup>.

- 
- 622 UKCES (2015). Anchor institutions and small firms in the UK: A review of the literature on anchor institutions and their role in developing management and leadership skills in small firms. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/414390/Anchor\\_institutions\\_and\\_small\\_firms.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/414390/Anchor_institutions_and_small_firms.pdf) p. 9.
- 623 See Appendix to our previous Working Paper “So What Would You Do”: <https://steadystatemanchester.files.wordpress.com/2016/11/so-what-would-you-do-v2-0.pdf>.
- 624 Jackson, M. (2017). The Power of Procurement II: The policy & practice of Manchester City Council: 10 years on. Manchester, CLES. [https://cles.org.uk/wp-content/uploads/2017/02/The-Power-of-Procurement-II-the-policy-and-practice-of-Manchester-City-Council-10-years-on\\_web-version.pdf](https://cles.org.uk/wp-content/uploads/2017/02/The-Power-of-Procurement-II-the-policy-and-practice-of-Manchester-City-Council-10-years-on_web-version.pdf)
- 625 Jackson, M. and McInroy, N. (2017). Community Wealth Building through Anchor Institutions. CLES. <https://cles.org.uk/our-work/publications/community-wealth-building-through-anchor-institutions/>
- 626 Devins, D., Gold, J., Boak, Garvey, R. and Willis, P. (2017). Maximising the local impact of anchor institutions: a case study of Leeds City Region. <https://www.jrf.org.uk/report/maximising-local-impact-anchor-institutions-case-study-leeds-city-region?>
- 627 Steady State Manchester (2014) In Place of Pay Inequality. <https://steadystatemanchester.files.wordpress.com/2014/03/in-place-of-pay-inequality-steadystatemanchester-equalitynorthwest-2014-final.pdf>
- 628 Living Wage Foundation. (n.d.) Benefits of Accreditation. <https://www.livingwage.org.uk/what-are-benefits-accreditation>

But there are other aspects to the role of Anchor Institutions: Jackson and McInroy<sup>629</sup> suggest that this could focus on two areas: local financial enabling and local ownership enabling. The following proposals build on the CLES work in relation to our concept of the Viable Economy, thereby going beyond the merely economic benefits of these institutions<sup>630</sup>.

#### **4.1 Maximising procurement and employment benefit.**

**Policy 4.11:** Encourage anchors to promote good diet, housing, exercise, nature, equality and waste reduction through procurement, employment and place-outreach.

*The thinking behind it:*

If Anchor Institutions are potentially so influential, then they can exert an effect that is not only economic. They can influence all these additional areas, both through their economic leverage in procurement and contracting, partnership activity with other players, and as employers of large numbers of staff. Examples include preferred procurement from local social enterprises rather than big corporate suppliers, contracts to reduce pay ratios, contracts to prefer low carbon, low waste suppliers. Some universities, for example, have embraced the issue of environmental sustainability in procurement, and other dimensions of sustainability are also becoming more salient<sup>631</sup>.

**Policy 4.12:** Organisations, public and private can be encouraged to pay the Living Wage as a minimum, using both the hard power of procurement and the soft power of agenda and consensus-shaping.

*The thinking behind it:*

Our city region has very high levels of economic and social inequality. As a recent Resolution Foundation report showed, reductions in inequality between 2004 and 2008 were reversed between 2008 and 2012, with disparities between high and low income groups reaching a new high<sup>632</sup>. Indeed reading this report it is hard to escape the conclusion that economic expansion both the pre and post crash period have resulted in increasing inequalities, both within and between neighbourhoods.

---

629 See also the wider framework from CLES allies New Start: Goff, C. (2016). *Creating Good City Economies in the UK*. London: New Start. Retrieved from <http://newstartmag.co.uk/wp-content/uploads/2016/09/Good-City-Economies.pdf>

630 Not covered here but also of relevance is the concept of “neighbourhood anchors” to enable and strengthen vibrant and resilient neighbourhoods.

631 University of Manchester Responsible Procurement (web page) <https://www.staffnet.manchester.ac.uk/procurement/responsible-procurement/responsible-procurement/>  
Manchester Metropolitan University Sustainable Procurement (web page and policy) <https://www.mmu.ac.uk/procurement/sustainable-procurement>

632 Resolution Foundation (2016). *New Order: Devolution and the future of living standards in Greater Manchester*. <http://www.resolutionfoundation.org/app/uploads/2016/11/New-order.pdf> Table 1 p. 34.



Implementing the Living Wage for an organisation's workforce, and through its supply chain is one way of improving this situation. The Living Wage Campaign has been one of Greater Manchester's relative successes. It encourages organisations to not just pay the Living Wage, but also go public with their commitment through independent accreditation. In November 2020 the Metropolitan Mayor "called on every sector partner and stakeholders to work towards making Greater Manchester the first Real Living Wage City Region in the UK"<sup>633</sup>. We commend that call and look forward to concerted action to that end.

**Policy 4.13:** Set maximum salaries, and pay ratios, between the highest and lowest paid and also mandate them through the supply chain.

*The thinking behind it:*

At the other end of the income distribution, salaries can be obscenely high, a sequestration of money that could be distributed more fairly. Some organisations, especially those in the co-operative sector, specify narrow pay ratios and do not experience difficulties in recruiting committed and skilled senior staff: these ratios can still be in the region of 1:8. Our survey of local government found higher ratios and little in the way of coherent justification for paying such high rates other than an unevidenced and unconvincing reference to market competition<sup>634</sup>.

Note that these two policies only go so far: other issues are poverty of the self-employed, under-employed or those excluded from employment, and those unable to do employed work for a variety of reasons. They also do not address inequalities in wealth. Nevertheless the two policy proposals for anchor institutions are feasible while potentially transformative.

## 4.2 Educational anchor institutions to maximise their usefulness and impact locally.

**Policy 4.21:** Universities as citizen resources, open to all.

*The thinking behind it:*

Our universities are typically seen as elite institutions, not places where many ordinary citizens of the region would feel welcome. This is despite some traditions of public access and service. Universities, however, are Anchor Institutions, with an implicit social licence to operate in our community. There needs to be a persistent demand that their primary responsibility is to serve that community whilst recognising that many have already built commitments of this sort into their strategies (see, for example, University of Manchester's Civic Engagement<sup>635</sup> and Manchester Metropolitan University's strategy<sup>636</sup>).

---

633 <https://www.gmpovertyaction.org/gmlivingwage/>

634 Steady State Manchester (2014) In Place of Pay Inequality. <https://steadystatemanchester.files.wordpress.com/2014/03/in-place-of-pay-inequality-steadystatemanchester-equalitynorthwest-2014-final.pdf>

635 University of Manchester (n.d.). <https://www.manchester.ac.uk/discover/social-responsibility/civic/>

636 Manchester Metropolitan University (n.d.). Our Strategy. <https://www.mmu.ac.uk/about-us/strategy/>

Examples could include offering free and low cost consultancy to non-profit and small-profit initiatives, courses on environmental, economic and political literacy, apprenticeships in areas such as eco-friendly construction, and pursuing a research agenda that is at once locally responsive and internationally reputable. This “community in-reach and university outreach”<sup>637</sup> needs to tap all the resources of Universities, not just education and research but facilities and networks too.

**Policy 4.22:** Schools and colleges as community hubs.

*The thinking behind it:*

Likewise, schools and colleges are not going to go away. As common reference points in our neighbourhoods their role, accessibility and impact could be enhanced by partnering with health, housing, leisure, and adult learning: some of which happens (or has happened in the past) in some places but on a haphazard and unsystematic basis<sup>638</sup>. Now, with city-regional devolution there is an opportunity to establish a Mancunian model of full service, extended, community schools and colleges. To help build and strengthen community, facilities could be available to citizens free or very low cost outside teaching hours. Let’s see much more imagination and flexibility in the way our schools are used to serve their localities.

### 4.3 Co-operative enterprise and governance.

**Policy 4.31:** Properly fund local not-for profit, co-operative and smaller, quality orientated providers.

*The thinking behind it:*

If we want institutions and economic arrangements that serve people then the co-operative model, with its deep roots in the region, should be widely supported. This will make it more likely that business and social priorities will be appropriate, that wealth is retained locally rather than leaching out into profits invested elsewhere. Similarly, many small and medium sized businesses are locally based, staffed and owned, with loyalty to their district: are less likely to ruthlessly seek profit extraction and more likely to return value to the community<sup>639</sup>. Anchor institutions can both procure from such organisations and also support them logistically. To take the example of social

---

637 Kagan, C. and Duggan, K. (2007). We Don’t Believe You Want a Genuine Partnership’: Universities’ Work with Communities. Manchester: RIHSC.

[https://www.publicengagement.ac.uk/sites/default/files/publication/we\\_dont\\_believe\\_you\\_want\\_a\\_genuine\\_partnership.pdf](https://www.publicengagement.ac.uk/sites/default/files/publication/we_dont_believe_you_want_a_genuine_partnership.pdf)

Kagan, C.M., and J. Diamond. *University-Community Relations in the UK: Engaging Universities*. Palgrave Macmillan, 2020.

638 Cummings, C., Dyson, A. and Todd, L. (2011) *Beyond the School Gate: Can Full Service and Extended Schools Overcome Disadvantage?* London, Routledge.

639 CLES (2013). *Local Procurement: making the Most of Small Businesses One Year On*. Federation of Small Businesses/CLES.

[http://www.fsb.org.uk/docs/default-source/Publications/publi\\_spec\\_scotprocure\\_july2013.pdf?sfvrsn=0](http://www.fsb.org.uk/docs/default-source/Publications/publi_spec_scotprocure_july2013.pdf?sfvrsn=0)

care, such providers can be helped, for example with common services and preferred provider status, constructing an alternative to profiteering corporate firms under the new GMCA health and social care arrangements<sup>640</sup>.

**Policy 4.32:** Public bodies redesigned on co-operative model. Adopt co-operative council model across the region, including at GMCA level.

*The thinking behind it:*

A number of UK councils have adopted a co-operative approach to both their relationship with the public and to the way services are delivered. This means being more open and collaborative in the way policy and decision-making are approached, and following co-operative principles in the delivery of services. The council's spending power is deployed so it achieves a greater social return for citizens than it would in a typical purchaser-provider market model. Oldham is a co-operative council<sup>641</sup> and both Rochdale and Salford are members of the Co-operative Councils Innovation Network<sup>642</sup>. Signing up to co-operative principles does not necessarily mean real change although councils like Oldham can point to real benefit<sup>643</sup>.

Our proposal is for the extension of this model throughout the public sector in the city region, applying it to all councils and the Combined Authority, and (in appropriately adjusted form) to the variety of public bodies such as NHS Trusts, Housing Trusts, and the Police and Fire Services. Such a mainstreaming of the approach could make co-operative working the norm, a viable alternative to the narrow marketised model of public service that has dominated the last thirty years. This would have benefits in terms of citizen engagement and the renewal of democracy as well as in the more equitable creation and distribution of social and economic value.

We are pleased to see that since the 2017 version of this policy portfolio, the GMCA has established the Greater Manchester Co-operative Commission<sup>644</sup>. It has issued a scoping paper on the prospects for co-operatives playing a bigger role in the Greater Manchester economy<sup>645</sup>. The co-operative model is not a "silver bullet" but it can help increase the extent to which business development benefits citizens.

---

640 Co-operative Party (2016). Taking Care: A co-operative vision for social care in England. <http://www.councils.coop/wp-content/uploads/2016/11/taking-care-FINAL-web.pdf>

641 Oldham Council (n.d.). Our co-operative approach (web page) [http://www.oldham.gov.uk/info/200572/co-operative\\_oldham/1189/our\\_co-operative\\_approach](http://www.oldham.gov.uk/info/200572/co-operative_oldham/1189/our_co-operative_approach)

642 See Co-operative Councils Innovation Network website: <http://www.coopinnovation.co.uk/>

643 Brownridge, B. (2017). Becoming a co-operative council isn't a quick fix, it takes time, effort and a genuine desire to work with communities. Co-operative Councils Innovation Network. <http://www.councils.coop/becoming-co-operative-council-isnt-quick-fix-takes-time-effort-genuine-desire-work-communities/>

644 <https://gmcommission.coop/>

645 <https://gmcommission.coop/docs/GMcoopcommissionreport.pdf>

## 5. Economic localisation

In the report that launched SSM we argued:

*"To meet the twin challenges of planetary limits and accelerating resource scarcity, we need to look at a strategy for re-localisation of the economy. This means arranging production, distribution, ownership of means of production/assets, trade and enterprise so that much more of the economy is localised within the city, and the surrounding bioregion."*  
p. 24.

Localise West Midlands defines localisation in terms of,

- Local trading, using local businesses, materials and supply chains
- Linking local needs to local resources
- Development of community and local capacity
- Decentralisation of appropriate democratic and economic power
- Provision of services tailored to meet local needs.<sup>646</sup>

Localise WM's extensive literature review<sup>647</sup> found evidence that more localised economies had superior indices of return on investment, quality of life, jobs per capita, income equality, the local multiplier, job creation and unemployment reduction, and income growth.

Despite the evidence there has been little enthusiasm for a strategic localisation of the economy among orthodox economists and leaders. Yet, with the gathering pancrisis<sup>648</sup> of climate change, biodiversity loss, pandemics, peak materials and geopolitical shocks, as well as the UK's special problem of brexit, perhaps interest is gathering in the idea. As we point out elsewhere,

*The viable economy uses the concept of strategic localism which means that things that can be sourced locally should be. ....This means not just playing to the strengths of local economies but actively building those strengths. It does not mean turning our back on the world, but playing a responsible part in the world while becoming locally more sufficient. Finally it means living in greater knowledge of our own bio-region, its strengths, its delights and its vulnerabilities. (p. 12)<sup>649</sup>*

---

646 About Localise WM. <http://www.localisewestmidlands.org.uk/about/>

647 Localise WM (2012) Mainstreaming Economic Development for inclusiveness, diversity and equality: Literature review <http://localisewestmidlands.org.uk/wp-content/uploads/MCED-literature-review-final-Jan-2013.pdf> Summary <http://localisingprosperity.org.uk/the-evidence/>

648 <https://www.15-15-15.org/webzine/2020/11/11/there-must-be-some-way-out-of-here-policies-politics-and-possibilities-in-the-pancrisis/>

649 The Viable Economy. <https://steadystatemanchester.files.wordpress.com/2014/11/the-viable-economy-master-document-v4-final.pdf>

We therefore argue that **a viable alternative economic strategy needs to include an explicit strategy for localisation**<sup>650</sup> as a way of stabilising and strengthening the local (viable) economy. There are already elements of localisation in existing strategies and the proffered alternatives: the need is to make localisation a cornerstone of the strategy which will also help in addressing the many other issues that challenge us.

## 5.1 Reduce reliance on long, vulnerable, global supply chains.

**Policy 5.11:** GMCA should adopt economic localisation as a policy aim and produce a localisation strategy.

*The thinking behind it:*

If re-localisation is a valid principle for a more resilient Greater Manchester that shares its wealth with its people and that treads lightly on the planet, then it is worth adopting as a strategic principle and aim together with the detailed strategic and implementation planning that will be necessary across all sectors. We suggest that a start is made on those sectors where imports could most easily be substituted locally and whose ecological footprint is the greatest. This therefore requires a combination of sound business economics together with ecological literacy.

**Policy 5.12:** Measure and monitor the scale of imports to the region.

*The thinking behind it:*

This follows from the previous point: we need to understand where we are now. What do we import, from where, with what consequences and with what risks?

**Policy 5.13:** Discourage wasteful trade contraflows (e.g. dairy products exported and imported).

*The thinking behind it:*

Product contraflows (our term) take at least two forms.

1. Products (e.g. non-speciality cheese) are produced in area A and sold in area B while identical or equivalent products are produced in area B and sold in area A.
2. A product (e.g. milk) is produced in area A, processed in area B and then taken back to area A for sale and consumption<sup>651</sup>.

Orthodox economic measures such as GDP and GVA are blind to this absurdly wasteful situation. Indeed cash value of (say) potatoes exported plus that for potatoes imported are both added to those measures, incentivising this

---

650 Further resources: Local Futures. (n.d.). Going Local: the Solution-Multiplier: short introduction to economic localization. <http://bit.ly/2jVdoEo> Norberg-Hodge, H. and Read, R. (2016). Post-growth Localisation. Greenhouse think tank. <https://t.co/SqPoMaXgE4>

651 For some shocking examples see the NEF Interdependence Report at <http://web.archive.org/web/20060417150849/http://www.neweconomics.org/gen/uploads/f2abwpumbr1wp055y2l10s5514042006174517.pdf>

unsustainability, something akin to pointlessly digging holes and filling them in in the name of economic activity. Policy incentives therefore need to be devised to make this situation less likely.

## 5.2 Work at or near home.

Our roads are clogged with traffic. People often spend a significant part of their working day travelling. Moving people and vehicles around generates carbon emissions and air pollution. It is a pressure on incomes too. The experience of the pandemic lock-down showed us that much work that was hitherto seen to require commuting can be done from home. However, that can bring problems of its own, including insufficient space, costs (e.g. for heating and broadband) placed on the employee, and a loss of the conviviality and solidarity that comes from work.

**Policy 5.2.1:** For each institution, devise incentives for employees to live locally.

*The thinking behind it:*

This is an example of how a policy initiative can bring together several desirable things, in this case, of anchor and other institutions supporting their local economy (since more of the salaries they pay will go into the local area), the improvement of work-life balance as less time is spent away from home travelling<sup>652</sup>, and carbon reduction. Such incentives have been deployed before. Back in the 1970s, Manchester City Council would make a contribution to the legal costs of buying a house for staff living within a certain radius, and paid for rent if a purchase was made in the first six months of employment. More recently it ring fenced its lower paid jobs for city residents. Each of these has its flaws but indicates that employers can incentivise local residence. It is up to the participating institutions to devise schemes that enhance social and economic equity while reducing resource use.

**Policy 5.2.2:** Support the development of shared workspaces in local neighbourhoods.

*The thinking behind it:*

While there are good reasons to encourage more work from the locality where people live, working from home is not the best option for everybody. Moreover, many neighbourhoods lack shared workspaces such as small business hubs with shared IT infrastructure, printers, heating and basic facilities for taking breaks with other workers. Similarly the availability of local shared workshops and studios could support the development of the local creative, craft, design and maker sectors.

## 5.3 Fifteen minute city

**Policy 5.3:** Formally adopt the model of the fifteen or twenty minute city.

*The thinking behind it:*

---

652 Lobel, B. (2016). National Work Life Week: Working near to where you live pays off. Vitesse Media. <http://smallbusiness.co.uk/national-work-life-week-working-near-live-2534427/>



The fifteen minute (or twenty minute in some versions) neighbourhood is an increasingly popular approach in some of the worlds leading cities, including Melbourne, Wellington, Barcelona and Paris, as well as Portland, Oregon where the idea began<sup>653</sup>. This is a very simple idea, a neighbourhood in which we can all get the goods and services we need within a twenty minute walk of one's home<sup>654</sup>.

There are a number of linked reasons for establishing this model, for health, social networking and support, supporting the local economy, improving work-life balance, reducing traffic and supporting local businesses and institutions. Some of our neighbourhoods approximate the fifteen minute city already, while in other areas people live a long way from good quality food shops or basic banking and postal services. Likewise, the neighbourhood accessibility of education, health and recreational facilities varies greatly and some developments (e.g. new leisure centres) have been at the expense of more local options.

## 5.4 Just Trade

**Policy 5.4:** Establish co-operative arrangements with producers of selected products elsewhere.

*The thinking behind it:*

Localisation does not mean forgetting our responsibilities to people in other parts of the world. Establishing such co-operative arrangements (for tea, sugar for example) can help ensuring just terms of trade while reducing transaction costs otherwise paid to middlemen. This would build on but go beyond Fair Trade so that the key institutions and industries of the region all pursue *Just Trade* in their procurement and trading relations – an approach adopted by the Ethical Trade movement<sup>655</sup>. A “Just Trade mark” could be developed to aid in this.

## 6 Finance

### 6.1 Regional investment fund or bank.

**Policy 6.1:** Establish a council sponsored investment fund or bank, emphasising environmentally and socially friendly sectors.

*The thinking behind it:*

The banking and financial system in the UK is highly concentrated in a few “too big to fail” institutions. One consequence is that because profits are chased to satisfy shareholder (and executive) expectations, investment tends to flow to other financial vehicles, thus magnifying the finance bubble: it does not go to

---

653 <https://steadystatemanchester.net/?s=twenty+minute>

654 The definition varies somewhat: in Paris the concept is fifteen minutes while in Melbourne it refers to ten minute walk to ones destination – i.e. a twenty minute return journey.

655 Ethical Trading Network (n.d.). Ethical trade and fairtrade. <http://www.ethicaltrade.org/issues/ethical-trade-and-fairtrade>



local industry which, especially in the case of smaller firms, finds it difficult to obtain investment. This contrasts with the situation in countries such as Germany and the Netherlands where regionally-based public banks (not state but not privately owned, rather like the UK building societies and former trustee savings banks) account for a significant share of banking.

It is not enough simply to establish local/regional banks and funds though. They would need to focus on the kinds of investments that a resilient, viable city region requires, not on sectors that by expanding will increase carbon emissions, traffic congestion, biosphere erosion and inequality.

We therefore propose the establishment of a council sponsored investment fund, or better, since less constrained in terms of money supply, a bank, supporting mostly SMEs and social enterprises working in broadly foundational areas, emphasising environmentally and socially friendly sectors. The form could be a public, municipal or community banking institution<sup>656</sup>. Proceeds from fossil fuel divestment could be used to help establish the bank, which would also be somewhere for local investment and re-investment.

## 6.2 Infrastructure for alternative finance and exchange.

**Policy 6.2:** Prioritise an infrastructure for alternative kinds of finance and exchange by promoting and supporting credit unions, time-banks and other alternative financial and exchange institutions

*The thinking behind it:*

In addition to banking services that serve the needs of the viable economy, there is also a need for a richer support system to improve matters for people with limited income and wealth. At the same time, by sharing in the abundance of our over-productive global economy it may be possible to reduce demands on the ecosystem. There is already good practice on diverting overstocked food to citizens and community groups. Similarly more could be done to make surplus service capacity available (e.g. premises that are only used part of the day or week, empty seats on public transport and in private vehicles). Practical experimentation could be employed to identify effective ways of achieving the dual aims of making available under-utilised assets in the mainstream economy to people who are money-poor while recognising voluntary action in the community.

We therefore propose that the Combined Authority and the municipalities do more to promote and support credit unions, time-banks and other alternative financial and exchange institutions. This would also help release resources to support the many activities of the informal and core economies<sup>657</sup>.

---

656 See <https://www.csba.co.uk/> and for a North West initiative <https://nwmutual.co.uk/>

657 See Coote, A. (2014). *People, planet, power: towards a new social settlement*. London: New Economics Foundation. [http://b3cdn.net/nefoundation/eafb0135c69d8a9152\\_yum6bt9zh.pdf](http://b3cdn.net/nefoundation/eafb0135c69d8a9152_yum6bt9zh.pdf)

It is possible that alternative exchange systems, such as local currencies or non-monetary models (e.g. time-banking), could play a part in this set of developments. However, we are aware that they face two challenges, achieving sufficient scale to be transformative and obtaining the relatively modest resourcing needed to sustain their operations<sup>658</sup>.

## 7 National redistribution

**Policy 7.1:** Campaign, electorally, extra-electorally and via public political education for a fair settlement from Central Government, combating propaganda on fiscal gap and government deficit.

*The thinking behind it:*

Redistribution is an integral part of the kind of alternative economic approach we are proposing. Mainstream discourse about Greater Manchester devolution makes much of the so called *fiscal gap*. That is the £6 to 7 Billion gap (before the pandemic) between government expenditure on the city region and the revenue raised from taxation in the region. This is seen to be a problem but it is far from being such.

Firstly, all national economies have a recycling mechanism whereby richer regions support poorer regions. London has always been a centre of accumulation for the surplus generated elsewhere. In the phase of British industrial capitalism, it was the labour of people in this region (and others) that enriched the capital. At present, as a consequence of the policies of the last thirty and more years, London has a hyper-developed economy largely based on the financial institutions of the City of London (but also aided by the property speculation bubble). In an era where everything is subject to unexpected change this wealth might not even last (at least at the present levels) and it is not something to be hoarded down there, but shared with the citizens of the country.

The idea of the fiscal gap, however, is based on a misunderstanding: the reasonable sounding idea that government expenditure is funded from taxation. The reality is different: government determines expenditure and then it taxes: it can broadly spend whatever it wishes, managing untoward consequences through the macroeconomic tools it controls<sup>659</sup>. There is therefore an elasticity between government expenditure and income – ultimately government spending has to be funded, and that ultimately comes from the productive economy.

So the fiscal gap is a *fiscal trap*: it is a very big mistake indeed for political leaders and actors in Greater Manchester to fall for it. Our locally elected leaders need to lead a broad-based campaign for national sharing of resources, building a movement against public sector cuts (rather than complaining and

---

658 Our 2018 review considers some of these issues.  
<https://steadystatemanchester.net/2018/05/01/the-viable-economy-and-viable-finance/>

659 Lawn, P. (2010). Facilitating the transition to a steady-state economy: Some macroeconomic fundamentals. *Ecological Economics*, 69(5), 931–936.  
<https://doi.org/10.1016/j.ecolecon.2009.12.013>

then implementing them) and for appropriate government capital and revenue expenditure<sup>660</sup>.

## 8 Jobs and income

A credible regional strategy also needs **a local strategy for redistribution**, especially, as we and an increasing number of scholars<sup>661</sup>, argue, growth will have to be curtailed because of its destructive impact on the climate and ecosystems. It is in any case slowing as the capitalist economy hits multiple crises of accumulation<sup>662</sup>, typically described as secular stagnation<sup>663</sup>. Moreover, this entails a rethinking of the relationships among jobs, incomes, productivity and work. While the policy levers available to a city-region are limited, there are things that can be done. *Proposals here should be read in conjunction with those on the role of anchor institutions in enhancing equality (section 4).*

### 8.1 Productivity?

**Policy 8.1:** Make sectors more, not less, labour-intensive

*The thinking behind it:*

Mainstream economic dogma claims that one source of the economic woes of the North West is its lower labour productivity. The typical basis for comparison is the economy of London and the South East but that is inflated by the finance, insurance and real estate sector and by the disproportionate head-quartering of companies there. Productivity is actually not a particularly useful concept in many areas of the economy that we want to build upon: the foundational areas of education, health and personal care, for example, are inevitably and rightly labour intensive<sup>664</sup>. In a post-growth economy productivity is counter-productive since it reduces the availability of

- 
- 660 The terrain has shifted due to the economic impacts of the pandemic, with the present government spending at levels not thought possible at the close of 2019. However, while austerity is paused, it is likely to return and to hit the region very hard.
- 661 See for example Buchanan, M. (2017). A Climate Change Economist Sounds the Alarm. Bloomberg News. <https://www.bloomberg.com/view/articles/2017-01-31/a-climate-change-economist-sounds-the-alarm>  
Burton, M. & Steady State Manchester. (2012). *In Place of Growth: Practical steps to a Manchester where people thrive without harming the planet*. Steady State Manchester. [https://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth\\_ipog\\_-\\_content\\_final.pdf](https://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth_ipog_-_content_final.pdf)
- 662 Streeck, W. (2014). How will capitalism end? *New Left Review*, (87), 35-87. <https://newleftreview.org/II/87/wolfgang-streeck-how-will-capitalism-end>  
Roberts, M. J., & Carchedi, G. (2018). *World in crisis: Marxist perspectives on crash & crisis*. Haymarket Books.  
Dorling, D., & McClure, K. (2020). *Slowdown: The end of the great acceleration-- and why its good for the planet, the economy, and our lives*. Yale University Press.
- 663 Jackson, T., (2019) The Post-Growth Challenge: Secular Stagnation, Inequality and the Limits to Growth. (CUSP summary and link to article.) [https://www.cusp.ac.uk/themes/aetw/tj\\_ee\\_post-growth-challenge/](https://www.cusp.ac.uk/themes/aetw/tj_ee_post-growth-challenge/)
- 664 Isham, A., Mair, S., & Jackson, T. (2020, January 20). Wellbeing and Productivity: A Review of the Literature | Working Paper. CUSP. <https://www.cusp.ac.uk/themes/s1/wp22/>

employment<sup>665</sup>. Even within a putatively growing economy, increasing productivity is not likely to benefit the lower wage and lower skill sectors<sup>666</sup>. The policy aims should therefore be to seek and promote more labour intensive options while both reducing working hours<sup>667</sup> (feasible since there is a pool of labour to be absorbed) and maintaining pay levels. The exceptions are where machinery and automation can reduce unpleasant and unnecessary drudgery.

## 8.2 Stimulate local enterprise development through civic participation

**Policy 8.2:** Establish mechanisms to support and fund the emergence of community enterprises in each locality.

### *The thinking behind it:*

Many people are excluded from the labour market for various reasons, including, for example, lack of skills, lack of availability for full time work, living with long term health conditions, lack of travel to work options. In some areas there are no jobs for people to do that fit with their family commitments. Any of these reasons confine people to a life as recipients of welfare benefits and often with the associated stresses of unemployment and living on low incomes. And yet, levels of community need remain high in nearly every locality. It is possible to stimulate the development of local community enterprises, both including and not including paid work, through citizen engagement and participation. People care about their local areas and make all sorts of positive contributions to them. Building on local interests, creativity and commitments, it is possible to deliver a network of activities, grounded in local interests and local need, as, for example, the experiments carried out in West Norwood<sup>668</sup> and Dagenham<sup>669</sup>. Local community-asset enterprise funds would be needed to catalyse the ventures.

## 9 Community

A viable society and economy means we live in communities that are convivial, caring and proactive. But for this to happen the State, including its local institutions, has to help. This is not a matter of dumping responsibilities on hard pressed communities (which typically comes to mean women) but instead

---

665 Jackson, T., & Victor, P. (2011). Productivity and work in the “green economy.” *Environmental Innovation and Societal Transitions*, 1(1), 101–108. <https://doi.org/10.1016/j.eist.2011.04.005>; Santarius, T. (n.d.). Green Growth Unravelling - Resource Governance - Heinrich Böll Foundation. Retrieved December 6, 2012, from <http://www.boell.de/ecology/resources/resource-governance-ecology-green-growth-rebound-effect-15794.html>

666 New Economy (GM) (2016). Low Pay and Productivity in Greater Manchester <https://web.archive.org/web/20190608093123/neweconomymanchester.com/media/1703/low-pay-and-productivity-in-greater-manchester-main-report.pdf>

667 NEF advocate a 21 hour week. We made similar proposals in our In Place of Growth. Changes to national policy would greatly facilitate this but local initiatives could help – councils for example becoming “right length working time” employers. <http://neweconomics.org/2010/02/21-hours/>

668 Cathcart-Keays, A. (2015). How do you create a city for all? The answer lies in West Norwood. *Guardian*. <https://www.theguardian.com/cities/2015/dec/02/create-city-for-all-answer-west-norwood>

669 C Kagan, Job creation after Covid-19: the participatory economy. In this collection.

making sure that community groups and organisations (formal and informal) have the resources and support, material and intellectual, to lead, to invent, to design, plan and implement improvements. This is not particularly easy for State organisations which have tended to either dominate or to withdraw inappropriately. We need a different approach.

Any economic strategy"should consider those various activities that are in their way economic and also the spinal supports for people's everyday life and for the official economy itself. They are variously,

- a) monetised and exchanged, but hidden from official view: the hidden economy in which positively speaking, people make ends meet and aid one another, and negatively speaking may avoid taxation and regulation; or
- b) monetised but not exchanged (the remaining "social wage" public services), or
- c) not monetised, being part of everyday life, but provide human resources for the economy (bringing up children, cleaning the house, cooking in the evening) or
- d) not monetised but potentially could be, though that might not necessarily be desirable (fixing a neighbour's gate, babysitting, growing fruit and vegetables in an allotment or garden).

These various "undeclared" elements of the economy and of everyday life also provide an additional lifeline for many people who rely on mutual aid, free goods, or the "informal economy". Moreover, their consideration also brings to the fore the gendered nature of not only these undeclared aspects of the economy but of the economy as a whole: changes in these areas disproportionately affect women, on whose unrecognised labour the economy (and society) as a whole relies upon.

### **9.1 Collaborative design and accountability.**

**Policy 9.11:** Councils to develop their role as facilitators and catalysts for community initiative.

*The thinking behind it:*

The so-called *neoliberal period* saw a change in the model of public authorities from the paternalistic "we do everything" model to one of commissioner and market enabler. We know that model to be highly flawed, often acting as little more than a way of channelling public wealth into private hands. But a redefinition in terms of community enabler, sometimes leading, more often following community initiatives, would be a welcome change for post austerity Greater Manchester, one that would build on initiatives and new thinking from innovating authorities in the city region.

Councils, as key bodies of the local State, and as the part that is locally, democratically accountable, can change the way they work with communities. Rather than the council deciding what it is going to do and then conducting

tokenistic consultations with a limited number of people and a limited range of options (converging on what the intention already is), the norm should be collaborative design of solutions – the more complex and expensive of which certainly need to be worked up by full time staff, with meaningful collaboration at each step. To work in ways that encourage and utilise community knowledge, creativity and enthusiasm will mean proper resourcing, not least for the kind of mass deliberative processes required to approach complex issues and decisions. Models of co-production in neighbourhood participation and decision making exist<sup>670</sup>, and we encourage further experimentation in different kinds of localities.

Other innovations that would support this change of direction include elected members holding open meetings at which they report back to citizens on their work, inviting challenge and alternative perspectives. Existing overview and scrutiny functions could be sharpened and made more open and responsive to communities<sup>671</sup>. They should be supported to do this by council staff.

Moreover, the Localism Act (2011) has provision for communities to bring together Neighbourhood Fora and draw up neighbourhood plans<sup>672</sup>. Support should be given to enable these to happen in every locality. Another way to facilitate community initiative would be to create and support Community Initiative Hubs, where people can come together to develop ideas and enterprises. Post Covid, there need to be truly *Local Plans*<sup>673</sup>, at the level of one or two municipal wards, for revitalising and re-purposing spaces and buildings for community benefit and endeavour.

## 9.2. Trust

This collaborative approach to the community requires a change in attitude based on trust.

**Policy 9.21:** Ease up on the official culture of surveillance and distrust, for example in relation to benefits. Enact this through training and clear instruction to, and monitoring of, public servants.

*The thinking behind it:*

If we want a society and economy that builds community, strengthening solidarity and mutual aid, without using that as an excuse to cut collective welfare arrangements via the State and its organs, then we need significant cultural change. One aspect is a change in attitude by the State and its agents, not least an easing up on the official culture of surveillance and

---

670 Loeffle, E. (nd) Why Co-Production is an important topic for local Government.

[http://www.govint.org/fileadmin/user\\_upload/publications/coproduction\\_why\\_it\\_is\\_important.pdf](http://www.govint.org/fileadmin/user_upload/publications/coproduction_why_it_is_important.pdf)

671 <https://climateemergencymanchester.net/wp-content/uploads/2021/02/Briefing-note-on-reshaping-scrutiny-committees-1.pdf>

672 DCLG. (2011). A plain English guide to the Localism Act.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/5959/1896534.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5959/1896534.pdf)  
p.15

673 The term Local Plan has been hijacked in the government planning framework to mean the strategic plan for a whole local authority!



distrust, for example in relation to benefits. What does it matter, particularly as the world of work itself changes, if people mix and match from a menu of benefits and cash transfers for services rendered? It makes little difference to public expenditure but can be a contribution to community economic resilience and prosperity.

### 9.3 Families and children

**Policy 9.31:** Provide affordable child care.

*The thinking behind it:*

This policy paper is not centrally concerned with social policy: that is a possible focus of further work<sup>674</sup>. But our concern with redistributive policies does raise the question of ways of helping those on low incomes. We have already mentioned guaranteed incomes and guaranteed jobs as possible options. Free or heavily subsidised child care is another option, particularly relevant to families with young children. Combining this imperative with the goal of building supportive communities leads to some innovative options, for example via cooperative arrangements that meld public funding with hours contributed by parents using the resource<sup>675</sup>. Such schemes would become more financially robust if working hours were to be reduced and if the local State could provide assistance, for example via cheap accommodation.

**Policy 9.311:** Protect and expand remaining Sure Start provision.

*The thinking behind it:*

Sure Start is the programme to support young children and their families, aimed at "'giving children the best possible start in life' through improvement of childcare, early education, health and family support, with an emphasis on outreach and community development"<sup>676</sup>. Sure Start was found to be effective in improving both the developmental status and the home environments of young children<sup>677</sup>. Despite this, Sure Start provision has been under constant threat of cuts. If we are serious about affordable child care and redistribution going beyond incomes to include the generation of "human capital", then this is an obvious area for protection and prioritisation, especially in the most deprived areas. The related Home Start model, which focusses on home visiting, is also relevant here<sup>678</sup>. This is even more important given children falling behind as a result of the lockdowns and the rise in severe deprivation across the conurbation.

---

674 Burton, M. (2014). Convivial Social Policy? Uncommonater.  
<https://uncommonater.net/2014/10/12/convivial-social-policy/>

675 Coote, A. (2014). *People, planet, power: towards a new social settlement*. London: New Economics Foundation. <https://neweconomics.org/2015/02/people-planet-power>

676 Sure Start (wikipedia entry – accessed 22/02/17) [https://en.wikipedia.org/wiki/Sure\\_Start](https://en.wikipedia.org/wiki/Sure_Start)

677 National Evaluation of Sure Start (NESS). (2011). The impact of Sure Start Local Programmes on five year olds and their families. <http://www.ness.bbk.ac.uk/impact/documents/RB067.pdf>

678 [https://en.wikipedia.org/wiki/Home-Start\\_International](https://en.wikipedia.org/wiki/Home-Start_International)



**Policy 9.32:** Provide or facilitate the provision of community centres and hubs with affordable room hire.

*The thinking behind it:*

Building resilient and supportive communities is not easy without a basic infrastructure. Many neighbourhoods lack common space for people to meet and to support a variety of activities from parent and toddler groups to rehearsal space for musicians. Key to enabling this to happen is a commitment to increasing common spaces (or “the commons”)<sup>679</sup> Public services, including local government and schools can do more to make available such facilities, either by exploring multiple uses or by facilitating initiatives such as identifying under-utilised buildings as community assets, placing them on the council's Register of Assets of Community Value and then working with community groups on ways of securing funding and designing effective ongoing management arrangements. Public services can crucially offer incubator space to help get social enterprises and community organisations going, testing viability before going it alone.<sup>680</sup>

**Policy 9.33:** Strengthen democracy by establishing enhanced structures for collective deliberation and accountability.

*The thinking behind it:*

Our country needs a democratic renewal. Democracy must be more than periodic participation in elections. The UK, and England in particular, are over-centralised and this extends to our region where in addition to lacking a proper representative assembly, local government is typically seen as unresponsive to community interests, despite the hard work of many local councillors in and for their wards and the efforts of the current Metro Mayor to communicate with and listen to the various communities of the region. But our region, unlike London, does not even have a directly elected assembly. Changing this requires constitutional reform, not least the adoption of a federal structure for England, but at a more local level, there are things that can be done to experiment with better democracy. Climate Assemblies have demonstrated that a cross section of people, with adequate information, will generate creative policy ideas, focussing not on narrow sectional interests but on long term community and planetary issues and needs. We would like to see the establishment of local assemblies, based on informed deliberation to advise elected representatives on community preferences and needs and to inject new thinking into the policy process. Elected representatives would be expected to report regularly to these assemblies, which would thereby have a scrutiny role as well as a policy and consultative one. To set this up would require adequate resourcing but as a demonstration, one could be set up in each council area,

---

679 Bingham-Hall, J. (n.d.). Future of Cities: Commoning and Collective Approaches to Urban Space. Theatrum Mundi. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/498858/future-of-cities-urban-commons.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/498858/future-of-cities-urban-commons.pdf)

680 See also the proposal above on local enterprise development through civic participation.

covering a similar area to a council ward, though with boundaries fluid to accommodate the mismatch between real community/neighbourhood and electoral boundaries.

## **Conclusion**

Our approach to policy formulation for the city region is distinctive in that we proceed from the ecological via the social and then to the economic. This reflects the fundamental nature of the ecosystem as the basis for human life: threats to its integrity are threats to human society, here and worldwide. Our approach then examines the economic as a support system for the kind of just and convivial society we envisage, with the economic systems constrained by the two goals of ecological safety (living within planetary limits and achieving social and economic justice). We do all this with an emphasis on the regional scale – that of the city-region (and its eco- or bio-region). We have drawn upon the contributions of other organisations and individuals, not all of whom start from the same place as us, but whose ideas are consistent with our eco-social-economic approach, sometimes without and sometimes with some adjustment.

The policy framework offered here does not pretend to cover everything – areas for elaboration and further work include social welfare, housing and health. And while we have explained the thinking behind the ideas, we have not given an exhaustive account of the theory and evidence underpinning the ideas. Much of this can be found in our other publications, available freely, along with other shorter pieces on our website which also has signposts to the work of others who share our general orientation.

We hope that the proposals here are helpful for a variety of people and organisations who share the aim of making Greater Manchester a better place. Please do use the material here – if you can acknowledge us, then so much the better.

## **Appendix: Sectoral Green Deals**

Sectoral Green Deals are based on three principles:

- 1) Significantly reducing material and energy use while maintaining provisioning of human needs and reasonable wants.
- 2) Ensuring the livelihoods of a significant number of local people and their families.
- 3) Largely using locally available capital and revenue while increasing the potential for citizen participation, mutuality and democratic governance.

### **Five outline examples:**

#### ***1) Warmth for all while reducing domestic energy emissions.***

This “warmth offer” could be brought about very pragmatically, but adequate to the scale of the challenge, through the establishment of a partnership between one or more energy utility companies, housing providers, councils, specialist heating firms, insulation retrofit providers and experts on domestic heat conservation and emission reduction. The partnership would establish a domestic “heat and light offer”. Contracts would be to maintain space heating in a finite number of rooms at the level of say 18.5 deg C, for X hours in the winter months. This would be done a) in the conventional way, by supply of energy, and b) by supply of firstly insulation refits, going for the low hanging fruit first. That would mean the energy company supplied less energy, so saving on its wholesale costs and ultimately releasing money back into the carbon reduction scheme. c) with this, there needs to be a rolling programme of boiler replacement – starting with the most inefficient and going straight to non-gas alternatives (air source heat pumps and electric heating). The scheme would need investment, and a clear financial model/vehicle probably in the form of a rotating loan fund, recharged by a share of energy savings and possibly a levy on asset price increases. It could be multiply primed by say energy company investments, grant funding and local investment, particularly from the Pension Fund.

#### ***2) Restructuring final mile deliveries***

This would involve investment in cargo bikes / cargo e-bikes and more local storage. Delivery runs would be combined, reducing costs for distributors and reducing traffic in neighbourhoods. It could be developed by bringing together currently precariously employed “gig” delivery workers, local shops, already used by the big firms for “click and collect” and safe-place arrangements, milk delivery firms which already have fleets of low emission delivery vehicles and which have been expanding their operations due to concerns over disposable packaging, supermarket domination, and so on. The result would be a super-local distribution service the first choice of households and distributors. Were there moves to de-privatise mail deliveries, this could be a suitable .... vehicle.

### **3) Consumer durables**

This could involve the establishment of a chain of repair shops, backed by technical and engineering expertise, 3D printing and the use of procurement power to increase the availability of repairable items, for example those like the modular Fairphone. Local government involvement would be via its responsibilities for domestic waste collection, being incentivised to reduce waste, including difficult to recycle electronic waste, and able to vary the contract with its contractors beyond recycling and incineration to include salvage, repurposing and repair. It would be essential to work with the growing number of repair cafés, men-in-sheds and similar ventures with a view to upskilling citizens in basic and intermediate repair and repurposing, which would be a strategy for both waste-reduction and economic resilience.

### **4) Food**

A green deal on food would establish a network of urban market gardens and orchards, using untilled domestic and public land. Some could be on a temporary basis, and other plots made available by the public sector on a long lease basis. Mowing would be reduced. The emphasis would be on high value vegetable and salad crops with some fruit but with the option of rapidly increasing the production of staples, for example if food supply chains were threatened. There could be links to retailers with a buy local preference or section and this could be fostered with a “buy local” campaign. There would be multiple benefits in terms of health, resilience, emissions and waste reduction, and livelihoods.

### **5) Local food waste and biomass management**

Not all food waste would be eliminated. At present, where it is collected it goes to large composting sites. This material, together with selected biomass (e.g. lawn and hedge clippings, weeds) could be managed locally on a block or street basis via small scale biogas digesters. A by-product is nutrient rich fertilising sludge for gardens. Since such biogas is almost carbon-neutral, it could be used as a supplementary fuel, for example for selected vehicles or domestic cooking. This would reduce the load on the electricity grid as steps are taken to replace the use of natural gas. It would also reduce the need for heavy lorries to collect materials from suburban neighbourhoods.

# Does housing financialisation deliver a Viable Economy for Greater Manchester?

James Vandeventer, 2018

Manchester's skyline is changing<sup>681</sup>. Fast. While the dominant narrative is that dozens of the buildings transforming this skyline aim to provide more housing in the city centre, the recent report *From Homes to Assets: Housing financialisation*<sup>682</sup> in Greater Manchester by Dr Jonathan Silver makes clear that these housing developments are overwhelmingly driven by financial institutions and actors who have identified Greater Manchester's urban core as an attractive site for investment. Indeed, the primary function of these developments is financial speculation. We are witnessing the process of housing financialisation in Greater Manchester. For those concerned about the wellbeing and prosperity of the people living in Greater Manchester, as we are at Steady State Manchester, this poses the question: Does housing financialisation deliver a viable economy?

## What is a viable economy?

As we describe in our 2014 report *The Viable Economy*<sup>683</sup> and in other publications, a viable economy is predicated on a shift in political decisions and societal actions away from the growth-driven instrumental rationality of neoliberal capitalism. Instead, a viable economy demonstrates greater resilience, localisation, and balance as economic activity is treated not an end in itself, but rather as a means to deliver a sufficiently prosperous future without growth. Further, a viable economy subordinates the economic system to the control of society, and organises around cultural attitudes favouring equality, solidarity and cooperation. Finally, a viable economy recognises the finite nature of ecological resources and embraces an ethic of stewardship by minimising imbalances to the planetary systems - including the climate, biodiversity, and nitrogen and phosphorous cycles - upon which human life depends.

*So, how does housing financialisation in Greater Manchester measure up against a viable economy? This commentary applies a viable economy perspective on housing to Dr Silver's report: it analyses the motivation driving housing financialisation, the evidence of it in*

---

681 By James Scott Vandeventer. Originally published by *Greater Manchester Housing Action*, 6 May, 2018. <http://www.gmhousingaction.com/housing-financialisation-deliver-viable-economy-greater-manchester/>

682 <https://www.dropbox.com/s/45uj6plrnl4hwrB/FROM-HOMES-TO-ASSETS.pdf?dl=0>  
See related publications here: <http://www.gmhousingaction.com/publications/>

683 Now *The Viable Economy ... and Society*: in this collection.

*Greater Manchester, and the social and ecological impacts of housing financialisation, and – importantly – concludes by proposing ways this trend could be reversed.*

## **Housing financialisation for profit**

Housing financialisation treats housing as an asset that can, should, and must, generate profit. So, housing assets are expected to provide a steady return to the financial actors developing or investing in these assets. This overarching motive remains firmly stuck in the growth-driving circular reasoning of capitalism whereby profit is necessary to accumulate wealth, and accumulating wealth is necessary to secure further profit. Perhaps due to its remit, Dr Silver's report does not really explore housing financialisation as part of the desperate search for profit that characterises a stagnating capitalism.

Still, housing financialisation is a clear case of the constant search for profitable new frontiers inherent in growth-oriented capitalism. How can this continuous accumulation through profit to enable further growth treat anything other than profit as the goal? Indeed, any goal aimed at bettering the lives of Greater Manchester's residents will be placed secondary to the goal of profit for the financial actors behind this housing financialisation. It fails, then, to utilise the economy for delivering societal well being if this profit is ever at risk. Any housing financialisation for the sole purpose of profit has no place within a viable economy.

## **Analysing the evidence of housing financialisation**

To document housing financialisation in Greater Manchester, Dr Silver presents two types of evidence: one relates to government policies, and the other to the changing characteristics of the housing market.

Considering first the latter – evidence of which includes the expanding Private Rented Sector (PRS), involvement of financial actors, and the international origins of capital – it is clear that housing financialisation is not unique to Greater Manchester and occurs in many housing markets around the world. Two common explanations are, first, that the Internet and information technology have enabled financial actors to invest at a global scale, and second, that consumers lead increasingly mobile lives and careers and therefore demand more short-term rental accommodation. However, in both cases the role of producers in shaping housing markets is underappreciated or ignored altogether.

There is little doubt that technology has increased global capital mobility. But this has in turn allowed the concentration of capital into fewer and fewer – corporate or individual, and domestic or international – hands, thereby increasing the power of these few to set market conditions for pursuing profitable endeavours. So, the rise of the PRS reflects less the unified voice of a homogeneous consumer group demanding rental accommodation, and more

the power of those that control international financial capital to maintain ownership of housing developments from which to extract revenue. Not only is this ownership model inherently undemocratic, but claiming that individuals can make their demands known through market choices misses the reality that financial actors increasingly dictate – and limit – the choices available to consumers. In other words, this is an oligopoly. The mechanism for reigning in this unequal power arrangement is through government policy.

Before examining government policies enabling housing financialisation, an elaboration on the outcome of the above ownership model is necessary. There are several ways international financial actors obtain ownership of housing. Large institutions can develop a site and maintain ownership, sell the entire building, or investors can purchase individual property – so-called ‘buy-to-let’ schemes. In each of these cases, owners have no meaningful stake in the local community. What sense of community emerges from thirty floors of identical, rented flats where one-year contracts ensure few neighbours get to know each other?

A viable economy approach would, for example, demand supporting local community infrastructure like green spaces, walkability, civic engagement and mass transit. It would recognise the persistent – and increasing – homelessness issue in Greater Manchester, and developers would proudly meet and perhaps even exceed affordable housing requirements. A viable economy approach may even find common cause with environmental groups over issues such as air pollution affecting health and wellbeing and contribute toward taking action. Of course, these proactive stances extend far beyond the concern of the financial actors involved in housing financialisation. So, how is government responding?

There is evidence of both local and national government policies supporting housing financialisation in Greater Manchester. For large development projects, legal obligations are waived, including affordable housing requirements and other Section 106 obligations, which mitigate the impact of a development on the local community. The ‘viability assessments’ – procedures that examine the financial viability for developers – should provide a transparent view of why affordable housing and Section 106 requirements are not being met. But these assessments are withheld from public scrutiny. Finally, Dr Silver’s report identifies government loans amounting to £265 million to developers by the locally-controlled Greater Manchester Housing Fund, which must be allocated to market-orientated developments, and a further £50 million from the national government.

All of these actions reveal that both local and national policies are helping to shape the housing market in favour of the housing financialisation model. This comes at the expense of other models, such as co-operatives or mutual ownership schemes, that align with a more viable economy. Further, the skirting of affordable housing requirements for developments in Greater Manchester’s urban core risks segregating society based on income. Other Section 106 obligations would require that developers address relevant social concerns, including the above mentioned investment in local infrastructure,



alleviating homelessness, and air pollution, as well as others that would emerge through dialogue with local stakeholders. By waiving these obligations, local government – with backing at the national level – advances the housing market of Greater Manchester toward further financialisation.

## **Housing financialisation's social impacts, but also ecological concerns**

Dr Silver's report identifies a range of impacts housing financialisation is having on Greater Manchester. With the local economy starved of funding, there is insufficient investment in the local community. Housing in the urban core is increasingly unaffordable for the working class. The threat of future boom and bust cycles in the housing market looms. Spatial implications include areas surrounding the city centre becoming targets for housing financialisation, the privatisation of public space, and destruction of the historic built environments. Finally, there are transparency concerns about the international financial actors involved in housing development.

These impacts reflect how changes to the housing market can be inherently unequal. A viable economy approach would respond to the increase in people living in the city centre by providing opportunity to all kinds of people. A mix of people living and rooted in a community leads to fundamentally different social solidarity than segregated, isolated and transient residents. Further, the population of Greater Manchester is expected to increase in the years to come. From the perspective of a viable economy, the solution is not a focus on densification in the city centre, but rather on encouraging medium-rise developments beyond the inner urban core that are accountable to Section 106 and are affordable to the working class. This should be complemented by renovation of the existing housing stock and continued investment in local infrastructure. This spatial distribution should occur across Greater Manchester and prioritise replacing existing stock or developing brownfield sites, not expanding to the green belt or other green spaces, which all provide significant amenity, biodiversity or carbon or floodwater capture services to Greater Manchester and must be protected.

A spatially distributed and diversified model is also more resilient: in the face of a potential housing bubble, hundreds of units with nearly identical offer do not flood the market at once. Instead, differentiated units are gradually developed.

Dr Silver's report names many of the financial actors currently involved in housing financialisation, from pension funds and private equity firms to banks and wealthy individuals, providing a clear picture of the international nature of the current model. Instead of international financial actors, a viable economy approach would depend on local financing for housing projects, ensuring investors have a stake in working toward the betterment of Greater Manchester.

This would be a radical change from the current situation, where the citizens of Greater Manchester typically have little way of knowing who is behind the changes to Manchester's skyline. Dr Silver's report provides the beginnings of transparency regarding this housing financialisation, a standard that should be

adopted by local government for all future developments. As the report indicates, transparency extends to information about the existing investments of international actors involved in financing these housing developments. At present, these actors profit from, among other activities, petroleum and palm oil extraction. If the attitude toward these investments is any indicator, these actors will ignore the impacts of their profit-seeking behaviour on individuals, communities, or the environment.

One area the report does not address, which may sit outside its remit, is the direct ecological outcomes of this housing financialisation. The energy footprint of high-rise buildings is enormous, including petrol engines running construction equipment, the transport of construction materials, and the production of those materials themselves. Concrete and steel are two of the most energy and carbon intensive products of industrial manufacturing, and thousands of tons of both are required for any high-rise development. Further, the international sourcing of the materials and fuels to produce them means these developments support extractive industries, which often exploit workers and ruin livelihoods and landscapes. Of course, the above critiques could be made of most new construction sites. What is worth noting is the role of housing financialisation in catalysing these projects at such a scale, volume and concentration in the urban core of Greater Manchester.

A related case of the way that ecological considerations are not addressed is how energy efficiency and the size of flats are dictated by housing financialisation. The extent to which energy efficiency is deemed a key feature of these new developments, and whether their design embraces alternative spatial norms favouring sufficiency – less square footage – deserves further scrutiny.

If consumer resistance due to the above social and ecological concerns leads to refusal to inhabit these new housing developments, there is a potential for oversupply in the housing market. Thus, echoing the call in Dr Silver's report, new policies and standards should be applied to all future developments, and not only address social impacts but also adopt higher ecological standards.

The recent Green Summit, organised by the office of Greater Manchester Mayor Andy Burnham, considered discussing the large scale retrofitting of the existing housing stock to improve energy efficiency, with the potential for creating 55,000 jobs. Thus far, there is little indication this is moving forward. A policy subsidising the retrofitting of all housing to meet the highest energy efficiency standards would create many more thousands of jobs and would entail moving housing in Greater Manchester toward a more viable economy.

## **What can be done?**

To the debate about the future of housing in Greater Manchester, Dr Silver's report makes an important contribution. Recent media coverage on affordable housing, the council's swift retaliation and subsequent withdrawal, and a recent motion by backbench Councillors to make viability assessments more

transparent, all respond to the key messages in the report. So, what further specific actions can be taken for Greater Manchester to deliver a more viable economy?

The prior analysis points to some positive actions. Reigning in the lust for profit inherent to housing financialisation would involve holding financial actors accountable to affordable housing requirements and Section 106 obligations, making investment in the local community a prerequisite to future developments. Encouraging innovative ownership schemes and medium-rise redevelopments, spatially distributed across Greater Manchester, would diversify the housing market and improve its resilience. Demanding transparency about financial arrangements and social and ecological impacts of developments would honour the local government's commitment to represent the interests of its constituents.

Still, these recommended actions entail a more proactive stance by the local government toward new developments. It is important to note that this certainly occurs within the constraints imposed by the national government and the concentrated power of international financial actors. Still, local government can be an agent of change. Proposing to retrofit the existing housing stock is an indication that these issues are at least being considered by Mayor Burnham.

Greater Manchester should utilise its clear appeal to set a new benchmark for housing developments in urban centres not only in the U.K., but across the globe. By acting as a facilitator toward a viable economy approach to housing, local government can reverse the detrimental trend toward further housing financialisation.

The upcoming release of the rewritten Greater Manchester Spatial Framework is an opportunity to articulate a new approach to housing development that places the interests of residents in Greater Manchester above financial actors. The Spatial Framework should articulate how mechanisms to decelerate housing financialisation in Greater Manchester will be implemented. But this is not a foregone conclusion and, at Steady State Manchester, our work in the coming months will focus on communicating a new vision for the spatial framework away from housing financialisation and more in line with a viable economy. This is an opportunity to position Greater Manchester at the forefront of innovative approaches to housing. Let's not miss it.

## **Section 10: Economic development**

The next three chapters consider the challenges of post-growth economic development.

In the first, SSM collective member Carolyn Kagan considers alternative models of job creation, highlighting the Organisation Workshop from the radical Brazilian tradition of community development and the Participatory Economy model being used in some British municipalities.

The other two chapters are based on talks to Manchester audiences addressing two specific economic challenges, climate change and recovery from the impacts of the Covid pandemic.

# Job creation after Covid-19: the participatory economy:

Carolyn Kagan, 2020<sup>684</sup>

## Is there a different way of creating jobs?

There is no doubt about it, COVID-19 has forced us to rethink not only what, and who, we value most but the purpose, nature and impact of work and worklessness on the kind of society we want to see. Poll after poll reports that the British public do not want more of the same in the post COVID (if there ever is a post COVID) future. The Government's response to the virus, especially in terms of the consequences for the economy and for people in and out of work, has thrown up even more challenges than usual as we head for levels of unemployment not seen in recent years. Young people are particularly vulnerable to the long term consequences of worklessness along with the dwindling opportunities for meaningful employment. This is one reason why 12 charities concerned with young people have called for a National Youth Corps<sup>685</sup>. At the heart of this proposal is the idea:

*to guarantee at least the minimum wage in a wide variety of work and training opportunities for all those between 16 and 25 who apply. It should extend until the end of 2021. Via the Youth Corps, the government will in effect be offering the guarantee of work to our young people at a pivotal moment in their lives. The Youth Corps should be sufficiently flexible to allow employers (and institutions) to offer a top-up wage for particular skills if they choose. A core part of the plan is to involve young people at a senior level at all stages of the design and implementation and ongoing management.*

*... British-based employers should pledge a range of job offers depending on their financial circumstances, with the option to opt out if in significant economic difficulty.*

*... Third sector organisations that specialise in working with young people will be eligible for tailored investment to enable them to build capacity to participate in the programme.*

The proposal is, then, for a job (and income) guarantee to young people. The request was for the implementation of the scheme before the end of the school, college and university year.

---

684 Published July, 2020: <https://steadystatemanchester.net/2020/07/16/job-creation-after-covid-19-the-participatory-economy/>

685 <https://www.theguardian.com/society/2020/may/24/charities-youth-corps-coronavirus-jobs-crisis>

Well, this hasn't happened. Instead we have a Plan for Jobs<sup>686</sup>, wherein, amongst the support for employers to train young people themselves,  
*The new scheme will see employers able to offer six-month work placements, paid for by the Government, for people aged between 16-24 who are claiming Universal Credit and at risk of long-term unemployment.*

*The Treasury will cover 100% of the National Minimum Wage for 25 hours a week, with employers able to top up this wage.*

All this with the aim of creating jobs with action to get the property market moving, to increase and bring forward infrastructure investment, and to make homes greener, warmer and cheaper to heat.<sup>687</sup> This doesn't sound much like a blueprint for moving forward differently!

Both the proposal for the National Youth Corps and the Government have failed to see the potential in communities for creating jobs of social worth, securing income and employment whilst at the same time building community.

## **An alternative approach: the participatory economy.**

Two examples of community based, participatory economy frameworks show the potential of a community focus. These are the Organisation Workshop and Civic Economy approaches. These are locally based and have, at their heart, participation, enterprise development and community building. Both explore community needs: organisation workshop via community asset scans and civic economy via the people's interests who come forward to be involved. Both have supports for people who wish to develop enterprises that lead to employment: organisation workshop via workshop learning following a curriculum that includes the nature of organisations and employment regulations, such as health and safety and civic economy via workshops that address support and learning needs as they arise. Organisation workshop<sup>688</sup> aims to fulfil community needs; civic economies<sup>689</sup> enhance the potential of local resources for development, building on people's talents.

In Marsh Farm Luton, the Organisation Workshop evaluation<sup>690</sup> reported a number of new enterprises had been set up, building on participants' skills and interests, including : bee-keeping, a community farm, a building co-operative, a catering business, music related and IT services. It was estimated that the monetary value of the social projects achieved was £1,300,000, which is

---

686 <https://www.politicshome.com/news/article/chancellor-to-announce-threepoint-plan-for-jobs-in-coronavirus-minibudget-to-tackle-unemployment>;

687 <https://www.gov.uk/government/publications/a-plan-for-jobs-documents/a-plan-for-jobs-2020>

688 [https://en.wikipedia.org/wiki/Organization\\_workshop](https://en.wikipedia.org/wiki/Organization_workshop)

689 <https://labgov.city/theurbanmedialab/the-civic-economy-an-economy-of-resilience/>

690 [https://coanalysis.blog.gov.uk/wp-content/uploads/sites/115/2016/07/Final-Evaluation-Document\\_Summary.pdf](https://coanalysis.blog.gov.uk/wp-content/uploads/sites/115/2016/07/Final-Evaluation-Document_Summary.pdf)

substantial. The Organisation Workshop has also been tried in Hastings<sup>691</sup>, where 60 people were involved in transforming the former Observer building as the first step to creating community enterprises.

In Barking and Dagenham, participatory City's Every One Every Day<sup>692</sup> project has focused on bringing people together to explore ideas for project developments and to link people together around project clusters, supported by shop fronts across the Borough and an business incubation space. Literally thousands have been involved across the Borough -, with 70 project clusters formed after 2 years, based in 38 locations across the Borough.

Both projects are too new to see if the enterprises and work opportunities have longevity, or whether the community building has knock on effects, increasing solidarity and wellbeing. However, they both represent creative and innovative examples of a different way forward, not replacing other National employment innovations, but supplementing them, with the promise of a different future. Both the projects discussed above had financial support, and this is just the kind of thing that Regional or Local Governments, whichever is charged with the youth training funds could promote and support, and give young people not only some hope for the future, but also a belief in their own capacity to contribute to a better, more resilient world.<sup>693</sup>

---

691 <https://www.independent.co.uk/news/business/indyventure/hastings-observer-building-heart-white-rock-organisation-workshop-a8959436.html>

692 <http://www.participatorycity.org/made-to-measure-1> for Year 1 evaluation;  
<http://www.participatorycity.org/tools-to-act> for Year 2 evaluation

693 For a fuller discussion of these and other linked approaches see the following:  
<http://siba-ese.unisalento.it/index.php/cpgp/article/view/20568>



## Re-focussing the economy in times of climate emergency and economic exclusion

Mark H Burton<sup>694</sup>

In addressing this overall question, I will set out what I see as some of the key challenges, identify the main contenders for resolving them and the problems with them, identify some additional ideas that might help, and then offer some potential policies and interventions at national, regional and city level.

Much of what I'll say rests on the insights of the field of ecological economics. This sees the economy as embedded in the material world: energy and materials, once extracted, flow through the economy, becoming degraded, until they are ultimately deposited in the planets ecological "sinks" - air, soils, and water bodies. In our work we also draw on insights from other schools, notably feminist, Keynesian and Marxist political economy<sup>695</sup>.

Our focus is on the unsustainability of the present model and of many current versions of sustainability. The key problem is economic growth on a finite planet - with critical limits at both the resources and the sinks end of the chain - in addition to the internal contradictions of the (can I say capitalist?) economy.

Adding aspirational adjectives to growth, "inclusive", "green", "smart" .... doesn't change the basic reality. John McDonnell was very clear on this when he addressed the IPPR in 2017:

*Every 1% added to global GDP over the last century has meant, on average, adding 0.5% to carbon dioxide emissions. As the size of the world economy has grown, so too has the pressure it places on our ecosystems. The consequences of that pressure are now becoming all too apparent.*<sup>696</sup>

Green growth relies on a *decoupling* of economic growth and material flows through the economy. There is no evidence that this is achievable on a permanent basis and at the level required to decarbonise the economy<sup>697</sup>. On

---

694 Based on a talk given to Manchester Labour Backbenchers' Committee, 6 February, 2020.

695 <https://steadystatemanchester.files.wordpress.com/2012/07/assumptions-of-ecological-economics-mb.pdf>

696 J. McDonnell, 'Speech: IPPR conference.', 14-Nov-2017. [Online]. Available: <https://labour.org.uk/press/john-mcdonnell-speech-to-ippr-conference/>.

697 Haberl, Helmut, Dominik Wiedenhofer, Doris Virág, Gerald Kalt, Barbara Plank, Paul Brockway, Tomer Fishman, et al. 'A Systematic Review of the Evidence on Decoupling of GDP, Resource Use and GHG Emissions, Part II: Synthesizing the Insights'. *Environmental Research Letters* 15, no. 6 (June 2020): 065003. <https://doi.org/10.1088/1748-9326/ab842a>.  
Parrique, T, J Barth, F Briens, A Kraus-Polk, S H Spangenberg, and C Kerschner. 'Decoupling Debunked: Evidence and Arguments against Green Growth as a Sole Strategy for Sustainability.' Brussels: European Environmental Bureau, 2019. <http://eeb.org/library/decoupling-debunked>.

the contrary, continued GDP growth makes the job harder, since until the economy (including its global connections) is 100% zero carbon, part of that growth will create increased emissions<sup>698</sup>.

That's the background but the consequences are difficult. That's because ceasing growth, in a system dependent on expansion for its own economic viability and to redistribute its surplus, is going to mean severe challenges. It is likely that the present system would eventually collapse (although Japan has done rather well with decades of extremely low GDP growth). However, continuing the material expansion of the economy will also bring eventual collapse<sup>699</sup> due to the increasing cost of energy exploitation and mineral extraction, ecosystem destruction, and pollution, transgressed planetary boundaries<sup>700</sup> of which the carbon dioxide causing the climate emergency is just one very prominent aspect.

Can the necessary refocussing of the economy to keep within planetary limits also address the economic disadvantage and exclusion so endemic in parts of our city? Our work, is centred on the concept of the *Viable Economy*: ecologically, socially and economically viable. Unless all three are met, things fall apart. Our *Viable Economy and Society* pamphlet<sup>701</sup> aims to set this out in concise terms, accessible to the interested general reader.

There are some helpful concepts that we can work with, already embraced here, or not far from here. But for each there is a critique that means they need adjusting to comply with the ecological reality.

- *Community Wealth Building* (CWB): adopted by Labour, promoted by the Centre for Local Economic Strategies (CLES)<sup>702</sup>, and implemented in a number of authorities. However, while it keeps more wealth local, it doesn't make fundamental changes to the system, instead reliant on capturing the value produced by the destructive system<sup>703</sup>.
- *The Foundational Economy*<sup>704</sup>: promoted by colleagues at the University of Manchester Business School, and popular in South Wales, builds resilience in the local economy by focussing, as does CWB, on the place-based and not too glamorous bits of the bread and butter economy. But it is non-specific ecologically speaking<sup>705</sup>.

---

698 See *Six Questions for New Green Deals*, this collection.

699 <http://limits2growth.org.uk/revisited/>

700 <http://www.sciencemag.org/cgi/doi/10.1126/science.1259855>

701 In this collection.

702 <https://cles.org.uk/publications/the-manifesto-for-local-economies/>

703 <https://steadystatemanchester.net/2017/11/12/community-wealth-building-resources-for-a-new-dawn-or-for-a-better-collapse/>

704 <http://renewal.org.uk/articles/building-foundational-britain-from-paradigm-shift-to-new-political-practice>

705 <http://renewal.org.uk/articles/moral-economy-the-foundational-economy-and-de-carbonisation>

- *The Circular Economy* is a great slogan, suggesting that resources can be recirculated thus reducing the impact on both resource sources and sinks. However, most descriptions of it argue that it promotes growth, while it still faces logistic and physical constraints<sup>706</sup>, so any respite for the ecosystem would be temporary at best.
- *Radical localisation*, which we promote, along with the Transition Towns<sup>707</sup> movement, Stir Magazine<sup>708</sup>, and others<sup>709</sup>, has things in common with CWB and FE and it also tackles the problem of dependence of long and complex supply chains. But it can become isolationist and vulnerable to co-option by the ecological right wing.
- *Social realm interventions* emphasise collective solutions, Universal Basic Services, some version of Universal Basic Income, the commons and public ownership. However, alone they do not tackle the problem of material flows and like the Green New Deal proposals, could increase them.

So these approaches, while sources of insights, need re-working under conditions of impending system disruption and potential collapse. Some of this is happening. For example, it is encouraging to see the Foundational Economy group acknowledging the ecological gap in their thinking, while CLES is working to integrate CWB with the idea of a local GND.

In the associated handout<sup>710</sup>, there are policy proposals and interventions at the national, regional and local level, that should give an idea of what a more adequate approach to the dilemma might be. Elsewhere<sup>711</sup> I have explored these ideas in relation to the competing traditions within the Labour movement.

At the local level the handout offers some outline examples in the fields of mobility, procurement and housing. From these I identified two key principles:

**Principle 1: Emphasise use of locally available sources of finance:**

For example, local budgets, captured financial flows, investments made by the local economy, revenue from local levies, fees and fines for carbon-intensive discretionary actions. These can be used to exert leverage on other financial flows. This approach contrasts with the dominant emphasis on inward investment which inevitably prioritises a return to take back out of the local economy.

---

706 See the chapter on the circular economy in this collection.

707 <https://transitionnetwork.org/about-the-movement/what-is-transition/>

708 <https://www.stirtoaction.com/>

709 <http://localisewestmidlands.org.uk/>

710 <https://steadystatemanchester.files.wordpress.com/2020/02/handout-on-ve-policies.pdf>

711 <http://renewal.org.uk/articles/degrowth-the-realistic-alternative-for-labour> See *Degrowth and the British Labour Party*, this collection.

**Principle 2: Spend money in ways that while reducing carbon emissions, have co-benefits for health, liveability, and social and economic resilience.**

*Targets:* Lower carbon mobility through increased public transport, active travel. Energy conservation. Local green and social economy. Lower tech solutions.

*Co-benefits:* urban liveability, health, air quality, reduced accidents, release of tied up money, time, local green and social economy, healthy temperatures, reduced expenditure and debt.

*Emergent challenge:* rebound emissions chiefly through the release of money towards ecologically higher impact activities and products.

In relation to emissions, specifically, a lot can be done by widening the focus. Carbon budgets for Manchester and Greater Manchester have been rigorously developed by the Tyndall Centre. They cover two dimensions of our the carbon footprint: the direct emissions from the territory of Manchester / Greater Manchester, as estimated from national data (known as “Scope 1”), and the emissions from the power system – basically the electricity and gas grid (“Scope 2”).

It is important that we focus on these. But there are two other kinds of carbon footprint that we need to consider.

The emissions attributable to our consumption of goods and services, where the emissions take place beyond Manchester's borders (“Scope 3”).

Financial – based emissions, based on the way money is invested here, for example by our Pension Funds<sup>712</sup>, or the council's associated enterprises such as the Manchester Airport Group.

Both give significant opportunities otherwise missed. For example, via procurement strategies to reduce supply chain emissions, by driving changes in food consumption, or by retaining equipment for longer; or on the finance side, by redirecting investments in fossil fuel industries and the finance houses that support them, towards the clean and local economy.

We also need to focus more on adaptation, or what I call “shock-proofing”.

Things are going to get nasty. Food supply and energy shocks are increasingly likely scenarios. Interestingly, many of the actions to reduce emissions (e.g. local production of energy and food) also help build resilience against the shocks that are caused by rising emissions and by geopolitical instability.

---

712 <http://fossilfreegm.org.uk/>

# Could the Covid-19 pandemic be a portal to a Viable Society and Economy?

Mark H Burton, 2020<sup>713</sup>

Much has already been written about the prospects for the future of economic, social and ecological justice as a result of the experience of the Covid-19 coronavirus pandemic<sup>714</sup>. There is a danger in launching forth with analysis, scenarios and proposals when there are still many uncertainties and the full picture is still unfolding. However, given that the reality that we have to understand if we want a better world has shifted in some ways, then it is necessary to take up the challenge of making sense of things and suggesting some ways forward.

To suggest a way forward we need to understand the short and long term dynamics.

The pandemic is a catalyst, or accelerator for systemic processes already under way. A capitalist system requires continued expansive accumulation for its survival<sup>715</sup>. This system is challenged by its internal contradictions, a key one of which is the long term fall in the average rate of profit, and by external constraints, a key one being the rising cost of energy and materials extraction. But capitalism is highly adaptive, it's a survivor, and it resolves these problem by continuing to expand ruthlessly, opening up new markets, and new sources of resources, and by reducing the cost of labour by exploiting new labour markets and increasing productivity through technological innovation. It also puts in place a series of countervailing measures, or "fixes" such as the renewed cycle of financialisation, privatisation of common goods and assaults on labour, of the neoliberal period.

The treadmill of expansion destroys more and more of the ecosystem and commodifies more and more of life. The fixes lead to economic instability and toxic inequality. Together, these external limits and internal contradictions mean that it is a system whose days are numbered. We don't know what will come next and it will be a big struggle to prevent its collapse causing untold harm and misery, and even the collapse of our societies. But that struggle is

---

713 This piece has been developed from remarks made in the debate organised by the Manchester alternative media outlet, The Meteor, on 14 May ,2020. I am grateful to The Meteor and Conrad Bower for the invitation to take part, and to the other participants, particularly for their insights. You can watch a recording of the event at <https://www.themeteor.org/2020/05/16/the-covid-19-crisis-offers-opportunities-to-create-a-better-world-can-we-seize-them/>  
Published May, 2020 <https://steadystatemanchester.net/2020/05/19/could-the-covid-19-pandemic-be-a-portal-to-a-viable-society-and-economy/>

714 The various approaches are summarised in the table at the end of this chapter under three types, with this contribution belonging firmly in the last column.

715 We explore this in relation to the money system and the limits to growth in the two critical chapters on Positive Money, in the finance section of this collection. Marx laid down the foundations for this understanding, which was extended globally by thinkers including Lenin, Rosa Luxemburg, Samir Amin and Enrique Dussel, among others.

also worth being part of because there could, just maybe, be a different kind of ending, one that, despite everything mean a better way of life: a prosperous descent to a simpler way<sup>716</sup>.

## The new recession

The pandemic, itself a result of the interaction of previously separated species and ecosystems<sup>717</sup>, has led to a sudden drop in consumption and the material flows, from extraction to pollution, associated with it. This is a global phenomenon, not just a national one.

Recovery from that shock will be slow: even mainstream analysts such as the US Federal Reserve, Goldman Sachs and the World Trade Organisation<sup>718</sup> point to an L-shaped recovery taking years. Even before the pandemic, economic activity in much of the world was slowing down<sup>719</sup>. The impact of measures to limit the impact of the pandemic (lockdowns and other restriction) mean a slowing of production globally with many firms, often indebted already, likely to go out of business.

## The impact on city regions

All the sources of income for city economies are threatened. Cities like Manchester have relied on capturing income from sectors like (mostly speculative) construction, aviation, retail and logistics, and private motoring. A range of other businesses, cafés, restaurants, leisure resources, car parks....., depend on the expenditure made possible by those sectors.

We have already seen vast cuts in central government funding to local government and its substitution by retained business rates (scheduled to increase from 50% to 75% with a parallel cut in government grant)<sup>720</sup> So councils themselves, increasingly yoked to the business sector, will be highly threatened by this new recession. Given the enormous financial injections from central government to mitigate the economic impacts, it seems likely that there will, despite protestations to the contrary, be a new hurricane of austerity in an attempt to reduce the government debt.

- 
- 716 Odum, H. T. O. and E. C., & Odum, E. C. (2001). *A prosperous way down: Principles and policies*. Univ. Press of Colorado.  
Trainer, T., & Alexander, S. (2019). The simpler way: Envisioning a sustainable society in an age of limits. *Real World Economic Review*, 87, 247–260.  
<http://www.paecon.net/PAEReview/issue87/TrainerAlexander87.pdf>
- 717 <https://www.scientificamerican.com/article/destroyed-habitat-creates-the-perfect-conditions-for-coronavirus-to-emerge/>  
<https://www.dw.com/en/coronavirus-pandemic-linked-to-destruction-of-wildlife-and-worlds-ecosystems/a-53078480>
- 718 Cited by Michael Roberts <https://thenextrecession.wordpress.com/2020/05/17/profitability-investment-and-the-pandemic/> and <https://thenextrecession.wordpress.com/2020/04/13/the-post-pandemic-slump/>
- 719 <https://thenextrecession.wordpress.com/2020/03/15/it-was-the-virus-that-did-it/>
- 720 <https://www.ifs.org.uk/uploads/The-outlook-for-councils-funding-is-austerity-over.pdf>



Pensions are largely paid by stock market dividends, now propped up by massive QE yet in some cases cut (Shell, the biggest investment of the Greater Manchester Pension Fund) or even withdrawn (Lloyds Bank group). For local government this could also mean a problem to come since for the large local government pension funds, it is the councils that would have to make up any shortfall.

All this casts into jeopardy the model of inward investment to generate economic activity (despite the return to the investor of profits and rents), some of it to be captured locally and some (if we are lucky or believe the rhetoric) to trickle-down. New investment injections and the volume of transactions in the economy will both be hit hard so there will be little to capture and recirculate.

## So what now? Bootstrapping the Viable Society

The opportunity, the exit, is to use the relatively resilient sectors, elements of the Foundational Economy (FE)<sup>721</sup>, supported by key place-based organisations and basic population provisioning, as the key to transform the city-region and make it less vulnerable to the ecosystem shock events that are likely to hit us with increasing frequency, particularly if the present system continues. This approach builds on the Community Wealth Building Approach (CWB)<sup>722</sup> which is gaining ground in the UK and beyond.

Key elements will be,

A polycentric spatial model, where most resources and facilities people need are available within easy reach (cf. the 20 minute neighbourhood model)<sup>723</sup>. A move in this direction, hesitatingly emerging into the mainstream<sup>724</sup>, seems almost inevitable anyway given the constraints on workplace, leisure resource and public transport occupancy due to the need to maintain physical distance between people to reduce viral transmission<sup>725</sup>. The increase in home working in many neighbourhoods during the crisis is likely to continue in some form, exposing the need for home-working business,

---

721 <https://foundationaleconomy.com/introduction/>

722 <https://cles.org.uk/what-is-community-wealth-building/>

Both the Foundational Economy group and CLES, promoters of the FE and CWB respectively, have become significantly greener in orientation since we initially reviewed their work in search for an alternative portfolio of policy ideas.

<https://steadystatemanchester.files.wordpress.com/2016/11/so-what-would-you-do-v2-0.pdf>

723 <https://steadystatemanchester.net/2020/03/12/imagining-an-alternative-future-for-greater-manchester/> See also People's Spatial Framework: a letter from the future; in this collection. [https://steadystatemanchester.net/2019/11/20/the-future-is-20-minutes-away-20-minute-neighbourhoods/#\\_blank](https://steadystatemanchester.net/2019/11/20/the-future-is-20-minutes-away-20-minute-neighbourhoods/#_blank)

724 See the draft local plan objectives here, although they are negated by other priorities in the document, including the airport as "growth hub": [https://web.archive.org/web/20200517171622/https://manchester-consult.objective.co.uk/events/35233/5581804\\_accessible.pdf](https://web.archive.org/web/20200517171622/https://manchester-consult.objective.co.uk/events/35233/5581804_accessible.pdf)

725 More radical variants are also possible, and arguably, highly relevant to the high risk of societal collapse. For example, see Samuel Alexander's work, e.g. <https://theconversation.com/the-suburbs-are-the-spiritual-home-of-overconsumption-but-they-also-hold-the-key-to-a-better-future-108496>



support and networking spaces. There is likely to be an appetite for this given the experience of reduced car usage and increased active travel, including record bicycle sales during crisis.

Prioritisation of the sectors responsible for most emissions - via a set of sector-specific "green deals" (covering, for example, domestic warmth; logistics of provisioning, focussing first on final mile deliveries; consumer durables and repair; food; community energy<sup>726</sup>). This must be offered in ways that show it to be both realistic and fair for people working in those sectors.

Establishment of transformational partnerships with industry and public - quasi public actors - e.g. 1) A warmth offer (see appendix) combining housing insulation, boiler replacement, sale of a temperature guarantee rather than energy alone, would link councils, social housing providers, energy companies, builders and insulation specialists. Or 2) Local manufacture of PPE and other health equipment, which would link NHS and social care providers, local firms already producing such materials, and other firms that could re-purpose their plant for such products.

Creation of alternative community-based economic development and nurturance initiatives, for both organisations and citizens. An example could be linking small local traders to neighbourhood residents' groups in a variant of the circles of support idea. They would work together on survival plans for valued local businesses that face financial difficulties, identifying shared priorities and business strategies and potentially helping with capital in return for a shift to a co-ownership or mutual model<sup>727</sup>.

Community / regional / green / mutual financial institutions. This is a well developed idea but so far with little development so far in this part of the country despite the local legacy of the co-operative movement and the existence of adoptable models, already implemented elsewhere in the country<sup>728</sup>. A wider institutional network<sup>729</sup> could also evolve, particularly in response to future economic and financial shocks.

Blended formal / informal and cooperative social care<sup>730</sup> - e.g. alternatives building on established alternative models like Local Area Coordination<sup>731</sup>, Circles of Support<sup>732</sup> and Housing First<sup>733</sup>. Local mutual aid groups have burgeoned during the crisis<sup>734</sup>, filling the gaps and supplementing what civil

---

726 See Appendix to chapter *Viable Greater Manchester*.

727 I am grateful to Carolyn Kagan, Chair of Chorlton Voice and a Steady State Manchester collective member for this idea.

728 For example, the Bank in Box model <http://www.bankinthebox.co.uk/>

729 Likely to be critical to the success of separate financial and quasi-financial innovations: <https://steadystatemanchester.net/2018/05/01/the-viable-economy-and-viable-finance/>

730 Coote, A. (2014). *People, planet, power: Towards a new social settlement*. New Economics Foundation. [http://b.3cdn.net/nefoundation/eafb0135c69d8a9152\\_yum6bt9zh.pdf](http://b.3cdn.net/nefoundation/eafb0135c69d8a9152_yum6bt9zh.pdf)

731 <https://lacnetwork.org/local-area-coordination/>

732 <http://helensandersonassociates.co.uk/about/hsa-foundation/community-circles/>  
[http://eprints.lse.ac.uk/65651/1/Perkins\\_Circles%20of%20support%20and%20personalisation%20.pdf](http://eprints.lse.ac.uk/65651/1/Perkins_Circles%20of%20support%20and%20personalisation%20.pdf)

733 <https://www.homeless.org.uk/facts/our-research/housing-first-in-england-evaluation-of-nine-services>

734 <https://www.themeteor.org/2020/05/06/beyond-charity-greater-manchesters-mutual-aid-response-to-coronavirus/>

society, the public sector and local authorities were able to do. In many places these groups will have strengthened people's sense of belonging and community spirit, opening the way for greater participation across the board.

These options begin to restructure the economy away from rent-seeking, footloose capital, favouring instead right-sized profits<sup>735</sup>, commitment to place and non-capitalist entrepreneurial forms<sup>736</sup>.

None of this will happen without concerted citizen action. There are three spheres for this. 1) The sphere of UK national politics is likely to be rather infertile ground for the next 4-5 years given the Tory landslide. However, there will be a need for a largely defensive politics of resistance since the ruling class is highly likely to use the crisis as an opportunity to entrench its power to exploit and dominate<sup>737</sup>. 2) At a regional level and council level, there are more opportunities to open up new approaches. The new metropolitan mayors and their administrations have shown some appetite for the refocussing and strengthening, while greening, regional economies. This has been thoroughly compromised, however, by the persistent adherence to orthodox boosterism and agglomeration economics (where bigger is better), predicated on economic growth<sup>738</sup>. The task here is to encourage the more localist, ecological and people-focussed tendency and to campaign against continuing business as usual. This applies to local councils as well as the regional level. 3) There is, however, a real danger in over-emphasising the formal structures of political representation. Yet most of the economy and social life exists and is governed outside of the formal political system. That is also a clue to where the levers for transformation are. Citizens, working collectively, can create new economic vehicles and forms, constructing in their patches, the foundations for the Viable Economy and Society<sup>739</sup>. We can use their collective power as consumers to force shifts in the economic structures, essentially withdrawing our consent to the destructive forms and structures, the something like the "crash on demand" suggested by the permacultural thinker, David Holmgren<sup>740</sup>.

---

735 O'Neill, Daniel W., R Dietz, and N Jones, eds. *Enough Is Enough: Ideas for a Sustainable Economy in a World of Finite Resources. The Report of the Steady State Economy Conference*. Leeds: Center for the Advancement of the Steady State Economy and Economic Justice for All, 2010. [http://steadystate.org/wp-content/uploads/EnoughIsEnough\\_FullReport.pdf](http://steadystate.org/wp-content/uploads/EnoughIsEnough_FullReport.pdf). p. 14-15.

736 On this concept see Robin Blackburn (1991) *Fin de Siècle: Socialism after the Crash*. *New Left Review* 1/185 Jan/Feb 1991

737 A point made strongly by both Christine Berry and Neil McInroy in their contributions to the Meteor debate.

738 The same observations apply to the devolved national administrations in Scotland and Wales, and in some ways to Northern Ireland.

739 What we call "prefigurative action".

740 <https://holmgren.com.au/crash-demand/>

Ultimately this steers us towards a resilient model of stewardship and sufficiency - living better with less - and a relative de-linking from the globalised capitalist economic system, its circuits of accumulation, its vulnerable supply chains and its ecological depredation. *A Viable Economy ... and Society*<sup>741</sup>.

---

741 See Steady State Manchester (2020) *The Viable Economy ... and Society* in this collection.

## Post-Covid futures: a comparison of models.

|                            | TYPE OF RESPONSE<br>Also known as   |   |   |
|----------------------------|---|---|---|
| Characteristics and issues | <b>RESTORE</b><br>BAU / Unviable Economy / disaster capitalism  | <b>REBUILD</b><br>Green Growth / allegedly viable economy   | <b>RE-ORIENTATE</b><br>Degrowth / Viable Economy  |
| Value base                 | Profit motive, individualism and resource appropriation<br>Promethean cornucopianism                                    | Collectivist mitigation.<br>Enlightenment<br>Promethean cornucopianism  | Stewardship<br>Conviviality<br>Sufficiency  |
| Energy                     | Continued expansion of energy flows   | Stabilisation at current levels   | Energy descent  |
| Technology                 | Hi tech for profitability   | Hi tech to the rescue   | Appropriate tech: chiefly low and medium tech with selective high tech.   |
| Supply chains chiefly      | Global – just in time   | Chiefly regional – just in time with increased warehousing  | Largely local, some regional, diversified with generous storage facilities  |
| Space and time             | Hyper-specialisation of place. Rapid mass mobility. Private vehicles as preferred option.<br>Energy rich /time poor.    | Hyper-specialisation of place. Rapid mass mobility. EV's, public transport and active travel. Aviation capped   | Settlements designed or retrofitted for Greatly reduced travel. Very limited aviation and private vehicles. Public transport and active travel for essential journeys.  |
| Society                    | Individualistic. Large global proletariat serves a dwindling elite. Large populations excluded from the formal economy. | Social democratic. Tries to find middle way of mitigated capitalism. Reliance on public services and markets to meet needs. Significant social exclusion: migrants, disabled people, etc. | Eco-socialist. Human-centred and communitarian. Markets and State as necessary tools for provisioning. Inclusive and egalitarian ethic. Care is valued and supported, with judicious local State support for household and community-based support systems. Working hours on average reduced. |
| Risks                      | Climate, ecological and economic collapse. Resource wars. Increased pandemics as ecosystems and                         | Delayed collapse. Rebound in energy and resource use. Green resource colonialism. Disillusionment with  | Parochial, inward-looking societies, intolerant of outsiders and minorities. Uneven support for those in greatest need. Hard physical labour. Periodic local supply shortages,  |

|               |  |   |  |
|---------------|--|---|--|
|               | societies collapse into one another.                       | collective solutions.   | including food. Material poverty. Predation by marauders from collapsing settlements. Reduced access to technology, including IT and medical technology.                                     |
| Possibilities | Temporary illusion of restoration and continued affluence. | Restoration of social mission: a step to a more caring society. Postponement of crisis. | Prospect of human survival or at least a better collapse. Radical reduction of systemic risks. Radical emissions reduction. A convivial society. Valuation of beauty. A slower pace of life. |
| Metatheory    | Neoclassical economics                                     | Keynesian economics   | Ecological and feminist economics / ecomarxism / permaculture  |

## Section 11: Social welfare

Over the years, Steady State Manchester has explored various aspects of social policy in relation to the Viable Economy and Society agenda.

We reproduce two substantial pieces by Carolyn Kagan on ways of guaranteeing basic income. The first, presented at the Malmö degrowth conference in 2018, explores the relationship of proposals for a Universal Basic Income (UBI) to the world of informal community networking, from a feminist perspective. The second, from 2017, explores some alternatives to the UBI. The pieces do not explore the alternative, promoted particularly in left circles of Universal Basic Services<sup>742</sup> (right to housing, education, health and social care, communications infrastructure, in particular). More recently, the two ideas have come together in the proposal, promoted by New Economics Foundation and others, of a Social Guarantee<sup>743</sup>, which combines elements of both. In some ways this reads as a vindication of the basic model of the social democratic Welfare State, although with a particular emphasis on making sure that nobody misses out. What none of these approaches address is the challenge of providing an adequate level of entitlements in the context of a contracting economy<sup>744</sup>, yet for post-growth social policy this is a critical, if not necessarily insurmountable problem<sup>745</sup>. Clearly, for any of these approaches to be viable requires that they are not dependent on an ever expanding capitalist economy. They can only offer social viability under a far fairer distribution of the resources that are available, and this is not merely a question for national policy but also for global economic, social and ecological justice.

The section concludes with a working paper, from 2016, that sets out some of the characteristics of, and potential traps on the way to, a convivial social policy as an authentic alternative to both the neoliberal and social-democratic models.

This section is exploratory rather than an exhaustive coverage of social welfare issues; for that a whole book would be required.

---

742 <https://universalbasicservices.org/>

Coote, A, and Percy. *A The Case for Universal Basic Services*. The Case For. Cambridge, UK : Polity, 2020.

743 Coote, A, and N Lawson, N. 'Post-Covid Britain Needs a New Social Guarantee'. *The Guardian*, 11 March 2021, sec. Opinion. <http://www.theguardian.com/commentisfree/2021/mar/11/post-covid-britain-new-social-guarantee-universal-basic-income-pandemic>.

744 Casal Lodeiro, M. *La izquierda ante el colapso de la civilización industrial: apuntes para un debate urgente*. Madrid: La oveja roja, 2016.

745 Büchs, M, and Koch, M. 'Challenges for the Degrowth Transition: The Debate about Wellbeing'. *Futures* 105 (January 2019): 155–65. <https://doi.org/10.1016/j.futures.2018.09.002>.

# Women work at the heart of community solidarity: informal networking and universal basic income.

Carolyn Kagan, 2018<sup>746</sup>

## Abstract

Feminists have called for the recognition of unpaid work within economic accounting and practices. Most of these discussions focus on the role women play in domestic and caring work, and yet care is only one kind of unpaid work. Scant attention is given to the role that women play in forming, and maintaining informal networks and building local social capital, essential ingredients of more localised solidarity and sharing economies. In addition, advocates of universal basic income as a transformative social process argue that with UBI, more time will be available for people to spend time with friends and building 'community'. This paper will explore the intersections of the two fields of feminist thought - on UBI and informal community networking - to examine their implications for de-growth, or at least for a steady state future.

## Postgrowth Scenarios

We cannot continue as we are, plundering the planet beyond its capacity to renew, subjugating millions to lives of precarity, poverty and despair and with economies worldwide wavering on the brink of crises and collapse. What will and should life be like in a post growth situation?

Amalgamating various different rationales for de-growth (see for example D'Alisa, Demario and Kallis, 2015)<sup>747</sup>, we can anticipate a number of things, all linked to a re-aligned economy, not just challenging prevailing emphasis on economic growth, but embracing feminist and ecological economic thought. We can envisage a future that is ecologically safe with people living within planetary boundaries (Steffen et al., 2015) with greater social equity and work for the social good rather than merely for profit.

We can imagine that there will be less formal, paid work and consequently more time to spend on family and friends, leisure and on building community through participation and solidarity activities. There will be a shift in social values in favour of care - care for children, those with poor health and elders - and caring work will be shared out equitably between men and women. There will more time spent on socially useful activities, including food growing, low level manufacture and care of tools and household appliances, community

---

746 Paper based on presentation at the 6th International Degrowth Conference, Malmö, August 2018. <https://malmo.degrowth.org/>

747 The original reference formatting is preserved, with references listed, APA-style, at the end of the chapter.



events and activities; there will be reduced energy use and more sharing of energy intensive appliances; there will be less car use and more use of public transport, cycling and walking; there will be more work locally, meeting community needs. All of these things might seem utopian, but necessary. The challenges of how to move from where we are now to where we need to get to are complex.

These post-growth imaginaries bear a remarkable similarity with some of the anticipated outcomes of a Universal Income. Amongst the 101 reasons Torry (2015) gives for a citizen's or basic income are:

- there would no longer be a distinction between those receiving financial support and those not;
- increased recognition for activities other than (well) paid employment.;
- people in menial, tedious and unsatisfying jobs would not need to work in them for such long hours – people would have a higher degree of autonomy in their lives than they do at the moment. UBI could even kill off low paid menial jobs.
- it might mean that people could choose to work fewer hours in paid employment altogether, creating room for more time to be spent with family, on hobbies and pleasurable activities or in community activities. It would enable non-market activities to flourish that, while not materially productive, nonetheless make life meaningful and have important functions for the wellbeing of people and communities.
- the work that people do at the moment that is not paid, and is predominantly carried out by women (caring, bringing up children, community activism) would be recognised more and be more socially valued. There would be a paradigm shift in what (paid) work means.
- the security offered by UBI would facilitate creativity and flexibility.

Whilst UBI is not the only policy initiative promoted to deal with some of the challenges of both recognition and redistribution (see Kagan, 2017a,b) it is gaining traction in many different political circles, from right, green and left, so is worthy of some exploration. This paper will explore some of the thinking around feminist critique of the economy and feminist debates over universal basic income (UBI) to see what, if any lessons there might be for a post growth and steady state future.

## **Feminist critique of the economy**

It is widely recognised by feminist and ecological economists that classical economy deals inadequately with reproductive and solidarity activities (Marcel, 2015). The raising of children, the care of the sick and elderly do not feature in economic analyses, essentially because they are not considered to contribute to economic growth. This leads to the bizarre situation that if (mostly) women care for pre-school children there is no recognition of this, but if she pays someone else to care for them, the activity contributes to GDP. Similarly, unpaid housework does not contribute, but paid domestic work does; visiting

an elderly neighbour only counts if someone is paid to do this; informal networking in the community only counts if a community practitioner is paid to do it, not if women do it in the course of their lives. Waring and others have argued this not only a matter of how economic activity is understood but is also a matter of how activity is measured and accounted for (Waring, 1989). Some progress has been made in accounting for some of the work women do (Bjørnholt and Mackay, 2014). However, the situation we still have is one where the great majority of women's use-time and a lot of men's is not thought of as part of the economy and does not reckon in economic analyses, and it is only activity delivered through paid employment that has social status.

Zelleke (2011) argues that the creation of the constructs of the public sphere (Justice, rights and rule of law) as different from the private sphere (love, altruism and privacy) has enabled a focus in political theory (and, I would add, other arenas of discussion) to be on the first and to take little notice of the latter. Feminists have critiqued this separate sphere model for a number of reasons. As Zelleke (2011:29) says:

*"First, the idea of a private domestic sphere allows injustice to flourish within the family - including family violence and the unequal and gendered distribution of power, labour and income. Second, the gendered inequality of the domestic sphere necessarily spills over into the public sphere, where women's disproportionate domestic responsibilities prevent them from competing fairly with men for jobs, income, political power and other forms of influence, and often relegates women to providing most of society's low paid care as well. But the third reason is one that would hold no matter who was primarily responsible for care work in the domestic sphere: the primacy in our moral imaginations and our social institutions of the model of competent, 'independent' adults responsible for their ends and actions fails to recognise the enormous amount of work that goes on in the domestic sphere to make the public sphere possible, and ignores the constraints that those who are primarily responsible for unpaid care confront when they enter the public sphere and are unable to leave the domestic sphere fully behind (Fraser, 1997)".*

Gender differences in access to paid employment, the kinds of work open to them enabling them to combine paid work with reproductive and household work, and the gender pay gap for those in paid employment, means that women are disadvantaged economically, with female headed single parent households being the worst off. (The situation has got worse in recent years as so-called 'austerity' measures have substantially worsened women's economic situation. Jobs have gone; public sector (largely women's work) jobs have been cut; zero hours low paid work has increased; benefits have been cut.) Thus from a feminist perspective, there are problems of both redistribution of social and economic resources, as well as recognition and social status accorded to caring work. Two of the central claims for UBI are that it can help with (i)

redistribution, ensuring every individual has an adequate maintenance income and the availability of good quality jobs are shared out more evenly, and (ii) social status, with unpaid reproductive care and community work having a greater social value and shared more equitably between men and women. It would seem a feminist dream ticket.

Let's look in more detail about feminist takes on UBI.

## UBI and gender

As always, there are more than one feminist perspectives. McLean (2015) sums up different feminist perspectives on UBI. - Advocates have pointed to the potential for BI to correct the paid work bias of contemporary social security systems and to increase women's economic autonomy and power within the household. (for example, McKay, 2005; Zelleke, 2011). Critics have argued that BI will do nothing to directly challenge the gendered division of labour and may well reinforce it (Gheaus, 2008; Robeyns, 2001). As such, she suggests, the feminist debate about BI is in some ways a microcosm of wider feminist controversies regarding how the state can recognize the unpaid work women largely do without reinforcing existing inequalities, also known as Wollstonecraft's Dilemma (Lister, 1995). Mclean put it like this

*"A fundamental and enduring conflict of feminist theory has been by what means women can be included as full members of society - either on the basis of a formal 'gender-neutral' equality as sameness with men (which privileges male norms and disadvantages women to the extent that they deviate from them) or on the basis of their difference from men (which risks entrenching gender essentialism)"*  
(McLean, p.3)

As she points out (McLean, 2015), a key consequence of this is that much of the debate has centred on the labour market-care dimension of gender inequality with three different approaches to policy: (i) the sameness agenda which seeks to remove barriers to women's participation in male dominated spaces and patterns of life (e.g equal opportunity policies); (ii) the difference agenda which seeks to recognise and reward women's entitlement to engage in care work (e.g. maternity leave, caregiver allowances); (iii) the agenda that attempts to change men's behaviour - 'universal caregiver'(Fraser, 1994) model, (eg paternity leave).

These debates play out in the discussion of potential effects of UBI., which, it can be argued, addresses both gender equality and gender difference standpoints - distribution and recognition.

Advocates of gender equality suggest that UBI would enable men to reduce their time at work and spend more time in caring activities (though the two do not necessarily go together and there is no evidence that if men do reduce their formal work time their caring work increases). The possibility that UBI might encourage women to move away from the formal work place is seen as a major disadvantage to progress made on the position of women in society and

their access to power and authority. As UBI is paid universally and unconditionally, it would provide women with their own source of income and weaken their dependency on male 'breadwinner' partners, thereby making it easier for them to leave abusive relationships and be economically independent.

Advocates of gender difference assert that it is a positive thing that UBI would enable men and women to engage in different lifestyles. Women would not face economic hardship if they did not enter, or reduced their activity in the labour market: indeed a UBI would recognise the time they spend caring for children, neighbours and elders. Evidence from some of the UBI experiments do suggest that women (along with students) are one group that decrease their labour participation alongside a UBI. A major advantage of UBI, it is claimed, is that it would weaken the social value placed on formal paid employment and strengthen the value placed on unpaid forms of work (Mulligan, 2013). Not only does BI give recognition to unpaid work, when unconditional, it also provides more equitable financial resources.

*[the] unconditional nature of a basic income means no one has to specialize in being a worker or a caregiver in order to fit the citizenship mould or to receive income support. It provides an income and some basic economic security for everyone and is neutral regarding what activities they engage in. McLean, 2015 p.4*

In a post growth scenario, it is desirable that all -men and women- reduce their labour market participation, not only to share round those jobs that are available in the context of job losses due to technology, but also in order to devote more time to food growing, care, repair and renovation, participation in friendship and family activities, community building and solidarity activities (traditionally and to different degrees throughout the world, women's work outside the formal economy). Formal labour market participation in a post growth scenario will be less for all and UBI might facilitate this. Furthermore, Mulligan, (2013: 70) shows how UBI would enable greater reciprocal recognition of paid and unpaid work.

The experience of being valued as part of a community, and partaking in cooperative activities for common goals, is clearly essential to achieving reciprocal recognition. UBI takes the first step in achieving this in post-modern conditions, by removing the financial barriers to self-realisation. In addition to creating the foundations upon which a more symmetrical division of labour might be built, it opens up the debate over the distorted emphasis on paid work. By undermining the strongest and most emotive reasons for prioritising remunerated forms of work, UBI necessitates an overhaul in the manner in which recognition principles are interpreted.

In this argument, Mulligan points to a wider set of non paid activities, beyond household work and care. Being part of a community and partaking of cooperative activities for common goals is placed centre stage – women’s activities (see Kagan (2017c) for an account of a recent café-type discussion of gender issues in a viable (or post growth) economy.

Most feminist debates about UBI, however, have focused on household and family care at the expense of other forms of care (for the environment, for community for health and so on – see Sabine O’Hara’s (2014) suggestion that a wider construction of ‘care’ could be used as an organising ethic for feminist, context-based economy) – all areas of women’s informal and un-recognised activity. This narrow focus on the labour market-care dimension of gender inequality, whilst a crucial topic for feminists, stands in danger of marginalizing other aspects of gender inequality, not only in terms of the entirety of women’s unpaid work, but also in terms of the intersections between gender and class and race, including issues of poverty and the international nature of gender inequality and the particular challenges of life for women in the Global South. Surprisingly little discussion has been held about other informal work that women do in forming, maintaining and developing informal networks, the social glue creating and sustaining communities.

In a post growth world, all of these concerns will have to be addressed in order to promote a more inclusive scenario and one that goes beyond the gendered inequality of care in the household.

In the UK, contemporary proposals by the RSA, JRF, Compass, Citizens Income Trust, even the Green Party are focused in detail on how a BI would be paid for from existing welfare and other budgets: this is a red herring or a distraction – if Governments want to implement a UBI they will find a way of doing so whilst retaining existing social safety nets. Whilst debates rage about exactly how UBI would be paid for (see Kagan 2016; Torry, 2016), such technicalities are the least of it. If we assume a UBI is successfully implemented, and either because of the political will to end poverty or paid working time for all is less, because of technological changes, what will people do? How will household tasks change? How will we build community solidarity, create and do more work for local community good and engage in socially useful leisure and craft activities? Who will do what and how will social values shift? Most importantly, who currently has the resources (personal, networking, capacity for emotional labour) on which to build? Well, the answer to the last question is, of course, women.

## **Women, Informal work, community and community building**

The roles that women play in creating, supporting and sustaining communities across the globe vary, but wherever we look we can see that it is women who form and nurture the informal networks that underpin ‘community’ and communities. As Hope and Timmel (1996: 5) say, drawing on their extensive participatory development work in different places, ‘[w]omen have been the invisible weavers of the web of community...’

In the UK and in most of the core capitalist countries, community life is gendered with men and women occupying different spaces and roles in particular ways (Dominelli, 2006; Fisher, 2013; Gilchrist, 2009) (in other places community life is also gendered, of course, but the roles occupied by men and women vary).

In the UK, according to the most relevant official survey of volunteering (which does not cover all unpaid work by any means and notwithstanding the care that needs to be taken over volunteering statistics Baines and Hardill, 2008 ) women do more informal volunteering than men, and are considerably more likely to engage in community-caring roles (including giving informal advice, giving practical help, sitting with and caring for others, baby sitting and childrearing). Men feature more in formal advice giving and advocacy (NCVO, 2016). This pattern has been formally recorded over a number of years. Furthermore, in terms of engagement with cultural activities, women are more likely to engage with libraries (which provide community meeting spaces and activities ) and the arts (DCMS, 2016). This is important as increasingly arts activities are used in processes of community development (e.g Verbeij, 2013). Through the informal, unpaid work that they do, often linked to childcare, faith groups or to local issues, Gilchrist (2009:98) notes that it is women's emotional labour [that] creates and maintains networks' within community settings. Furthermore, a great deal of the low paid work that women do, whether it is in social care, domestic help, supermarkets and shops, or as founders and members of tenants and residents groups (Lowndes, 2004), enables them to connect with and between others. As the community guardian roles of post and milk deliveries, road sweeping, rubbish collections and so on disappear, it is women's roles that have taken their place. They hold the understanding of the people in a locality, their habits and interests. Of course, the category 'women' is intersected with class, race, (dis)ability and so on. Lister recognised this when discussing the role of women in political activism. Whilst received wisdom is that men are more politically active than women, she suggests:

The picture that emerges from a variety of more 'bottom up' accounts is that of a rich and inspiring nexus of citizenship-enhancing activities. A number of British studies have painted a vivid portrait of working-class women organising around issues of daily life, often unsupported by men. The pattern is evident in different configurations world-wide and among different groups of women. For example, in her study of Black women's organisations, Julia Sudbury (1998) uses an explicitly broad definition of politics, rooted in Black women activists' 'everyday theorising', to highlight the extent and range of their political activity (Lister, 2005, 21-22)

Women, then, via issues of daily life, are crucial to the maintenance of social relations and generate social capital from wider family and friends, and others in the community, (in contrast to men who are more likely to depend on their partners, even their mothers -Boneham and Sixsmith, 2006). This is not to suggest, an essentialised notion of womanhood or female experience, and Gilchrist (2009) is careful to challenge any notion of such roles as being in any

way inherent or 'natural'. They are derived from the ways that family and community roles and activities are structured and take place within sets of cultural assumptions and expectations. We could say that it is, indeed, women that generate social capital within a community (Kagan et al., 2000).

However, there are problems with the concept of social capital.

Lowndes (2000) points out that that, with its focus on community associations, (the Putnam approach to) the theory and practice social capital building fails to consider women's informal networking activities such as those connected to the care of children – but also including those mentioned above. This leads Lister (2005) to eschew the notion of social capital in favour of women's informal citizenship politics, which takes place at the interstices of private and public life. Through their active (informal) networking they are engaged in what Joaquim, 1998 refers to as 'everyday life citizenship' (cited in Lister 2005). It is women that keep communities going, building on networks of trust and reciprocity (Lowndes, 2004). Thane (2011) pointed out that in the context of austerity cuts, David Cameron's Big Society agenda (which was designed to 'empower' communities to take direct control of services, and improve their local situations) it would be women who would fill the gaps left by cuts in services.

Women-run community projects would be the ones to support local people in need; grandmothers would step in to care for children, enabling their mothers to find unsocial-hours work. Women have the know-how, the networks and the experiences to maintain communities and make the Big Society work. The Big Society policy programme was short-lived, but the cuts in public services continues. There is still an emphasis on transforming public services to enable communities (for which read women) to 'take control', driven by the continuing cuts in public services, but disguised as enabling community say and action. In practice what this co-option of community groups into 'partnership work with public service commissioners means, is a reduction in spaces for women to organise around women's issues

Emejulu and Bronstein (2011:283-284 suggest

*... the very process of 'partnership working', bringing together the private, public and community sectors to find solutions to poverty and inequality at a neighbourhood level, seems to undermine the project of radical politics. As community and development organizations get drawn into governance structures, service provision and technical approaches to addressing poverty and exclusion, this appears to simultaneously reduce independence of voice for these organizations and the freedom of spaces outside the state and the market for formulating critiques and mobilizing groups for action.*

Similarly in a wider context, Wilson (2015) critically discusses the ways in which development, explicitly concentrated on women and women's work and their community building, within neoliberal development frameworks, (a process of gender equality as smart economics) actually rely upon, extend and



deepen gendered inequalities in order to sustain and strengthen processes of global capital accumulation in several ways. For post growth scenarios, we need to heed the lessons from international development and the reliance on women's informal community work when we think about community building. Since the Big Society, in England we have had community organising (basically community action via networking building) and now asset based community development - community development building on the assets of the community (a large proportion of which is women and their networks) with no need for additional resources. In all of these debates, 'community' is most often thought of in a geographical sense, and the problems of 'who should be involved or engaged is usually left unspecified. Whether we are talking of geographical communities or communities of interest, unless it is an interest that affects mainly men, it is generally women at the forefront (Kagan, 2017). Such a pivotal role for women might be seen as an opportunity for women to come into their own, for their activities hitherto unrecognised to be recognised and valued, which itself might become more important as paid employment decreases.. Or there could be disproportionate stress on women to do, to teach, to support, to engage in more emotional labour and all the stress this involves (Kagan, 2006) while the men do - what? There are various proxies for knowing what they might do. Take up of paternity leave is very small in the UK and elsewhere in Europe, but where it is higher, men do take over some more caring, but not necessarily household chores (Haas and Hwang, 2008; Karu and Tremblay, 2018). What men and women do in retirement, during leisure time and during vacations might also help understand what gender differences there may be with less time spent in paid employment - beyond this discussion. So, at least in the short term, a postgrowth future with greater emphasis on community building, social solidarity and the forming and maintenance of social networks (whether or not we call this social capital) will place more onus on women. UBI may assist in freeing up time away from paid employment to build this future, but it is important to note that a basic income is a top down, individualistic policy platform, and there may be other more effective, bottom up collective mechanisms. They would have to be capable of addressing an economic shift away from growth, a change in social value in favour of care and unpaid work, and redistribution of wealth. It is now up to men to ensure they begin to understand what community building and social solidarity means in practice, and to acquire the motivation and the skills to share in the construction of a post growth future, of caring and of community building, and to avoid just another scenario of women carrying paid employment, caring and household work and an even greater proportion of community building (Roberts, 2010). This may take some time as it will probably involve re-socialisation processes, but if we do not accept deterministic, essentialist perspectives on masculinity, which suggest some fixed notion of masculinity and men's behaviour, consolidated in infancy, it is a task that is possible.

## Conclusion

For a post growth future it is clear we need to change the culture and social value placed on paid employment, and (U)BI might assist with this. McFarland (2018) amongst others suggests more highly paid or professional men could start by eschewing full time paid employment now. Prefiguring a post growth world and prefiguring how use time, once UBI were introduced might be equitably shared between men and women might be a useful stepping stone to a post growth world. The central issue linking these domains for me is the question of whether or not (U)BI is the best way to move towards a post growth society. Any alternatives would have to grapple with the dual issues of recognition (and social status) and distribution (and equality of wealth) – no easy task. But it cannot be left to the women to do all the work! Whilst we can applaud the ‘essential feminisation of politics and everyday life’ as Barcelona En Comú describes it (La Comuna, 2018) as we move towards a different way of being, change will need the active participation of both men and women.

## References

- Baines, S., & Hardill, I. (2008). "At Least I Can Do Something": The Work of Volunteering in a Community Beset by Worklessness. *Social Policy and Society*, 7(3), 307-317.
- Bjørnholt, M., & McKay, A. (2014). *Counting on Marilyn Waring: new advances in feminist economics*. Toronto: Brunswick Books.
- Boneham, M., & Sixsmith, J. (2006). The voices of women in a disadvantaged community: Issues of health and social capital. *Social Science and Medicine*, 62(2), 269-279.
- D’Alisa, G., Demaria, F., & Kallis, G. (Eds.). (2015). *Degrowth: a vocabulary for a new era*. New York ; London: Routledge, Taylor & Francis Group.
- DCMS. (2016). *Taking Part Survey: Focus on Diversity*. Department of Culture, Media and Sport. Retrieved from [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/593993/Focus\\_on\\_diversity\\_final.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/593993/Focus_on_diversity_final.pdf)
- Dominelli, L. (2006). *Women and Community Action*. (2nd ed.). Bristol: Policy Press.
- Emejulu, A., & Bronstein, A. (2011). The politics of everyday life: feminisms and contemporary community development. *Community Development Journal*, 46(3), 283-287. <https://doi.org/10.1093/cdj/bsr031>
- Emejulu, Akwugo. (2011). Re-theorizing feminist community development: towards a radical democratic citizenship. *Community Development Journal*, 46(3), 378-390. <https://doi.org/10.1093/cdj/bsr032>
- Fisher, J. (2013). *The Rhythm of Weaving: Caring, feeling at home and keeping going in a church space*. Manchester: Manchester Metropolitan University.
- Fraser, N. (1997). After the family wage: a post industrial thought experiment. In N. Fraser, *Justice interruptus: Critical reflections on the ‘postsocialist’ condition*. (pp. 46-68). London: Routledge.
- Gheaus, A. (2008). Basic Income, Gender Justice and the Costs of Gender-Symmetrical Lifestyles. *Basic Income Studies*, 3(3), 1-8.

- Gilchrist, A. (2009). *The Well-connected Community: A Networking Approach to Community Development*. (2nd ed.). Bristol: Policy Press.
- Haas, L., & Hwang, C. P. (2008). The Impact of Taking Parental Leave on Fathers' Participation In Childcare And Relationships With Children: Lessons from Sweden. *Community, Work & Family*, 11(1), 85-104.  
<https://doi.org/10.1080/13668800701785346>
- Hope, A., & Timmel, S. (1996). *Training for Transformation: Bk. 1: Handbook for Community Workers*. Gweru, Zimbabwe: Mambo Press.
- Joaquim, T. (1998). Social citizenship and motherhood. In V. Ferreira, T. Tavares, & S. Portugal (Eds.), *Shifting bonds, shifting bounds. Women, mobility and citizenship in Europe*. Oeiras, Portugal: Celta.
- Kagan, C. (2006). *Making a difference: participation, well-being and levers for change*. Liverpool: RENEW. Retrieved from [http://www.compsy.org.uk/Making%20a%20difference%20\(proof%203\).pdf](http://www.compsy.org.uk/Making%20a%20difference%20(proof%203).pdf)
- Kagan, C. (2016, September 5). Universal Basic Income (or Citizen's Income) - a digest of issues. Retrieved June 27, 2018, from <https://steadystatemanchester.net/2016/05/09/universal-basic-income-or-citizens-income-a-digest-of-issues/>
- Kagan, C. (2017a) Participatory community enterprise: a new way of doing work with inbuilt flexibility. Paper presented to European Community Psychology Congress, Symposium on Work-life conflict and social well-being: the role of local community, Newcastle, October 2017)
- Kagan, C. (2017b). Universal Basic Income: Is it the only cornerstone of a just society? Retrieved December 3, 2017 from <https://steadystatemanchester.net/2017/03/15/universal-basic-income-is-it-the-only-cornerstone-of-a-just-society/>
- Kagan, C. (2017c).. What's Gender Got to do with the Viable Economy? Retrieved December 3, 2017, from <https://steadystatemanchester.net/2017/08/02/whats-gender-go-to-do-with-the-viable-economy/>
- Kagan, C., Burton, M., Lawthom, R., & Knowles, K. (2000). Social capital and participation on a peripheral housing estate (Vol. 1/03). Manchester: IOD Research Group. Retrieved from <https://e-space.mmu.ac.uk/41756/>
- Karu, M., & Tremblay, D.-G. (2018). Fathers on parental leave: an analysis of rights and take-up in 29 countries. *Community, Work & Family*, 21(3), 344-362.  
<https://doi.org/10.1080/13668803.2017.1346586>
- La Comuna. (2018). *Ciudades sin miedo: guía del movimiento municipalista global*. [Fearless Cities] ,Barcelona: Icaria Editorial. - since published in English, Barcelona en Comú, Debbie Bookchin, and Ada Colau. *Fearless Cities: A Guide to the Global Municipalist Movement*. Oxford: New Internationalist, 2019.
- Lister, R. (1995). Dilemmas in Engendering Citizenship. *Economy and Society*, 24(1), 35-40.
- Lister, R. (2005). Feminist Citizenship Theory: An alternative perspective on understanding women's social and political lives. In J. Franklin (Ed.), *Women and Social Capital: (Vol. Working paper No.12)*. London: South bank University. Retrieved from [https://www.lsbu.ac.uk/\\_data/assets/pdf\\_file/0007/9439/women-social-capital-families-research-working-paper.pdf](https://www.lsbu.ac.uk/_data/assets/pdf_file/0007/9439/women-social-capital-families-research-working-paper.pdf)

- Lowndes, V. (2000). Women and social capital: a comment on Hall's "Social capital in Britain." *British Journal of Political Science*, 30, 533-540.
- Lowndes, V. (2004). Getting on or getting by? Women, social capital and political participation. *The British Journal of Political and International Relations*, 6 (1): 47-56., 6(1), 47-56.
- Marçal, K. (2015). *Who cooked Adam Smith's dinner? a story about women and economics*. London: Portobello Books.
- McFarland, K. (2018, 02). UBI's impact on work culture: not a question for the experimenters. Retrieved from <https://basicincome.org/news/2018/02/ubis-impact-work-culture-not-question-experimenters/>
- McKay, A. (2005). *The Future of Social Security Policy: Women, Work and a Citizens' Basic Income*. Abingdon: Routledge. Abingdon: Routledge.
- McLean, C. (2015). *Beyond Care: Expanding the feminist Debate on Universal Basic Income*. Glasgow: WISE: Glasgow Caledonian University. Retrieved from [https://www.gcu.ac.uk/wise/media/gcalwebv2/theuniversity/centresprojects/wise/90324WiSE\\_BriefingSheet.pdf](https://www.gcu.ac.uk/wise/media/gcalwebv2/theuniversity/centresprojects/wise/90324WiSE_BriefingSheet.pdf)
- Mulligan, R. (2013). Universal Basic Income and Recognition Theory – A Tangible Step towards an Ideal. *Basic Income Studies*, 8(2). <https://doi.org/10.1515/bis-2013-0025>
- NCVO. (2016). *UK Civil Society Almanac 2016 -Volunteer Profiles*. National Council for Voluntary Organisations UK. Retrieved from <https://data.ncvo.org.uk/a/almanac16/volunteer-profiles-2/>
- O'Hara, S. (2014). *Everything Needs Care: Toward a Context-Based Economy*. In M. Bjørnholt & A. McKay (Eds.), *Counting on Marilyn Waring: New advances in feminist economics* (2nd ed.). Bradford, Ontario: Demeter Press.
- Roberts, L. (2010). *An Exploration of the Interface between Community Activism, Work and Family* (Unpublished Bachelor's Thesis). Manchester Metropolitan University, Manchester. Retrieved from <https://e-space.mmu.ac.uk/576495/>
- Robeyns, I. (2001). Will a Basic Income do Justice to Women?, 23(1), 85-105.
- Steffen, W., Richardson, K., Rockstrom, J., Cornell, S. E., Fetzer, I., Bennett, E. M., Sorlin, S. (2015). Planetary boundaries: Guiding human development on a changing planet. *Science*, 347(6223), 1259855-1259855. <https://doi.org/10.1126/science.1259855>
- Sudbury, J. (1998). *Other kinds of dreams: Black women's organisations and the politics of transformation*. London ; New York: Routledge.
- Thane, P. (2011). Women, as ever, will keep the big society from falling apart. *Fabian Review*, Spring: 15. Retrieved from <https://fabians.org.uk/wp-content/uploads/2011/03/FabianReview2011Spring.pdf>
- Torry, M. (2016). *An evaluation of a strictly revenue neutral Citizen's Income scheme*. Colchester: ISER, University of Essex.
- Torry, M. (2015) *101 Reasons for a Citizen's Income*. Bristol, Policy Press
- Verbeij, S. (2013). *Asset based community development: Towards sustainable citizen initiatives* (Unpublished PhD Thesis). Radboud University, Nijmegen. Retrieved from <http://theses.ubn.ru.nl/bitstream/handle/123456789/2846/2013%20Verbeij.pdf?sequence=1>
- Waring, M. (1989). *If women counted: a new feminist economics*. London: Macmillan.

Wilson, K. (2015). Towards a Radical Re-appropriation: Gender, Development and Neoliberal Feminism: Gender, Development and Neoliberal Feminism. *Development and Change*, 46(4), 803–832. <https://doi.org/10.1111/dech.12176>

Zelleke, A. (2011). Feminist Political Theory and the Argument for an Unconditional Basic Income. *Policy and Politics*, 39(1), 27–42.

# Universal Basic Income: Is it the only cornerstone of a just society?

Carolyn Kagan, 2017

The momentum in favour of *Universal Basic Income* (UBI) is gathering. John McDonnell, the Shadow Chancellor of the Exchequer, recently announced the Labour Party was establishing a working group<sup>748</sup> to investigate UBI. Round about the same time, at our SSM/MMU event on Universal Basic Income<sup>749</sup>, featuring Karl Widerquist, we asked people who came three things: why they were interested in UBI, how their or others' lives might change if UBI were introduced and what alternative policies might be introduced to achieve the same ends as UBI?<sup>750</sup>

## Interest in UBI

Interests in UBI were wide ranging. Several people wanted to know if and how it could work in practice and what the implications would be if there were still destitution? Some concerns were expressed about how 'citizenship' would be defined and whether there would always be people excluded. The potential advantages were:

- *It would bring people out of extreme poverty and those unable to work, or, unable to find work would not be at such a disadvantage*
- *It would realise the dignity and unifying effect of no longer having the 'strivers and the skivers' as our current welfare system is perceived.*

The challenge to the current state of affairs was recognised.

- *In the transition to even greater use of technology, jobs will become scarcer. With UBI people could top up their income with part-time work. The stigma attached to 'benefit claiming' would be removed. Making the payment universal would reduce bureaucracy.*
- *Apart from getting a cheque each month, I am interested in what effect it would have on society. I see the social and economic system as a complex system and the UBI is a fundamental change to that system, so, when making fundamental change to a complex system, the emergent effects are unpredictable and potentially significant. So I am interested to see what effects UBI will have in the real world, positive and negative.*

---

748 <http://basicincome.org/news/2017/02/uk-labour-party-ubi-working-group/>

749 <https://steadystatemanchester.net/2017/02/28/universal-basic-income-the-cornerstone-of-a-just-society/>

750 Published at <https://steadystatemanchester.net/2017/03/15/universal-basic-income-is-it-the-only-cornerstone-of-a-just-society/> March, 2017.

- *It has been in the mind of many people. But, its application requires a huge effort not just to social groups and social scientists, but also to convinced political parties and mostly to convince several strategic sectors that haven't been involved in this issue yet.*

How might lives change with UBI?

People identified lots of ways lives would be changed for the better with UBI.

- *It would mean for me a better society. More equal society in terms of income. Happier.*
- *No need to work. Reduce vilification of people needing benefits. Push conditions of employment and service up*
- *I think that the most positive aspect would be that people would be free to pursue their dreams. This could potentially create a much more value for society than currently. For example, I would be free to work on a start-up.*
- *I can only see improvements for everyone. A UBI to give everyone a lift; means that those on benefits are no longer 'slaves' working for the JobCentre Plus 'master' and churning out CVs and job applications; means that only those who actually want the flexibility of the zero-hour contract are forced to take zero-hour contracts I think that it would allow people more freedom and time to pursue more meaningful work, or develop their interest/passion in order to find suitable work in the future. A shift toward this could contribute greater wellbeing, due to more economic security than is currently granted.*
- *Have wellbeing? Healthier communities? Happier people? Decent living?*
- *I would be better able to continue in my varied self employment, which I enjoy very much but is a low and patchy income that I couldn't manage on for ever. This self employment gives me freedom to dedicate a lot of time to pursuits that I consider to be more worthwhile than any paid work I've ever done - currently running the organisation World basic Income*
- *Remove anxiety leading to improved mental health of no or few choices. Opening up choices of how to live.*

## **Alternatives to UBI**

As to alternatives to UBI, several people were stumped and not able to think of alternatives.. However a range of possibilities were and these included:

- *Reform of tax law - and a proper system where people can contribute and then get back but not a something for nothing culture. And spending on weapons could stop.*



- *In a sense NHS and free u16 education are a form of UBI. Need to do community testing broadly*
- *Stronger Unions. Increased use of cooperatives.*
- *Work guarantee with the right to refuse until an appropriate job comes up*
- *The living wage. International wages for housework*
- *Free homes for everyone. Free gas and electric*
- *Presenting positive points of view from employers (the richer the better)*
- *Have a UBI for a sector of the community e.g. 18-25 year-olds initially, as being proposed by the potential left in France.*

We thought it might be useful to overview some of these alternatives.

## **Alternatives to UBI?**

Many alternative proposals are based on the principle that paid employment offers the best route out of poverty. However, we know that there are high levels of in-work poverty (JRF, 2016a)<sup>751</sup>, that precarious work leads to poor psychological health (Banach et al., 2014), and that there are growing inequalities and increasing numbers of households failing to meet minimum income standards (Davis et al., 2016). There is also the very real danger that further automation will render full employment for all just a pipe dream (Srineck and Williams, 2015), although the contrary view is that a coming scarcity of energy will make that unlikely in the longer term (Davey, 2016). Assuming for a moment that full employment is a possibility, the case against UBI and for paid work should be revisited.

## **Why work?**

Society places a high social value on paid employment. So, not only does work provide a source of income, it is also a source of self-respect, social status and identity. Unemployment (involuntary) on the other hand, is strongly associated with depression and feelings of a lack of self worth. Fryer and Fagan (2003) drew attention to the reasons why some people continue to work when in receipt of benefits that provide them with an income. They found that when people were out of paid employment and in receipt of benefits, some turned to work in the hidden or 'black' economy, which provided them with a sense of pride, status and respect. It enabled them to develop skills and to buy necessary items like children's shoes. Those who remained reliant on out of work benefits, on the other hand, showed signs of depression, passivity, and

---

751 The original reference formatting is preserved, with references listed, APA-style, at the end of the chapter.

feelings of humiliation and stigmatisation. Importantly, there was a lack of reciprocity, of an exchange relationship; whereas working in the hidden economy enabled a reciprocal relationship between work done, payment received and entitlement to spend as people pleased.

Trial experiments of UBI have shown that contrary to most people's predictions, people continued to work, even in the face of a guaranteed basic income. (The exceptions were some young people who continued to study and women with small children, particularly single mothers.) However, the reciprocal relationship - of work done and payment received was missing. Do we need this kind of reciprocity or not?

It is important to note that studies on the psychological consequences of (involuntary) unemployment have been undertaken in the context of paid work being highly valued in society, leading to social status and the self-respect that comes with this (Mckenzie, 2014). One of the advantages predicted for UBI, is the weakening of the social value placed on paid employment, in favour of unpaid work, caring, creativity and community building. In other words, UBI would change the social norms around work and break the link between social status (being socially valued) and paid employment.

### **Variants on a UBI theme**

Before we go on to consider alternatives to UBI it is worth mentioning variants on the Basic Income theme. Firstly, *negative income tax*, originally proposed by Milton Friedman, writing about the alleviation of poverty (Friedman, 1962) from the political right but re-visited later by Block and Manza (1997) from a progressive political position. A negative income tax is a progressive tax system whereby households below a certain income receive a cash transfer from the Government instead of paying taxes. Effectively a negative income tax would create a floor below which income could not fall. This would give a degree of income security, enabling choices to be made by those in work about how many hours to work, and giving some basic income to those without paid employment. In Block and Manza's formulation it would also supplement low wages, as tax credits do under the present system. They argue that it avoids the "benefit trap" whereby people on certain benefits gain little or nothing by becoming employed at low wages.

Negative income tax would not address the universality aspect of UBI, being targeted instead on those with low incomes: instead it is a progressive measure, integrating money subsidies to the poor with the tax system, with those on higher incomes contributing progressively more.

Stakeholder grants, however, have been proposed as alternatives to UBI, and to be universal. Ackerman and Alstott (2004) argue that a 2% tax on the wealthiest, would enable a grant to be paid to all those coming of age as long as they complete secondary school and do not have a criminal record. (Ackerman and Alstott, 2004). The grant would enable all citizens of working age to make choices and plan their lives, spending (or saving) their money as they wish. Every citizen, then, claims her or his stake (or collect their Basic

Income) simply by virtue of being a citizen capable of forming a life plan. The idea is similar to that introduced in the UK via the Child Trust funds – a small amount of money paid to every new born child, invested until the child reaches 18, and then to be spent on whatever the young person chooses. Critiques of the stakeholder income include the argument that this grant would be to the advantage of those with the human and knowledge capital to use the money wisely, and to the detriment of those who did not (Standing, 2006).

Perhaps income redistribution is not the only way to alleviate poverty.

Other proposed variants of UBI include proposals to (1) use a form of UBI as a way of sharing the profits from equities (i.e. the ownership of capital) (Varoufakis, 2016); (2) return unused UBI payments to Government or to charity in order to discourage the accumulation of further wealth by those on higher incomes (Cadarn Research, 2017) and (3) the FEASTA *Cap and Share* proposals in which carbon permits are bought by fossil fuel companies and the revenues from these shares distributed equally in the population, thereby reducing carbon emissions whilst at the same time providing an income in an equitable way<sup>752</sup>.

Given that affordability is a recurrent issue, one alternative might be to combine UBI with a complementary local currency, one not linked to sterling but nevertheless backed by councils and other institutions (for example by accepting payment or part payment in these local units – this would be an essential requirement in order to ensure the currency had value). The *Hullcoin* pilot has these characteristics<sup>753</sup>. There is no limit on the amount of such currency that can be created (other than what the local economy can sustain) and it would have the virtue of keeping money local, rather than leaching out to profit centres elsewhere. Such a variant of UBI could be trialled in parallel with the existing benefit system.

In addition, there are alternatives in the form of a redesigned social welfare system; job guarantees; participation income; and civic economy developments.

## **A redesigned social welfare system**

Two recent poverty-reduction strategies, with paid employment as the goal, include substantial changes to the social security and tax systems.

A complex and comprehensive anti-poverty package has been proposed by the Joseph Rowntree Foundation (JRF, 2016a,b). This strategy places responsibilities on government, employers and businesses, communities and citizens to develop economic opportunities alongside social reform. The emphasis of the strategy is to ensure that everyone has a decent and secure life. The outcomes of the strategy are declared to be: to boost incomes and reduce costs; deliver an effective benefits system; improve education standards and raise skills; strengthen families and communities; and promote

---

752 <http://www.feasta.org/documents/energy/Cap-and-Share-May08-summary.htm>

753 <http://www.hulldailymail.co.uk/what-is-hull-coin-and-why-is-it-the-city-s-answer-to-groupon/story-29582248-detail/story.html> The Hullcoin ceased operations in 2021.

long term economic growth benefiting everyone (p. 21). The package, then has jobs, education, employment and economic growth (albeit what JRF are calling, after the OECD (Organisation for Economic Co-operation and Development<sup>754</sup>), ‘inclusive growth’) as the key route out of poverty, taking little account of the changing nature of work and the possibilities of a reduction in jobs overall. Furthermore, it does little to explicitly challenge the negative psychological consequences of a welfare system founded on eligibility assessments, conditions and sanctions: a system that is humiliating and belittling, leading to stigma, loss of self esteem, demoralisation, apathy and even mental ill health. The strategy is to be welcomed for its comprehensiveness, but because it retains a focus on economic growth, we do not believe it is environmentally sustainable in the long term.

Another set of proposals that aims to reduce poverty and raise lower and middle incomes through the re-design of the social security system comes from Harrop (2016a) in a report for the Fabian Society.

The report discusses at length the merits and challenges of a universal basic income (Harrop, 2016b). It concludes that the idea of a basic income might be the eventual end point after policy reform, but that the focus should be on *“practical, incremental policy changes which embody something of the spirit of the basic income idea, but make sense as reforms in themselves”* (Harrop, 2016a:139). (This incremental approach also features in the recent Compass proposals for UBI (Reed and Lansley, 2016)).

Harrop proposes retaining, but increasing the generosity of, means tested out of work benefits but supplementing them with the gradual introduction of individual universal credits in place of tax allowances, and substantially increasing the amounts of child and disability allowances. He also argues that adult credits should be conditional on participation in society (on learning, parenting, caring, job search or work preparation). The proposals include ‘disaggregation’ - moving away from the assessment of household income to benefits and allowances being awarded to individual adults and children. This change alone could have the effect of enabling greater independence and autonomy and reducing financial dependency, especially for women or for those with caring responsibilities.

Harrop acknowledges the challenge that providing for housing costs presents, and also that his proposals depend on economic growth (although there is no reason why Government could not just fund them) and questions whether or not his proposals would be adequate if the assumed growth did not take place. Scant attention is paid to the changing nature of work, and extent of precarious and uncertain work. Embedded within these proposals is the idea of a guaranteed job for those out of work for 12 months, modelled on the Young People’s Guarantee which was in place 2009-2011.

---

754 <http://www.oecd.org/inclusive-growth/>

Indeed, the major challenge to UBI as a policy comes from those who advocate guaranteed work as the means by which people gain purpose and meaning and positive mental health and well-being as well as income security.

## The Job Guarantee

*Job guarantees* for young people are a part of the contemporary political landscape. As a response to the recent fiscal crisis, the UK Coalition Government introduced a voluntary job guarantee for young people via the Futures Job Fund, which proved successful in moving young people into unsubsidised work and off benefits (Alkker and Cavill, 2011; DWP, 2012). The 2015 Labour Party Manifesto included a *Compulsory Job Guarantee* for every young person, unemployed for over a year, guaranteeing a job which they would have to take or lose benefits. The then leader Ed Miliband explained: “.. *it will be a tough contract – those who can work will be required to take up the jobs on offer or lose their benefits. A life on benefits will simply not be an option*”<sup>755</sup>. The crucial difference between job guarantees (and indeed of the current social protection policies) and UBI is focused on the ‘unconditionality’ principle. Should people be entitled to state income without the expectation of a contribution in return?

Not all job guarantee schemes are as hard-line as the workfare-like version proposed by Miliband. Tchervena has argued for the job guarantee, for all, not just for young people, because it would enable greater economic stability than would UBI, whilst at the same time delivering many of the same benefits as UBI (Tchervena, 2012). In support of her argument, she draws on the impact of the *Plan Jefes* programme in Argentina following the financial crisis of 2001. This was a job guarantee programme aimed at Heads of Households (mostly men), but in practice involving women too, offering four hours of work a day at the minimum wage. Extensive evaluations of the programme have shown the positive impact on the participants, especially on poor women who participated, beyond increased income.

The scheme enabled people to identify specific unmet needs in their families and communities and design jobs to meet those needs. A wide range of work was undertaken, including day care, public libraries, after school activities, tailoring, artistic pursuits, recreation, environmental clean up and recycling, subsistence production and other activities for the public good. After a year the program evolved into *Plan Familias*, enabling a naturalistic quasi-experiment, comparing experiences across the transition from job guarantee to basic income. Men were offered training and job placement assistance, but women the alternative of a basic income to stay at home: in the pilot area for this change, less than 50% of women made the switch. The impact on the women of paid employment included the learning of basic skills, completion of courses, boosted self-perceptions, feelings of being connected to neighbours and enhanced sense of dignity and pride: collective and individual empowerment was facilitated and women reported increased respect in their households and

---

755 <http://press.labour.org.uk/post/79110402681/next-labour-government-will-guarantee-starter-jobs>

communities. Being engaged, doing something, helping the community, working in a good environment were all more important to the participants than their increased income. Women wanted to work rather than receive welfare payments of equivalent amounts. Tcherneva argues that income alone does not lead to empowerment: rather empowerment comes from earned income not charitable donations (the reciprocity-exchange relationship discussed by Fryer and Fagan, 2003).

Tcherneva, then, suggests that *“a well structured guaranteed employment that offers opportunities for meaningful work at a living wage, counters the precariousness of the labour market by eliminating unemployment, drastically reducing poverty and enhancing the individual freedom to say ‘no’ to bad jobs”* (Tcherneva, 2009:184). In the context of the austerity era, she suggests that such a scheme would reverse the decline in public services by focussing on socially useful outputs and public provisioning for all, thus leading to community building and increased social capital at the same time through the prioritising of people’s contributions to socially useful activities. By focusing on the needs of those at the ‘bottom’, she argues, job guarantee would also serve a redistributive function, improving the incomes of those at the ‘bottom’ faster than those at the top and transforming the meaning and purpose of work.

Jobs that focus on mitigating the causes and impact of climate change could also be a part of a job guarantee scheme. Godin (2012) modelled a variation on the job guarantee, the *Green Jobs Guarantee* (GJG), in which the jobs available are in the improvement of energy efficiency for domestic and public buildings (e.g. via retrofitting insulation). In Godin's simulation, the GJG is cost effective for the State (in comparison to a conventional Keynesian demand stimulation package) and unlike the conventional job guarantee it does not lead to a boost in energy demand as a consequence, instead decreasing it.

The key distinction between UBI, social security modifications or job guarantee, may well lie in the degree to which people choose work and jobs at their will or are forced to take jobs out of financial necessity. One of the arguments in favour of UBI is that it would enable people the freedom to choose what, how and when to work.

Tcherneva does not dismiss UBI entirely, but concludes that it would be possible to combine the goals of UBI and Job Guarantee. Income guarantees not tied to labour market participation (such as child allowances, old age pensions, disability allowances, healthcare) could be combined with a voluntary employment opportunity through a living wage-benefit-vacation package for those able, ready and willing to work. She calls this a ‘universal guaranteed participation income programme’ (Tcherneva, 2006). Participation is the foundation of participation income proposals.

## **Participation Income**

In 1994, the Commission on Social Justice (IPPR, 1994:261-265) explored the possibilities of a citizen’s income, arguing for a modified version based on active citizenship, a *participation income*. This idea has also been proposed by

the economist, Tony Atkinson (Atkinson 1996; 2015). He was concerned with reducing inequalities and both preventing and reducing unemployment, and proposed a version of basic income that replaces the 'citizen' eligibility requirement of most UBI proposals, with a 'participation' requirement. The qualifying conditions would include:

*“people working as an employee or self-employed, absent from work on grounds of sickness or injury, unable to work on grounds of disability and unemployed but available for work, it would also include people engaging in approved forms of education or training, caring for young, elderly or disabled dependants or undertaking approved forms of voluntary work, etc. The condition involves neither payment nor work; it is a wider definition of social contribution.”*

(Atkinson (1996:, 68–69)

Atkinson's scheme grants a secure income but requires recipients to satisfy a participation requirement as a condition of support. The kinds of participation envisaged are socially useful activities, such as caring for an elderly person, volunteering in a neighbourhood project, engaging in training or studying for a qualification. The qualifying conditions would need to be approved, which in turn would require a mechanism for administering and monitoring participation activities. How, and on what basis participation activities would be approved would need to be worked out, with the obvious danger that such approval could be politically, rather than socially motivated.

The introduction of such a conditional element to the BI is similar to the 'contribution contract' proposed by the RSA as part of their model of UBI. The idea here is that all recipients of the BI sign a contract with their local communities to *“Contribute to the extent they are able, through earning, learning, caring or setting up a business”* (Painter and Thong, 2015:.20). The suggestion is that such a contract will be a positive affirmation to establish norms, provide social support and underpin the contribution ethos - thereby helping to shift social attitudes values from individual success to social solidarity.

It is unknown whether or not participation, or contribution, requirements for a BI would enhance community building, and whether the breach of one of the core principles of most UBI models, namely that of unconditionally, would weaken the transformative potential of the UBI or strengthen it.

## **Participatory Civic Economy**

Participation is at the heart of the creation of participatory civic economies, currently in their infancy. Rather than thinking about national policies and processes to alleviate poverty, austerity and its negative psychological effects, civic economies are locally focussed and begin with the goal of increasing social solidarity. Drawing on the work of Murray (2009), the *Compendium for the Civic Economy* (“00/(London)”, 2011:9) describes the civic economy as one designed to



*“unlock and share the resources we have more effectively. ..It comprises people, ventures and behaviours that fuse innovative ways of doing from the traditional distinct spheres of civil society, the market and the state. Founded on social values and goals and using deeply collaborative approaches to development, production, knowledge sharing and financing, the civic economy generates goods and services and common infrastructures in ways that neither the state nor the market economy alone have been able to accomplish”.*

*Civic economy approaches*, then, aim to alleviate the passivity and isolation of current employment and welfare practices. Furthermore, proponents argue for innovative and new methods of co-producing society, co creating value, cost savings and mechanisms for financing or collective investment. People come together to identify local needs, design and implement projects, producing socially useful products. The approach has been successfully trialled at a neighbourhood level in Lambeth (Open Works, 2016:21), but has yet to be scaled up. This approach is similar to that of the *Organisation Workshop*<sup>756</sup>, developed in Brazil and implemented in Latin America and Africa (Carmen and Sobrado, 2000) and in Marsh Farm, Luton (Imagine, 2016).

Civic economy approaches are participatory and collaborative, local in scale and are a way to regenerate and enhance the resilience of local communities, cities and regions. Examples of civic economy practices highlight the empowering impact of participation, as well as the sense of agency participants feel. The ideas challenge conventional thinking about work, social protection and participation, and so offer an alternative way forward, with positive social benefits, to those of UBI or welfare-employment reform.

## **So... are there viable alternatives to UBI?**

These alternatives to UBI rely on either new packages of policy interventions, guaranteed jobs, or new ways of thinking about relationships between individuals, communities, the market and the state. The proposals do not address the potential UBI has of moving towards greater gender equality, particularly in terms of sharing care. Lister (2017), however, points out that to achieve this would require enhanced parental leave and shorter working weeks (Coote, Franklin and Simms, 2010) – which could be incorporated into either basic income, job guarantee or participatory alternatives.

Further work would be needed to ensure that whatever alternatives are considered, that they deliver the optimal mix of liveable and predictable income; sensitivity to additional needs; equity; encouragement of social solidarity and community contributions; economic stabilisation; ecological beneficence; and political and public feasibility and acceptability. They need to address both the social recognition that paid employment gives with income redistribution.

---

756 [https://en.wikipedia.org/wiki/Organization\\_workshop](https://en.wikipedia.org/wiki/Organization_workshop)

Perhaps they are not either/ors. Maybe social-good job guarantee schemes, coupled with progressive benefit and tax reform would form a realisable step towards UBI – and may even exist once UBI is in place to moderate the ravages of the market and ensure that the economy is realigned, with a just future of prosperity for all within ecological boundaries.

## References

00:/ (London). (2011). *Compendium for the civic economy what the big society should learn from 25 trailblazers*. London: 00:/.

<https://www.scribd.com/document/155665115/Compendium-for-Civic-the-Economy>.

Ackerman, B. and Alstott, A. (2004). Why Stakeholding? *Politics and Society*, 32 (1) 41-60.

Allaker, J. and Cavill, S. (2011) Customer Experience of the Futures Job Fund: Findings from a Qualitative Research Study. London, Department Work and Pensions.

<http://dera.ioe.ac.uk/10324/1/ihr1.pdf>

Atkinson, A.B. (1996). The Case for a participation Income. *Political Quarterly*, 67 (1), 67-70.

Atkinson, A.B. (2015). *Inequality: What can be done?* Cambridge, MS., Harvard University Press.

Benach, J., Vives, A., Amable, M., Vanroelen, C., Tafa, G., and Muntaner, C. (2014). Precarious Employment: Understanding an emerging social determinant of health. *Annual Review of Public Health*, 35, 229-253.

<http://www.annualreviews.org/doi/pdf/10.1146/annurev-publhealth-032013-182500>

Block, F. and Manza, J. (1997). *Could We end Poverty in a Postindustrial Society? The case for a Progressive Negative Income Tax*. *Politics and Society*, 25, (4), 473-511

Cadarn Research. (2016, August 23). A short note on basic income and Wales.

Retrieved from <https://cadarnresearch.wordpress.com/2016/08/23/basic-income/>

Carmen, R. and Sobrado, M. (2000). *A Future for the Excluded. Job Creation and Income Generation by the Poor - Clodomir Santos de Moraes and the Organization Workshop*. London, Zed Books.

Coote, A., Franklin, J. and Simms, A. (2010). *21Hours: Why a Shorter working Week can Help Us All to Flourish in the 21st Century*. London, New Economics Foundation.

Davey, B. (2016). *Fantasies of "Socialism with an iPad"?: Inventing the Future by Nick Srnicek and Alex Williams: Review* [Text]. Retrieved March 6, 2017, from

<http://www.feasta.org/2016/08/14/fantasies-of-socialism-with-an-ipad-inventing-the-future-by-nick-srnicek-and-alex-williams-review/>

Davis, A., Hill, K., Hirsch, D. and Padley, M. (2016). *A Minimum Income Standard for the UK in 2016*. York, Joseph Rowntree Foundation.

<https://www.jrf.org.uk/report/minimum-income-standard-uk-2016>

DWP (2012). *Impact and Costs and Benefits of the Future Jobs Fund*. London, UK Government Department of Work and Pensions.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/223120/impacts\\_costs\\_benefits\\_fjf.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/223120/impacts_costs_benefits_fjf.pdf)

Friedman, M. (1962). *Capitalism and Freedom*. Chicago, University Chicago Press.

- Fryer, D. & Fagan, R. (2003). Towards a Critical Community Psychological Perspective on Unemployment and Mental Health. *American Journal of Community Psychology*, 32 (1/2), 89-96.
- Godin, A. (2012). Guaranteed Green Jobs: Sustainable Full Employment (Working Paper No. 722). New York: Levy Economics Institute. Retrieved from [http://www.levyinstitute.org/pubs/wp\\_722.pdf](http://www.levyinstitute.org/pubs/wp_722.pdf)
- Harrop, A. (2016a). *For Us All. Redesigning Social Security for the 2020's*. London, Fabian Society.
- Harrop, A. (2016b). *For Us All. Redesigning Social Security for the 2020's. Appendix 7: Arguments for and against a full basic income*. <http://www.fabians.org.uk/wp-content/uploads/2016/08/Appendices.pdf>
- Imagine (2016). *Marsh Farm Organisation Workshop: Evaluation Report*. [https://coanalysis.blog.gov.uk/wp-content/uploads/sites/115/2016/07/Final-Evaluation-Document\\_Summary.pdf](https://coanalysis.blog.gov.uk/wp-content/uploads/sites/115/2016/07/Final-Evaluation-Document_Summary.pdf)
- IPPR (2004). Social Justice: Strategies for National Renewal. The Report of the Commission on Social Justice. London, Vintage. [http://www.ippr.org/files/publications/pdf/commission-on-social-justice\\_final\\_2014.pdf?noredirect=1](http://www.ippr.org/files/publications/pdf/commission-on-social-justice_final_2014.pdf?noredirect=1)
- JRF (2016a). *UK Poverty: Causes, Costs and Solutions*. York, Joseph Rowntree Foundation. <https://www.jrf.org.uk/report/uk-poverty-causes-costs-and-solutions>
- JRF (2016b). *We Can Solve Poverty in the UK*. York, Joseph Rowntree Foundation. <https://www.jrf.org.uk/report/we-can-solve-poverty-uk>
- Lister, R. (2017). Coming Off the Fence on UBI? <https://www.compassonline.org.uk/universal-basic-income-coming-off-the-fence/>
- Mckenzie L. (2014). *Getting By: Estates, Class and Culture in Austerity Britain*. Bristol, Policy Press.
- Murray, R. (2009). *Danger and Opportunity: Crisis and the New Social Economy*. London, Young Foundation and NESTA.
- Coote, A., Franklin, J. and Simms, A. (2010). *21Hours: Why a Shorter working Week can Help Us All to Flourish in the 21st Century*. London, New Economics Foundation.
- Open Works (2016). *Designed to Scale: mass participation to build resilient neighbourhoods*. London, Civic Systems Lab. <https://drive.google.com/file/d/0B28SOnHQM5HV0pyT2p1NGNvQk0/view>
- Reed, H. and Lansley, S. (2016). *Universal Basic Income: An Idea Whose Time has Come*. London, Compass
- Srnicek, N. and Williams, A. (2015). *Inventing the Future: Postcapitalism and a world without work*. London, Verso
- Standing, G. (2006). CIG, COAG, and COG: A comment on a debate. In B. Ackerman, A. Alstott and P. Van Parijs, *Redesigning Distribution: Basic Income and Stakeholder Grants as Cornerstones for an Egalitarian capitalism*. London, Verso pp175-195.
- Tchervena, P. R. (2012). The Job Guarantee: Delivering the Benefits That Basic Income Only Promises – A Response to Guy Standing. *Basic Income Studies*, 7 (2) , 66–87
- Tcherneva, P.R. (2009). Evaluating the economic and environmental viability of basic income and job guarantees in P. Lawn (ed.) *Environment and Employment: A Reconciliation*, London: Routledge.

Tcherneva, P. R. (2006). Universal assurances in the public interest: Evaluating the economic viability of basic income and job guarantees. *International Journal of Environment, Workplace, and Employment*, 2 (1), 69-88.

Varoufakis, Y. (2016, October 31). *The Universal Right to Capital Income*. Retrieved March 6, 2017, from <https://www.project-syndicate.org/commentary/basic-income-funded-by-capital-income-by-yanis-varoufakis-2016-10>

(An edited version of these alternatives appears in Psychologists for Social Change, (2017). *Universal Basic Income: A Psychological Impact Assessment*. PAA: London) [http://www.psychchange.org/uploads/9/7/9/7/97971280/ubi\\_briefing\\_low\\_res.pdf](http://www.psychchange.org/uploads/9/7/9/7/97971280/ubi_briefing_low_res.pdf)

# The social policy conundrum: An authentic third way?

Mark Burton, 2016<sup>757</sup>

## Introduction: in search of a better third way.

It has become commonplace to contrast the neoliberal<sup>758</sup> policy consensus of the last thirty or so years with the broadly social democratic one of the post war settlement.

While rejecting the neoliberal approach it is more difficult to articulate an alternative that is not a return to a statist, bureaucratic, paternalistic approach, rooted in gendered social arrangements that no longer exist. We are clear that both approaches are problematic in terms of the exercise of power: in both cases power is exerted over citizens rather power being exerted by and with citizens.

*Third ways* have a poor track record, typically being too weak to resist co-option or drift into one or other of the first and second ways they were intended to replace. Yet if we reject both the first, paternalistic statist model and the second, neoliberal laissez-faire one (whose antecedents of course predate our first way), then we are inevitably implying that there is a better, third way which we could call *convivial social policy*. But that third way will be closer in its intentions to the first than the second way: it will value social solidarity, sharing the risks of everyday life, and seek to curb the power of capital, but without ceding that power unconditionally to the State. A tabular comparison of the three models follows.

---

757 Working paper produced following a series of working group sessions on Post-Growth Social Policy at MACC, Manchester. Participants in some or all of the sessions included Nigel Rose, Judith Emanuel, Sophie King, Hannah Berry, Maurice Barnes, Caroline Glendinning and Mark Burton. Arguments made here are not necessarily shared by all participants but the attempt has been made to reflect the main drift of the discussions.

758 This term refers to the interlocking ideology, action and structure complex that asserts the primacy of markets (hence the reliance on private sector options and the curtailment of union power and influence), the restricted role of government (hence privatization) and the free movement of capital (and hence financial liberalisation) as a way of ensuring continued profitability of capitalist enterprise. It is associated with the economist F Hayek and was implemented, firstly in Chile after the fascist coup of 1973, and worldwide from the 1980s.

## Models of social policy.

| <b>Problem area</b>             | <b>Neoliberal Social Policy</b>  | <b>Social Democratic Social Policy</b>   | <b>Convivial Social Policy</b>   |
|---------------------------------|--|--|--|
| Guiding metaphors               | Markets, choice, consumers, fraudsters.  | Welfare, social engineering, control.  | Solidarity, learning, community.   |
| General approach                | Market.<br>Roll back the State. Use market mechanisms.<br>Commodify needs.<br>Consumerism.               | State.<br>Use the State to intervene.<br>Contradiction between managing the economy and serving the people. Tendency to paternalism and bureaucracy. | Community.<br>Rebuild the relationship between State and community/people.<br>Co-production.<br>Increase social solidarity and true self-reliance to both prevent and respond to social problems. Blend civil and formal solutions (e.g. in child care). Democratic and accountable State remains guarantor and facilitator of local responses and social justice. |
| Understanding of people in need | Deserving and undeserving, they are a problem to be managed as they get in the way of market efficiency. | Paternalistic attitude to passive subjects for whom we know best.  | Humility in understanding their situation, in learning from their experiences and in working together to resolve problems.   |

| <b>Problem area</b>   | <b>Neoliberal Social Policy</b>  | <b>Social Democratic Social Policy</b>   | <b>Convivial Social Policy</b>  |
|-----------------------|--|--|---|
| Delinquency and crime | punitive approaches<br>privatised agencies   | Combination of punitive and (often half-hearted) rehabilitative approaches (depending on jurisdiction)                                 | Build strong inter-generational communities<br>Removing causes of crime<br>Restorative justice<br>Selective and effective sanctions   |
| Unemployment          | (demand-side orientation)<br>Used as tool of social and economic discipline and management - maintain reserve army of labour<br>least eligibility principle.<br>Training | (supply side orientation)<br>"Full employment" reasonable to generous benefits (eroded under NL influence)<br>Training                 | A new social contract.<br>Reduce working week<br>Fair contribution principles.<br>Basic guaranteed income (could be linked to cap and share)<br>Local economic social development<br>Capacitation |
| Welfare dependency    | NL concept in origin<br>Ideological use of the term to legitimise welfare cuts<br>Cameron's Big Society  | General failure to recognise the unintended consequences of non-contributory welfare benefits, and them a regression to means-testing. | Unclear - but need to create a State that is owned and operated by its citizens.<br>Increase the subsistence and solidarity economy.  |



| <b>Problem area</b>   | <b>Neoliberal Social Policy</b>   | <b>Social Democratic Social Policy</b>  | <b>Convivial Social Policy</b>   |
|---|---|---|--|
| Intra-family and domestic abuse and violence  | Promotion of traditional family (basic paradigm).<br>Not necessarily traditionalist though, so long as market is promoted.  | State intervention is basic paradigm. Can involve both policing of and support to family unit.          | Family as integral part of a convivial society - reduction of barriers family-community, but community not reducible to family as in NL model. Family supported by State and community. Education and cultural strengthening and effective intervention and sanctions.   |
| Vulnerable groups (disabled people, those with psychological problems, addictions etc.) | Tight eligibility criteria and demarcation lines (deserving vs undeserving welfare recipients). Public purse funds private business with co-payments. Community (aka family) care. Vouchers / personal budgets. | Paternalistic model, professionally dominated (big variation between jurisdictions).<br>Community care. | Co-operative, asset-based support, organised by a democratic accountable State through a combination of specialist agencies, generic provision and strengthened and empowered communities. Social movements /advocacy organisation play a big role as second channel for democratic accountability and influence. Co-production. Local Area Co-ordination. |

| <b>Problem area</b> | <b>Neoliberal Social Policy</b>   | <b>Social Democratic Social Policy</b>   | <b>Convivial Social Policy</b>   |
|---------------------|---|--|--|
| Older people.       | Vehicle for transfer of State resources to private profit. Increased retirement age / more employed years. Privatised care model under strict eligibility criteria. | Traditionally discarded with State support. This eroded under neoliberalism. Paternalistic care model – increasingly consumerist under pressure from neoliberalism and social movements. | Source of wisdom and skills, especially in the non-market, non-labour, implicit 'lifeworld' areas. Create and maintain strong intergenerational communities. Reduce formal / professional and specialist childcare roles? e.g. in schools – integrating civil/community and State resources. Social care as accountable public service with good pay and conditions. No pressure to contain costs as some reduction in need due to social redesign (prevention) and recognition of multiplier effects for local economies of social care expenditure.. |

## An emergent model

There are signs of such a third way beginning to emerge, facilitated by the crisis of the neoliberal economic and social model and the need for local service providers, councils and communities to respond to social need under conditions of imposed scarcity. They include *Age Friendly Neighbourhoods*, *Co-operative councils*, *GM Better Ageing Initiative*, *Participatory Budgeting*, community shops in rural areas, ecovillages and transition towns, community-led action against public spending cuts and community adoption of libraries and leisure centres, and *DIY urbanism*, for example in the taking of short leases to cultivate under-utilised municipal land. These tend to be either State/public service-led or community-led, but in all cases there is a degree of co-operation between community and State. To these examples on the ground we can add, in the policy arena, initiatives such as the Labour Party leadership's moves to rethink public ownership along co-operative and mutual lines<sup>759</sup>, and the co-production models described in NEF's *People Planet and Power* report<sup>760</sup>. None of these is in itself a paradigm for a new approach but rather they all represent promissory notes for an emerging one. There are at times undesirable elements intertwined with some of these examples, for example in the placing of excessive responsibilities, that should be formally organised and funded, onto individuals and particularly women. But our aim here is to identify the positive elements from this messy reality on the ground, to identify a possible emerging model or models, and to think through some of the key design principles for an authentic third way.

We pose three questions about this emerging “authentic third way”.

- 1) What are its key characteristics, or rather what is its radical core: i.e. in what ways does it differ from the first and second ways?
- 2) How could it go wrong: how could it be neutralised, diverted, or forced into the tramlines of the dominant models? And what can we learn from the history of other such attempts to construct a new model?
- 3) How might such new shoots be “inoculated”, safeguarded against such hegemonic corruption?

### 1) What are the key characteristics?

We would see these emergent approaches as all, to varying degrees, having,

- A philosophy that, while respecting individual diversity, is broadly collectivist in that it rests on social solidarity across groupings, pooling social risks and the responsibility of society to care about and for those in need. Some communities have strong, pre-existing ties that act as a kind of “carrier wave” for risk pooling and mutual aid. In other communities

---

759 e.g. <http://labourlist.org/2016/01/its-the-new-economics-full-text-of-john-mcdonnells-co-op-speech/>

760 <http://www.neweconomics.org/publications/entry/people-planet-power-towards-a-new-social-settlement>

these “natural” ties and networks are less strong, so they have to be synthesized in some way (for example via initiatives such as timebanking). Moreover, to greater or lesser degree, some people are excluded from such informal networks, which highlights the responsibility of government to enable and support high levels of social solidarity and mutual aid, while also guaranteeing a safety net.

- An awareness of the need for sustainability: social arrangements need to be robust, securing the conditions for their continuation (for example by including rather than excluding sectors, building consent), economically viable (without defaulting to an accounting mentality of cost cutting) and they also need to be ecologically compatible (for example not dependent on endless GDP growth).
- The previous two points indicate what may be called a “commons approach”. Some things are, by their nature freely available (time, mobility at neighbourhood level, altruism and concern for the other, water, air, the land) although neoliberalism has the mission of capturing, commodifying and exploiting every last common. The approach also seeks to amplify those assets that are held in common: the classic example is the NHS, where what had previously been a privately delivered and exploited commodity became a commonly held social good – albeit one that was often managed in a harsh, bureaucratic and insensitive way, opening the door for the neoliberal consumerist wedge. Note that “the commons” is not an automatic recipe for good. However, there are some key design principles for community governance of commons resources, for example in Ostrom's work<sup>761</sup>, and these will be a starting point for ensuring that there is neither over-exploitation of common resources, nor unfair allocation of them.
- The other key characteristic is dialogic construction (usually called co-production): multiple conversations among those with differing interests lead to shared solutions and shared advantage, although we do note that much of the emergent model assumes a consensus rather than conflict model of society: we would see both elements as inescapable, so the dialogic approach only goes so far (some are unable to enter into the relevant discussions without considerable help, or advocacy, while others set the terms of the debate).

## 2) How could it go wrong?

We see the main risks as those arising from the neoliberal ideology-action-structure complex (IASC) which will tend to subvert third way approaches, subjecting them to a narrow economic rationality, commodifying them under a contract-market regime. However, secondary risks also arise from the statist IASC which will seek to control and own these innovations, cramping them.

---

761 <http://www.onthecommons.org/magazine/elinor-ostroms-8-principles-managing-commmons>

These two classes of threat will also operate together, with, for example, councils adopting innovative commons models, routinising them, and entering the resulting heartless version into the market (commissioning).

This is pretty much what happened to the *personalisation* innovation of the 1990s/ 2000s. Personalisation of care arrangements, initially informed by a strong rights and advocacy approach, with commons elements (e.g. *support circles, person-centred planning, nascent co-production, citizen advocacy*, and philosophies like the *social model of disability* and *social role valorization*) became reduced to *personal budgets* where clients became consumers (not citizens) selecting commodified and casualised care elements (themselves or via a bureaucratic care management proxy) within an increasingly prioritised care and support system<sup>762</sup>, now called the health or social care market or economy. The idea of a creative, person-centred, knitting together of supports from the formal system and the social commons, (as in Canadian *brokerage* or Australian *local area coordination*<sup>763</sup> models), was lost, almost before it ever got started.

This example should be a warning of two things:

Firstly, be careful who you make common cause with. *Direct Payments*, the first version of personalisation to be rolled out in the UK, were a rights-based demand of the disabled people's movement, for autonomy from the council bureaucracy in designing and managing supports for independent living (that slogan itself something of a weasel phrase, a slippery slope to the asocial atomisation of community living). An unholy alliance<sup>764</sup> of radical self-advocates with free marketeers and privatizers led to this almost absolute dominance of the neoliberal variant of personalisation.

Secondly, have a clear, and indeed ideological, understanding of what you are trying to achieve, and of the openings for subversion by the dominant interests. This requires both a sense of where one is trying to go and of the nature of the still actually existing social and economic system and the material (money and power) interests at play within it.

### **3) Inoculation, safeguards, education and consciousness**

To guard against the better third way becoming inauthentic then, requires some kind of designing in of safeguards from the start. In relation to a concrete social innovation (e.g. a new commons/co-production support service) This might involve,

- Clarity about the design principles: what is the philosophy of the innovation? What's distinctive? What red lines demarcate between what can and can't be compromised?

---

762 i.e. one that excluded certain types and levels of need.

763 <http://www.centreforwelfarereform.org/library/by-date/local-area-coordination.html>  
<http://lacnetwork.org/>

764 Burton, M., and C. Kagan. 'Decoding Valuing People'. *Disability and Society* 21, no. 4 (2006): 299–313.

- What safeguards can be designed in? e.g. How can it be so embedded that it is very difficult to lift it out as a commodity? What governance arrangements would likely prevent a marauding authority or competitor from interfering, while still ensuring accountability and responsiveness to the community of participant beneficiaries? What feedback and learning loops can be designed in? How can links be made with other similar initiatives for mutual learning and solidarity support?
- How can those involved be educated / self-educated in order to have greater capacity to respond. What organisational tools will they need to make use of this education day to day?

Some ideas about this last area follow.

## **A (very tentative) basic curriculum for better organisational and political consciousness**

- A historical perspective.
- Systemic processes of power and disempowerment.
- Organisational structures and functioning, including traditional and collective / self-management models.
- The nature of the social welfare bureaucracy, structure, roles, responsibilities, who's who, finance, outline of key legislation.
- Social entrepreneurship - using tools from mainstream management, marketing, etc. for social and co-operative ends. Alternative approaches.
- Community: understanding real communities of place and interest. Navigating conflictual settings.
- Financial literacy: understanding money, reading financial accounts, managing budgets, fundraising and commons-based financial ownership models.

## Section 12: Strategy and politics

So far this collection has explored the nature of the unviable mess that we are all in, unhelpful “false solutions” and myths have been deconstructed, and a host of positive ideas for a viable society and economy have been put forward. Yet how can the enormous changes needed be brought about? It is at most points that books on alternative policy frameworks, including post-growth alternative, tend to become unsatisfactory, not really grappling with the realities of praxis, with the *agency problem*, of who will be persuaded to do what, how and by whom? where those “who’s” are of course largely plural and collective.

Perhaps inevitably, as a collection of pieces previously written, covering selected aspects of the whole unviable-viable problematic, no comprehensive set of answers is offered here. The parameters of the problem are clear enough and can be expressed in terms of a series of dualities to be overcome.

- The need for consent, participation and democratic decision-making versus the extreme urgency of making the needed changes given the intensifying climate and broader ecological-planetary emergency, where multiple systems are already showing signs of collapse.
- The need to replace the self-expanding capitalist system versus the impossibility, given the urgency of our common predicament, of “waiting for the revolution” and hence the need for solutions now.
- The impossibility of “sustainability in one country” versus the need to start somewhere, whether locally or nationally.
- The huge imbalances of power and wealth versus the masses of the affected and those excluded from any form of decisions-making.
- The intellectual knowledge and understanding that we are in a dire situation versus the everyday denialism that most of us practice at some level to retain any kind of optimism and sense of purpose.
- The inertia, caution and conservatism of most political parties and organisations versus the need to influence and change these incumbents to some degree, or where this is not possible to try the formidable task of replacing them.
- The dominance of received but erroneous notions, such as market solutions and green or inclusive growth versus the marginality of alternative concepts and ideologies.

The following pieces cover some of this ground, but to repeat the caution, they do not seek to address all of these issues. The first is the oldest piece in the collection, from 2009, *Sustainability, Utopian and Scientific*, which followed the example and to some extent the model of the pamphlet by former Manchester resident Friedrich Engels, *Socialism, Utopian and Scientific*, which offered a



critique of the idea that good ideas are enough to bring about socialism. It struck me when writing this article, and it still does, that this was equally applicable to much of the environmental movement.

Other material is more recent and focusses on the interlude of hope when the British Labour Party, to everyone's surprise, elected an incorruptible, ethical socialist, Jeremy Corbyn, as its leader in 2015. This was seen as a source of hope by many of us, but the shortcomings were also clear, since although often ecological aware, the party and its leadership still mostly expounded the theory and policies of economic growth. The piece, from 2018, reviewed the prospects for a degrowth turn were analysed together with suggestions for responding to degrowth sceptics. Lamentably, and all too predictably, the party was defeated at the 2019 General Election, partly as a result of the difficult politics of European belonging vs "Brexit", and partly as a result of a sustained campaign to smear and discredit Corbyn himself and the party's policy platform. The party's defeat was followed by the defeat of the left within the party which elected a leader who immediately began to reverse the policy advances and to purge the left.

This section is written as the worst British government in living memory presides over a mismanaged pandemic, with more than 120,000 avoidable deaths, even greater levels of morbidity, and an unplanned, non-degrowth, economic contraction of unprecedented scale. All this while the climate crisis, together with the other dimensions of the global pancrisis, accelerate and intensify alarmingly.

# Sustainability: Utopian and Scientific

Mark Burton, 2009<sup>765</sup>

## Introduction

To make the move to a sustainable future where people are no longer threatened by an ecological catastrophe will require a number of things – above all a strong and broad movement with effective and intelligent leadership and an accurate understanding of the current problems and how they can be overcome. Sadly, only some parts of this constellation of forces are in place today. In particular the green movement is not an effective political and social movement and the left is still in disarray, largely concerned with defensive politics and harking back to a world long gone.

As for ideas and analysis of the situation and what needs to be done, some powerful critiques<sup>766</sup> of the current economic orthodoxies have recently appeared that set out an alternative way in which the well-being and prosperity of the population can be achieved and maintained. However, these contributions are insufficient since they do not provide a sufficiently profound diagnosis of the causes of the problem. Without such a diagnosis there can be no convincing prescription for a remedy. But the situation is even worse than that. There is also no convincing approach to obtaining the necessary changes. The situation is not unlike that which Frederick Engels faced in the 1870s when he wrote *Socialism, Utopian and Scientific*<sup>767</sup>. Engels respected the utopian socialists Saint-Simon, Fourier and Owen for their identification of the dire effects of the super-exploitative capitalist system as its growth gained speed in the first half of the 19<sup>th</sup> century. But he pointed out that they had not understood the generative mechanisms by which it dominated society and caused these dire consequences for working people. Nor had they any convincing praxis – that is to say they neither had a theory of how its domination might be ended nor a programme for hastening that end. He counterposed *scientific socialism* – that is socialism that has an understanding of the causes of class dominance and the role of the working class in their own emancipation – with *utopian socialism* which named the problem, proposed utopian alternatives, but was idealist in the sense that it thought it would be enough to convince enough people of the rightness of the alternative way. It

---

765 Originally published at <http://greendealmanchester.wordpress.com> and in the now defunct website 21st Century Socialism, on August 1, 2009. Republished at *Links International Journal of Socialist Renewal* <http://links.org.au/node/1198> Reprinted here with minor corrections.

766 These come from various sources. The New Economics Foundation is a particularly important producer of such material.

767 Originally published in 1877 as part of Anti-Dühring (<http://www.marxists.org/archive/marx/works/1877/anti-duhring/index.htm>), published as a separate pamphlet 1892 <http://www.marxists.org/archive/marx/works/1880/soc-utop/index.htm> .

will be argued here that an analogous situation exists today with regard to the agenda of sustainability and specifically with the idea that economic growth is not sustainable.

There is still a striking consensus about the nature of the economic development that is needed, not just in the UK but on a global scale. The main political parties, business, the unions, the international agencies, the so-called economists and the pundits in the media all assume that economic growth must continue, year on year.

First we need to look at the argument against this.

## The problem with economic Growth<sup>768</sup>

Growth over the last 10 years in the UK has averaged 2.64% p.a. - an economy that *doubles* in size every 26 years<sup>769</sup>. The global economy is almost 5 times the size it was 50 years ago<sup>770</sup>. It is generally assumed that around 3% growth per annum is healthy for an economy.

Such growth has an environmental cost. The ecological footprint of the UK is 4.2 hectares per person - that is to say we each depend on that area for our consumables, recreation, carbon sequestration and so on. But the available 'biocapacity' of the UK provides less than half that (1.8) - a negative ecological debt<sup>771</sup>. As growth increases our ecological debt increases along with that of all the other countries. As the Global Footprint Network puts it:

*"Today humanity uses the equivalent of 1.3 planets to provide the resources we use and absorb our waste. This means it now takes the Earth one year and four months to regenerate what we use in a year.*

*Moderate UN scenarios suggest that if current population and consumption trends continue, by the mid 2030s we will need the equivalent of two Earths to support us. And of course, we only have one.*

---

768 The critique of economic growth goes back at least to the report *Limits to Growth* (Meadows et al.) in 1972.

769 <http://www.tradingeconomics.com/Economics/GDP-Growth.aspx?Symbol=GBP> The comparable international rates are 3.2% (21 years to double) for the advanced economies and 5.0% (14 years to double) for the rest (IMF members only) International Monetary Fund, World Economic Outlook Database, October 2008, cited by *Manchester Independent Economic Review* <http://www.manchester-review.org.uk/download/?id=549>

770 Jackson, T. *Prosperity Without Growth: The transition to a Sustainable Economy*. Sustainable Development Commission, 2009. [http://www.sd-commission.org.uk/data/files/publications/prosperity\\_without\\_growth\\_report.pdf](http://www.sd-commission.org.uk/data/files/publications/prosperity_without_growth_report.pdf) This report was the basis for a book, now in its second edition. The introduction provides an interesting account of its reception by the then government. Jackson, T.. *Prosperity without Growth: Foundations for the Economy of Tomorrow*. Second Edition. London ; New York: Routledge, Taylor & Francis Group, 2017. [http://www.sd-commission.org.uk/publications/downloads/prosperity\\_without\\_growth\\_report.pdf](http://www.sd-commission.org.uk/publications/downloads/prosperity_without_growth_report.pdf)

771 <https://data.footprintnetwork.org/#/countryTrends?cn=229&type=BCpc,EFCpc> Figures updated to latest, available 2017.

*Turning resources into waste faster than waste can be turned back into resources puts us in global ecological overshoot, depleting the very resources on which human life and biodiversity depend.”<sup>772</sup>*

Some have suggested that it is possible to decouple growth from material throughput – that is to make growth happen without corresponding growth in resource inputs (fuel, food, materials) and waste outputs (emissions of all sorts) – having our cake without getting obese. But the evidence, as reviewed by Tim Jackson, Economics Commissioner for the UK government’s Sustainable Development Commission<sup>773</sup> is that only a *relative* reduction in throughput is feasible. The *absolute* level of resources needed and waste produced continues to rise. So the ecological overshoot or ecological debt just goes on getting worse.

This problem is brought into stark relief by two fatal challenges:

**Peak energy.** Oil, gas, uranium and even coal are at or approaching the point at which the rate of exploitation of resources falls behind the rate of use. This means an energy crunch. We had a taste of this in 2008 with oil prices rising steeply. That was mostly a result of speculation, but this kind of volatility is likely to increase as the gap between exploitation and usage widens.

**Climate change.** All the indications are that the situation is far worse than had been anticipated. Positive feedback effects (‘non-linearities’) magnify the impact of the rising carbon dioxide levels but they hadn’t been properly understood and accounted (for example by the earlier International Panel on Climate Change reports) and hence government targets, already too little and too late, now appear to be dramatically inadequate.

The first problem makes economic growth, reliant on its energy subsidy, implausible. The second problem makes it suicidal.

## Utopian sustainability

We can refer to two sources as representative of utopian sustainability. Firstly, the work of the *New Economics Foundation* (NEF), for example the *Green New Deal* paper published in 2008<sup>774</sup> and the work on alternative indicators of well-being to Gross Domestic product (GDP)<sup>775</sup>. Secondly, work by the *Sustainable*

---

772 [http://www.footprintnetwork.org/en/index.php/GFN/page/world\\_footprint/](http://www.footprintnetwork.org/en/index.php/GFN/page/world_footprint/)

773 Jackson, T (2009) *Prosperity Without Growth: The transition to a Sustainable Economy*. London: Sustainable Development Commission  
[http://www.sd-commission.org.uk/publications/downloads/prosperity\\_without\\_growth\\_report.pdf](http://www.sd-commission.org.uk/publications/downloads/prosperity_without_growth_report.pdf)

774 New Economics Foundation, *A Green New Deal. Joined-up policies to solve the triple crunch of the credit crisis, climate change and high oil prices*, 2008. Available at, <https://web.archive.org/web/20081223042632/http://www.neweconomics.org/gen/uploads/2ajogu45c1id4w55tofmpy5520072008172656.pdf>

775 Abdallah S, Thompson S, Michaelson J, Marks N and Steuer N (2009) *The (un)Happy Planet Index 2.0. Why good lives don't have to cost the Earth* (NEF: London)  
<http://www.neweconomics.org/publications/happy-planet-index-20http://hdl.handle.net/10552/604>  
or

*Development Commission* (SDC), for example the critique of economic growth cited above. However, while critical of these efforts it is important to be very clear that they are fine so far as they go. More, they are a vital source for a 'scientific' approach to sustainability despite their utopian, or should we say Fabian<sup>776</sup>, flavour.

The problem then is that although they present sound critiques of the effects, they offer no analysis of the systemic causes. Moreover their utopian proposals come with no analysis of how changes can be brought about<sup>777</sup> - there is little or no theory of action, just a 'tell-and-hope' reformism.

## Roots of the growth fetish

What we can call the growth fetish has multiple roots. These can be divided into the *ideological*, the *practical* and the *systemic*.

Firstly, a belief in the inevitability and necessity of growth seems like common sense. The idea of progress, of living better than our parents did is ingrained in our culture. As noted above, hardly anyone questions this - it is the current currency of political and economic discourse, both for those within the system and for many of those critical of it. But, common sense is not the same thing as good sense<sup>778</sup>. It reflects the dominant interests in the social system, and in this case, as we will see, the ideology reflects and supports the interests of Capital<sup>779</sup> - the growth fetish is *hegemonic*.

Secondly, growth has a practical appeal in the context of responding to social ills. Where the cake is growing it seems not to matter if people's shares are unequal, so long as they are all growing. This is actually illusory on two counts. Firstly, there is evidence (collated by NEF among others) that since the mid 1970s economic growth has not been associated with rises in life-satisfaction<sup>780</sup>. Secondly, this model of an increasing but unequally shared cake is flawed as a recipe for societal well-being: there is persuasive evidence that

---

<https://repository.uel.ac.uk/download/719fb324fc41659966c168af1220cd045924160f8791ef037746f7bbd3971dad/4632275/Abdallah%2C%20S%20et%20al%20%282009%29%20nef.pdf>

- 776 The Fabian society, established at the end of the 19<sup>th</sup> Century took its name from the Roman general Quintus Fabius Maximus whose tactics of repeated guerrilla type assaults on the invading Carthaginians were ultimately successful. The Fabians sought a reformist path to socialism, eschewing class struggle. Their approach has tended to be based on presenting ideas and proposals, often backed with social scientific research in order to convince those in positions of power, a style of engagement identical to that of NEF, the SDC and other similar lobby groups.
- 777 This is perhaps a little unfair in the case of the SDC – in their report *Prosperity Without Growth* Jackson does offer the beginnings of an analysis of the appropriate macro economics of a no-growth economy. The problem is there is no analysis of what might bring this about, either in terms of the contradictions of the present system or of the social forces that could be recruited to the struggle for such an approach.
- 778 The distinction is from Gramsci. See page 340.
- 779 Capital refers here to a cohesive subsystem in society comprised of both capital in economic terms *and* the actions, strategy, ideology of those who work to increase the accumulation of capital – its production and reproduction and expansion. These people were initially the classical industrial capitalists of the 19<sup>th</sup> Century, but over the last 100 years the function has been to greater or lesser extent become systemic in nature, with the development of professions such as accountancy and the establishment of bodies such as pension funds and corporate bonds that function objectively as the capitalist.

more unequal societies have a greater level of social ills, not just for the poor but for all strata<sup>781</sup>. Moreover, an unequally divided cake that grows becomes means an accentuation of the inequalities in absolute terms. Flawed it may be but this supposed practical root of the growth fetish has an extraordinary appeal – maybe because it seems to postpone or even avoid the need for more profound, and difficult, social reform. It therefore adds to the ideological support for the growth fetish.

## **Systemic causes of the addiction to growth**

The root cause of the growth fetish, however, does not lie in the ideological realm but rather is to be found in the inherent and defining feature of capitalism, the dominant economic system under and within which the majority of the earth's population now lives - an economic and social system that for some 200 years has efficiently created an explosion in production, access to goods and commodities, technological sophistication, population, longevity and knowledge. The motor for this has been capital, something that within this system has the propensity to increase<sup>782</sup>. That increase in capital is based fundamentally on exploitation – of workers, consumers and natural resources. Capitalism, then is first and foremost a system that reproduces capital, that is to say it accumulates capital. To do this every social process is commodified: exchange, production, distribution, investment – previously conducted through media other than markets. And no social transaction is exempt from this process of commodification. To endlessly accumulate capital it is necessary to extract profit. This is done at various points in the system, and most obviously in the theft of surplus value from workers and the unequal exchange between the core areas of the system and the primary resource producing areas. Without unequal exchange capitalism cannot work.

Capitalism establishes institutions to support itself, the State with its legal and governmental system, the educational system, the welfare systems, and the armed forces. When unequal exchange is threatened, the legal and military systems are brought into action.

Capitalism as a system that reproduces capital must ever expand, finding new markets, new cheaper workforces, and new sources of raw materials, new products and new means of production. This is because the reproduction of capital means that there is always an oversupply. This means that new investment opportunities are continually sought. The oversupply problem has been a major contributor to the historical cycles in the world economy. Currently this is compounded by excess productive capacity and the suppression of wages since the late 70s – hence the extension of credit. Capitalism then tends toward crisis.

---

780 E.g. Abdallah S, Thompson S, Michaelson J, Marks N and Steuer N (2009) *The (un)Happy Planet Index 2.0. Why good lives don't have to cost the Earth* (NEF: London)  
<http://www.neweconomics.org/publications/happy-planet-index-20http://hdl.handle.net/10552/604>

781 Ref to Wilkinson and the equality website

782 The SDC report (Chapter 6) sets out a version of this cycle but sanitises the elements – referring to investment and profit rather than capital, for example.



Capital, then, has to grow – that is the condition for its survival. It is this inexorable and inherent dynamic of capital accumulation that causes the growth fetish, the addiction to growth. Because there are powerful interests linked to this source of growth, telling the facts about the sustainability of economic growth will have little or no impact. The system simply cannot learn another way, it would be like suggesting that human beings should not drink water and the calls for sustainable growth are like saying ‘well let them drink tea instead’.

It is the failure of the ‘utopian’ advocates of sustainability to properly identify the logic of capital accumulation as the root cause of the growth fetish that marks their distance from an adequate “scientific” understanding of the nature of the problem and its resolution. In that sense they stand in a similar place as the C19<sup>th</sup> utopian socialists, incapable of doing more than calling to people of good will in the hope that their ideas will – against all the evidence – be taken up by a system that is fundamentally opposed to them – that knows no other way than capital accumulation and the associated economic growth.

## Scientific socialism

Now this term *scientific*, used by Engels in his famous pamphlet needs some explanation and justification. Engels explained the term as follows:

*“These two great discoveries, the materialistic conception of history and the revelation of the secret of capitalistic production through surplus-value, we owe to Marx. With these discoveries Socialism became a science. The next thing was to work out its details and relations”*<sup>783</sup>.

Engels is pointing here to the systematic and evidence-based revelation of the underlying, historical causes of the features of the economic and social system. Socialism was the desirable state and he and Marx never lost the humanist, ethical impulse that inspired their work t that end, but ethical direction was not enough there had to be a proper grounding. As he indicates, this was work in progress, never finished by he and Marx, either in terms of the full analysis of the system or in terms of what the socialist alternative would look like<sup>784</sup>.

The analogy with natural science is helpful, so far as it goes:-

*Active social forces work exactly like natural forces; blindly, forcibly, destructively, so long as we do not understand and reckon with them. But once we understand them, when once we grasp their action, their direction, their effects, it depends only upon ourselves to subject*

---

783 Engels, F. (1892/1970) *Socialism: Utopian and Scientific*. Moscow: Progress Publishers edition, p. 57.

784 “Here is a conclusion I’ve come to after many years: among all the errors we may have committed, the greatest of them all was that we believed that someone really knew something about socialism, or that someone actually knew how to build socialism”. Speech delivered by Dr. Fidel Castro Ruz, President of the Republic of Cuba, at the Commemoration of the 60th Anniversary of his admission to University of Havana, in the Aula Magna of the University of Havana, on November 17, 2005. <http://www.cuba.cu/gobierno/discursos/2005/ing/f171105i.html> .



*them more and more to our own will, and by means of them to reach their own ends. And this holds especially of the mighty productive forces of today. As long as we obstinately refuse to understand the nature and the character of these social means of action – and this understanding goes against the grain of the capitalist mode of production and its defenders – so long these forces are at work in spite of us, in opposition to us, so long they master us...*<sup>785</sup>

Engels is not suggesting that social forces are exactly like physical forces (he alludes to the ideological component in the last sentence), but he is pointing out that attempts at reform that take no account of their workings will be doomed to failure.

For Marx and Engels two key ideas made the connection between a scientific political economy as explanation of capitalist exploitation and the programme of the struggle for socialism: contradictions and class struggle<sup>786</sup>.

## **Contradictions**

The complex system that is capitalism, being composed of different elements in motion, requiring simultaneous coordination but pulling in different directions, creates internal contradictions that force it into recurrent crises. Marx and Engels pointed to the contradiction between forces of production and relations of production – putting large groups of workers together meant creating new social relations, a new social force, the proletariat that by its concentration was able to organise together. Similarly the need to educate sections of the labour force also led to proletariat becoming more self-aware, more able to diagnose what was wrong with the world and to provide counter-system information, and persuasion. They also showed how the expansion of production contradicted the impoverishment of working people leading to repeated crises of oversupply and under-consumption, leading to the cycle of boom and bust (in Engels' day about every ten years). It was through its contradictions that the old order would be ended, although these would not be enough on their own without the key social movement of the working class.

## **Struggle and the movement**

Engels and Marx saw the struggle for socialism as the struggle of classes; that is as the struggle between groupings with contradictory interests, defined by their position within the system of capitalist production and capital accumulation. Capitalism would fall through the increasing power of the proletariat, itself created by capitalism (another contradiction) that would eventually overthrow the bourgeois order, either through revolution or through the ballot box.

---

785 *Socialism: Utopian and Scientific* (Progress Publishers edition) p. 72.

786 What closely links Marx's theory with scientific thought is the rational understanding of the forces which really operate in society. But Marx's theory is fundamentally beyond scientific thought, and it preserves scientific thought only by superseding it: what is in question is an understanding of struggle, and not of law. "We know only one science: the science of history" (Marx and Engels: *The German Ideology*).

## Scientific sustainability

What does this analogy with scientific socialism tell us about the process of achieving sustainability in a system that is even more dominated by the power of Capital than was the case in the C19<sup>th</sup>? An answer will be attempted, in outline here, in relation to the two key Marxist concepts of Contradiction and Struggle.

### Contradictions and Crisis

Capitalism, throughout its existence has been faced with repeated crises resulting from the internal contradictions it generates. Time and time again has it overcome these contradictions, showing a strategic flexibility that Marx and Engels could not have imagined. These crises have largely been crises in capital accumulation driven by the falling rate of profit, the saturation of markets, the successful struggles of workers and other subaltern populations, and the excessive productive capacity of the system. Each time 'fixes' have been found, technological, social, military, political, and financial, sometimes applied separately and sometimes together. Without going into a detailed analysis of these fixes, the following can be identified as particularly significant:

- Employment of new, cheap forms of energy (the energy subsidies).
- Development of new technologies for production, distribution or as commodity lines to sell.
- Importation of cheaper labour or outsourcing of production to sites with cheaper labour.
- Use of internationally distributed operations to play one currency against another and evade taxation.
- Creation of and expansion into new markets.
- The use of State power to provide subsidies (e.g. education and training for the workforce, health and welfare, infrastructure whether canals or satellite communications).
- The use of State power to subdue internal or external threats to capital accumulation by legislation, force or economic sanctions and incentives.
- The turning of areas of social life and nature into commodities (e.g. urban space, water, beaches, folk music, mutual aid and so on) that can be traded or the return of such areas to the market (e.g. the privatisation of public services) and hence as nodes of capital accumulation and the transfer of public assets into private hands.
- The formation of cartels, whether as commercial trusts or through the legitimised international policy instruments of the World Trade Organisation, IMF, World Bank, European Union, NAFTA and so on.
- Financialisation – the hyper-development of credit and debt into generators of profit, for example through gambling on stocks, speculation and the invention of complex financial instruments.

The most recent phase of capitalist expansion, the neoliberal period, has been characterised by the deployment of all these elements in concert. As a result the capitalist model until very recently seemed unassailable. Yet as the present situation clearly demonstrates, the contradictions are coming home to roost again. And while up to now it has been the internal contradictions of capital that have created crises, now there are both internal contradictions and contradictions between the capitalist forces of production and the natural environment on which they depend (the contradiction between production economy and earth economy). So at this moment the world is faced with a set of interlocked crises – the financial crash and recession, the food crisis, the energy crisis, the water crisis, climate change, and the accompanying legitimisation crises that take differing forms in different global locations and in different social sectors.

It is these contradictions and their resultant crises that provide the key to a transition to a different sustainable system. We do not know the precise point at which the contradictions will prove fatal for capital accumulation. Nor do we know how bloody that end will be. But what is now beyond doubt is that capitalism, at least in its totalising dominant viral expansionist mode will end through a combination of internal and external contradictions that can not be fixed. It is possible, indeed likely, that a restricted capitalism will continue in certain sectors, but it can not continue to be the one principle that structures the whole economy and therefore (in the last analysis) all social arrangements. However, these contradictions and crises will not just end unsustainable capitalist growth by themselves; this depends on there being a protagonist – the midwife of history.

## **Struggle and social movements**

For Marx and Engels the protagonist, the midwife of history was to be the proletariat, the class consisting of those forced by (socially constructed) economic realities to sell their labour power to Capital. But more than a century later that protagonist no longer exists in the same form. To be sure global Capital has its proletariat, concentrated in the factories of China, the maquilas of Mexico, the polytunnels of Murcia, Spain, and these sectors will continue to struggle against their exploiters. Yet while both wings of the socialist movement, Leninist and social democrat were founded in and of the proletariat as collective subject of transition to a new world, in none of the transformative C20<sup>th</sup> revolutions was the proletariat the decisive protagonist (although they played their part in each). From the Mexican revolution through the Russian, Chinese, Cuban, Algerian and Vietnamese revolutions, in no case was it the proletarian mass power that led the transformation. This was only the case in the failed revolutions of the metropolitan countries. Only in the reformist case of mitigated capitalism, best seen in Scandinavia, could it be said that the proletarian movement was the hegemonic component. And today in Latin America the progressive protagonists in Venezuela, Bolivia, Ecuador and elsewhere are again to be found in other sectors, chiefly in the alliance

between sectors (indigenous communities, the urban masses of the barrios, the landless peasants) whose exclusion has been more profound even than that of the proletariat (who after all are within the system of production and reproduction of Capital) and other unorthodox elements such as progressive clergy and sections of the military.

However, the most profound areas of contradiction at present, the final limits of the capitalist mode of production (and reproduction), are to be found in the twin areas of climate change and peak energy. So for anyone concerned with sustainability as a goal, having analysed why the system is unsustainable – growth based on capital accumulation – must identify a protagonist adequate to the challenge. And having identified that protagonist it is necessary to nurture it, just as Marx and Engels did with the embryonic proletarian movement.

Who is that protagonist, that collective subject, that midwife of history at the start of the C21<sup>st</sup>? For this it is helpful to turn to the insights of Antonio Gramsci, the founder of the Italian communist party who was the first to systematically apply Marxist analysis to the more complex order of capitalism in a liberal democratic context<sup>787</sup>. This is not to say that Gramsci's context was the same as ours today - further insights will be necessary. However his key contribution was the analysis of the role of ideas in collective action – essentially the roles of ideology and the nature of leadership in a mass movement. Gramsci emphasised how a bloc of interests can come together under a leadership that can offer a unifying ideology. That ideology will not be total – different interest groups will be attracted by different facets of it and will pick and mix elements. The ideology will hold the movement together and the leadership will adapt it to circumstances. For Gramsci that leadership is composed of organic intellectuals – intellectuals who serve not the dominant system but the movement, and are embedded within it, learning their craft within the movement. He also identifies the collective nature of the leadership of a social movement – in his case that was the Party – with the metaphor of the Modern Prince – Machiavelli's statesman who showed adaptability, firmness, cunning and forethought, transformed into an ethical subject that coordinated the actions of the movement. Gramsci's notions then are quite some way from those of the Leninists who have dominated the radical left with notions of vanguard. They are also miles away from both the cynical electoral/media/power nexus politics of what is left of the social democratic movement, or the self-indulgent and ineffectual anarchism that pervades the Green movement (when it isn't being Fabian). A reading of Gramsci's politics for today (for we want to use his ideas today not in their actual context of the 1920s) is that of the progressive coalition united in diversity with an adaptive core ideology that is inclusive not exclusive for all those that want to end the unsustainable system of capitalism - planetary consumption.

---

787 For a good introduction see <http://www.hegemonics.co.uk/gramsci.html>

Concretely this means that the protagonist has to be the broad social movement of green and left activists, trade unionists, food activists, minority rights, social and trade justice activists and internationalists. But this movement has still to be built, using local, national and international struggles as the focus, with a shared programme for transformation from capitalism to a sustainable socialist alternative. It will be essential to peel off layers of those who up to now have seen their fate as linked to capitalism, whether they are leaders who have developed their cities through Capital-funded regeneration, legislators who have tried to ameliorate capitalism through regulation and limited redistributive policies, consumers who are waking up to the con of unsustainable consumption, state officials who have until now seen their role as administering the policy recipes of neoliberal capitalism and academics who have had enough of adapting their thought, teaching and research to the dictates of the god of endless consumption and growth, accountants who now get their sums right and find they just don't add up.

The form, programme, strategy, tactics – the leadership- of such a movement have yet to emerge but without it there is no chance of the kind of sustainable future that the utopian advocates of sustainability have promoted. They have taken us so far but now is the time to get scientific – in the best Marxian sense of the word – to understand profoundly and to act.

### **Internationalism and localism**

Capitalism is a global system. Like the life of an animal it exists at the micro (workplace, shop, household - molecular and cellular) level, at the meso (firm, organ) level and at the macro level (conglomerate, industry, economy State - whole animal) as well as existing over time from generation to generation and through nested cycles of energy transactions, production, consumption, reproduction. Everywhere you look you see it. Everywhere you turn it is there before you. More than that it is you – in your food, your thoughts, your emotions and the systems that tie these together. Around you and in you and beyond you.

This means that it has to be fought in many places at once – locally, nationally, globally, through local projects, conversations, struggles, alliances and through actions that tie together across territories and globally. While we take the view that the bioregional level is particularly important for interventions that prefigure (another Gramscian reference) a better way of organising society, this is not to deny the importance of making alliances at other levels. It is not enough to think globally – act locally. It is necessary to act and think both locally and globally – just like Capital does.

### **Reform and revolution**

Much of what has been written above will sound revolutionary and unremittingly oppositional. The system is dominant but its dominance is not complete. Those working within its institutions are not its unthinking servants, and their actions are not entirely constrained and determined by Capital. There are various spaces where Capital has been tamed – for example within the

institutions of the local state, or where alternative social and even economic modes are in play, if only partially – like cooperatives and some non-government and community organisations. Working for transformation, being part of the new to-be-hegemonic social movement requires a strategy of simultaneous insider - outsider tactics. Where a city administration is working on a climate change action plan, for example, it is essential both to work with them to develop the plan and to work outside to keep up the pressure for real and radical action. Indeed we should aim for proposals that cannot be delivered under capitalism as part of a broader strategy of weakening the very causes of unsustainable economic activity, both to change the system but also because such proposals are the right thing to support – in this case the only way to deliver carbon reductions of sufficient size to avert catastrophic warming. As an infamous politician would say – *“There is no alternative”*<sup>788</sup>.

An example of such a transitional demand<sup>789</sup> could be the work on macroeconomic policy in Tim Jackson’s SDC report<sup>790</sup> – not that it will have been conceived in these terms – the intention seems to have been more naïvely Fabian in style. He sets out the problem to be tackled like this:

*“.... when demand falls, revenues to firms are reduced and this leads to job losses and reduced investment. Reduced investment leads to a lower capital stock which, together with a lower labour input, in turn reduces the productive capability of the economy. Output falls and with less money in the economy, public revenues also fall, debt is more difficult to service and the system has a tendency to become unstable.*

*“But does it have to work like this? Is it possible to configure the conventional macro-economic variables in such a way as to reduce the imperative for growth and yet maintain economic stability? One potential avenue of exploration is to attempt a stabilisation of economic output by altering the role or relative importance of key variables (such as consumption, investment, public spending and so on) within the basic macro-economic model.”*<sup>791</sup>

Jackson explores the parameters for a national economy that does not depend on economic growth are explored drawing on the Canadian scenarios of Peter Victor<sup>792</sup>. Jackson concludes that it is possible to have an economy with low growth/resource throughput with both unemployment and poverty halved. This

---

788 Margaret Thatcher – TINA.

789 To use the Trotskyist term – which does not mean that we are either calling the SDC a bunch of Trots, nor endorsing Trotskyist politics in general.

790 Chapter 8.

791 Jackson, *Prosperity Without Growth*, pp 78-79.

792 Victor, Peter *Managing without Growth*. Think piece for the SDC workshop ‘Confronting Structure’. London: Sustainable Development Commission, April 2008. See also Victor, Peter A. *Managing without Growth: Slower by Design, Not Disaster*. Second edition. Cheltenham, UK: Edward Elgar Publishing, 2019.

depends in part on reducing working hours. However, greenhouse gas emissions on this model only reduce slowly. Jackson himself adds a number of cautions.

*“These conditions will still include a strong requirement for economic stability. Or perhaps ‘resilience’ would be a better word for what is required here. A sustainable economy must be capable of resisting the exogenous shocks and avoid the internal contradictions which have caused chaos in the last year.*

*“But the requirement for resilience will need to be augmented by conditions that address distributional equity, impose sustainable levels of resource throughput, and provide for the protection of critical natural capital.*

*“In operational terms, this new macro-economy will require enhanced investment in public infrastructures, in sustainable technologies and in ecosystem maintenance. It is likely to demand a different balance between public and private goods. It will require us to reframe our concepts of productivity and profitability. Above all, a new macro-economics for sustainability will be ecologically and socially literate, ending the folly of separating economy from society and environment.”*

But in outlining these conditions hasn't Jackson identified enough reasons why a system built on capital accumulation cannot deliver this?

Yet the need to understand how to manage a macro-economy in a different way is a real need for a transitional strategy. The Russian, Chinese and Cuban revolutions all faced major challenges in this regard with resulting oscillations in economic policy. An understanding of how to manage the capitalist economy into something else is clearly required by strategists of scientific sustainability: without it the likelihood is of a nightmare scenario of rising civil strife, rising poverty and political instability with the key need to rapidly move to a low carbon future severely compromised.

## Conclusion

*“Political change comes from leadership and popular mobilisation. And you need both of them.”<sup>793</sup>*

It has been argued that the valuable works of bodies such as the NEF and SDC on the zero growth sustainable economy suffer from a kind of Utopianism. That is to say they do not fully take account of the systemic causes of the growth fetish. Nor do they identify what conditions could bring about its replacement, and as such they are bereft of political strategy. It is argued that the root cause

---

793 Rather interestingly this is a quotation from Ed Miliband, UK Secretary of State for Climate, December 2008 (quoted without citation in *Prosperity Without Growth*, (SDC Report version) p 98).



of the growth addiction is the system of capitalism with its central motor of capital accumulation. Moreover it is argued that the internal and increasingly the external contradictions of that system will push it into a terminal crisis. However, that crisis will not simply arrive and usher in a new era of sanity. It will require a broad social movement, broader than any we have seen yet, with an intelligent and strategic leadership. That leadership will not be based in a traditional political party but in a network of activist thinkers who share a common vision and agreement on the main dimensions of strategy. That movement and that leadership will gather strength in the months and years to come, and its nature will change over time, in response to changing conditions. But it is the duty of everyone who wants a sustainable and equitable future to build that movement and that leadership and to do that with unprecedented rapidity, for there is no time to lose.

# Degrowth and the British Labour Party.

Mark Burton, 2018<sup>794</sup>

## Abstract

Like other left of centre parties in Europe, the British Labour Party has always been an alliance of diverse political currents. While the model of mitigating capitalism and sharing the “benefits of growth” with “the many not the few” has long been dominant, there are other tendencies and influences going right back to early scholar-activists like William Morris and Robert Blatchford and to earlier movements. The New Left also brought a degree of ecological understanding into the Labour movement although those voices were subsequently marginalised during more than a quarter century of neoliberalism's dominance, most notably under Tony Blair's leadership. Today the crisis of neoliberal capitalism has led to a taking back of the party by a broad left under the leadership of Jeremy Corbyn and John McDonnell. Both have made promising statements on the ecological crisis, in McDonnell's case with an acknowledgement of material limits to economic activity and expansion. However, in practice the left tends to fall back on a post-Keynesian, green growth and techno-optimistic framework. I will explore the extent to which the Labour Party and movement is open to degrowth concepts and proposals with observations from both regional and national political contexts.

## The British Labour Party, past and present.

The British Labour Party has been the site of a resurgence of radicalism in the context of the economic, social and political crisis post the 2007-8 Great Financial Crash. Is this resurgence an opening to a degrowth perspective? To explore this question requires an understanding of what the Labour Party is. It also requires some understanding of the roots of the party: what historical and cultural background can be drawn from in making a realistic assessment of the possibilities and the challenges of degrowth for Labour – or of Labour for the degrowth movement?

Labour has always been an uneasy alliance of socialists (Marxist, Christian, utopian, empirical, humanist...) and non-socialists (liberals, social democrats and non-ideological cadres) and those who simultaneously espouse or hold to more than one perspective. Over the period from around 1983 (Kinnock's election) to 2010 (Miliband's election), the right was in the ascendancy, almost silencing discussion of alternative approaches to economy and society under a kind of “neoliberalism lite” ideology. This was not unprecedented: there was

---

794 Presented at “Dialogues in turbulent times”: the 6th International Degrowth Conference, 21-25 August 2018 Malmö, Sweden. It was the basis for a shorter published article, Burton, M. ‘Degrowth: The Realistic Alternative for Labour’. *Renewal* 27, no. 2 (2019): 88–95. <https://renewal.org.uk/archive/vol-27-2019/degrowth-the-realistic-alternative-for-labour/>  
The introductory notes to this section update the context for this piece.

the retreat from socialism after the defeat of the 1926 General Strike and the entry of Labour Prime Minister Ramsay MacDonald into a Conservative led “National Government”. Socialist idealism was rekindled under the leadership of George Lansbury and some of this taken into the postwar reforming government of Atlee<sup>795</sup>. The right was again in the ascendancy with the revisionism under the leadership of Gaitskell during the wilderness years of the 1950s and early 60s: this led to a kind of compromise under Wilson (Prime Minister 1964-1970 and 1974-1976 – Labour continued in government until Thatcher's election in 1979). Right and Left in the party battled over policy and organisation but the Right under Kinnock, Smith and Blair successively marginalised the Left and with it almost any mention of socialism: Thatcher's TINA (“There is no alternative”) had become hegemonic along with neoliberalism.

Today the crisis of neoliberal capitalism has led to a taking back of the party by a broad left under the leadership of Jeremy Corbyn and John McDonnell. As we will see, this appears to have opened a space for heretical ideas. Mostly the running has been made by those with a broadly Keynesian perspective but other ideas are also being tried out.

## The hidden traditions of British socialism<sup>796</sup>

### The land: Peasants, Levellers and Diggers

Ideas that we can now recognise as part of the degrowth family are part of the history, and indeed traditions, of the Labour Party, the Labour Movement and British socialism<sup>797</sup>. The earliest English radicals for whom there is any kind of historical record, are those associated with the Peasants' Revolt. This arose at a time of economic stress and demands included the abolition of serfdom, the distribution of Church and feudal lands, and (in varying degrees) the abolition of the property owning class, although not the monarchy<sup>798</sup>.

With the “World turned upside-down” in the English revolution that overthrew the monarchy in the seventeenth century, a more coherent set of philosophies emerged. Two currents, the Levellers and the Diggers presented their demands

---

795 Atlee's government was reforming at home but Atlanticist and largely imperialist in its foreign policy.

796 The discussion that follows is not exhaustive, for example it does not explore Cobbett's influence, nor the land rights activism in Scotland (the Crofters' War, see Devine, T. M. (2013). *Clanship to crofter's war: the social transformation of the Scottish highlands*. Manchester: Manchester Univ Press.), but instead is intended to demonstrate the existence of degrowth-friendly traditions and undercurrents in the British Labour and socialist movement. See Williams, R. (1975). *Culture and society: 1780 - 1950* (Repr. 1963). Harmondsworth: Penguin Books. pp. 23-39; Thompson, E. P. (1988). *The making of the English working class*. Harmondsworth. pp. 820-837.

797 These are distinct but overlapping and interpenetrating categories. The Labour Party was established as the “political instrument” of organised labour, the trade union movement. But other currents merged into it, including Marxists from the Social Democratic Federation (many of them via the Independent Labour Party) and those whose primary identification was the co-operative movement: the Co-operative Party still exists as an affiliate of the Labour Party and tending to sit towards Labour's right wing today.

798 Vallance, E. (2010). *A radical history of Britain: visionaries, rebels and revolutionaries - the men and women who fought for our freedoms* (Repr). London: Abacus.

and philosophies. The Levellers called for “a broader [electoral] franchise, governments elected by popular mandate, religious tolerance and a fair and equitable legal system”, commonplace now but astonishing in 1640. The Diggers, or True Levellers, went further, calling for the private ownership of land to be abolished, and “the common treasury” of the earth to be shared. Private property was not to be abolished but most commodities would be kept in common storehouses, for use by the people as needed<sup>799</sup>. The Diggers, led by Gerard Winstanley<sup>800</sup>, also carried out nonviolent direct action through land occupation, reminiscent of the, far more successful, Brazilian landless workers movement today. The diggers praxis was shaped by the reinterpretation of the Bible (in the ferment of the Reformation struggle between varieties of Christianity), and by the reality of the transition from feudalism to early agrarian capitalism, with its impacts on livelihoods. They were not successful, but it has been argued that their ideas lived on, underground, to emerge in later incarnations of radicalism.

Whether a result of direct lineage, or because of the repetition of analogous generative conditions, as Williams<sup>801</sup> puts it,

*“In Britain, identifiably, there is a precarious but persistent rural-intellectual radicalism: genuinely and actively hostile to industrialism and capitalism; attached to country ways and feelings, the literature and the lore.”*

He goes on,

*“... we must push the argument through to the roots that are being defended; push attention, human attention, back to the natural economy, the organic society, from which the critical values are drawn.”*

Williams later noted that in the 1973 book from which the above quotes are taken, he was criticising the dominant tendency of the Labour Party then, for which socialism was no more than “a successful industrial capitalism without the capitalists”<sup>802</sup>. Williams characterises himself as a Romantic, but is careful to distinguish his variant from the mystifying romanticism that obscures social relations through an uncritical valorisation of an imagined, idealised past. Löwy and Sayre, suggest that,

---

799 Winstanley, G. (1973). *The law of freedom, and other writings*. (C. Hill, Ed.). Harmondsworth: Penguin.

800 Winstanley was originally from somewhere in Wigan, one of Greater Manchester’s boroughs. He and the Diggers are celebrated at the *Wigan Diggers’ Festival* every year. See <https://wigandiggersfestival.org/>

801 Williams, R. (1973). *The country and the city*. London: Chatto and Windus. p.36.

802 Williams, R. (2015). *Politics and letters: interviews with New left review*. London ; Brooklyn, NY: Verso. p.314.

*“Williams's distinctive contribution, then, was to have shown the effective presence, through the historical unfolding of the Romantic vision, of pre-capitalist values in the modern emancipatory project”<sup>803</sup>.*

I will return to Williams, and especially his later work, which comes even closer to degrowth, but first it is necessary to discuss the nineteenth century current of degrowth-like thinking in British socialism.

## The Chartists

The Chartists are generally known for their great petition for electoral reform and universal (male) suffrage. Less well known are some of their other initiatives and concerns. The Land Plan, for example was concerned with establishing

*“a scheme of spade-tilled smallholdings, which would provide an alternative means of livelihood for the factory workers and so enable them to bargain for their labour power.”<sup>804</sup>*

After the rejection of their petition, and the political repression in the wake of the revolutions of 1848, many Chartists focussed on this and other self-help and community-building activities:

*“... Sunday Schools, Land Company branches, co-operative societies, mechanics' institutes and other bodies which had, to some extent provided means of escape for the better-off working class families as well as providing a vested interest in peaceful relations and municipal development.”<sup>805</sup>*

Thompson suggests that,

*“When a new political labour movement arose, four decades after the end of Chartism, it arose from these “non-political” forms of labour organization...*

*“... to see such activities as 'non-political' is to use a very narrow definition of politics”.<sup>806</sup>*

---

803 Löwy, M., & Sayre, R. (2018). Raymond Williams, Romanticism and Nature. *Capitalism Nature Socialism*, 29(2), 75–91. <https://doi.org/10.1080/10455752.2017.1407070> p.79.

804 Thompson, D. (2015). *The dignity of chartism: essays by Dorothy Thompson*. (S. Roberts, Ed.). London ; New York: Verso. p. 130.

805 Thompson, D. (2015). as above. p. 172.

806 Thompson, D. (2015). as above. pp. 182, 183.

These concerns with cultural activity and community solidarity<sup>807</sup>, and with subsistence as a buffer against labour exploitation, have strong resonances in our times with the degrowth and allied movements<sup>808</sup> and are far from the Fabian socialist model of reforms designed and implemented by experts and brought about through representative democracy.

## William Morris

Morris was not originally a political activist. While he became active, initially through outrage about the British government's support for Turkish repression in Bulgaria, his political outlook was rooted in his concern for beauty and dignified work. But Morris is a pivotal figure. He linked a Marxist understanding of capitalism, and its assault on both people and nature, with a positive and romantic understanding of alternative possible social arrangements.

*“It is profit which draws men into enormous unmanageable aggregations called towns, for instance; profit which crowds them up when they are there into quarters without gardens or open spaces; profit which won’t take the most ordinary precautions against wrapping a whole district in a cloud of sulphurous smoke; which turns beautiful rivers into filthy sewers, which condemns all but the rich to live in houses idiotically cramped and confined at the best, and at the worst in houses for whose wretchedness there is no name.”<sup>809</sup>*

Morris was explicitly critical of the production of useless things by capitalist production. He emphasised the production of useful goods and foresaw the reduction in the desire for consumer goods under the equality of condition that socialism would bring.

*“Wealth is what Nature gives us and what a reasonable man can make out of the gifts of Nature for his reasonable use. The sunlight, the fresh air, the unspoiled face of the earth, food, raiment and housing necessary and decent; the storing up of knowledge of all kinds, and the power of disseminating it; means of free communication between man and man; works of art, the beauty which man creates when he is most a man, most aspiring and thoughtful—all things which serve the pleasure of people, free, manly*

---

807 For the scale of this counter-cultural working class infrastructure see Burton, M., & Steady State Manchester. (2012). *In Place of Growth: Practical steps to a Manchester where people thrive without harming the planet*. Manchester: Steady State Manchester. pp. 39-40.

[https://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth\\_ipog\\_-\\_content\\_final.pdf](https://steadystatemanchester.files.wordpress.com/2012/11/inplaceofgrowth_ipog_-_content_final.pdf)

808 Mies, M., & Bennholdt-Thomsen, V. (1999). *The subsistence perspective : beyond the globalized economy*. London: Zed Books; Vergara-Camus, L. (2014). *Land and freedom: the MST, the Zapatistas and peasant alternatives to neoliberalism*. London: Zed Books. Hopkins, R. (2008). *The Transition Handbook: From Oil Dependency to Local resilience*. Totnes: Green Books.

809 Morris, W. (1979). How we live and how we might live. In A. L. Morton (Ed.), *Political writings of William Morris* (pp. 134–158). New York: International Publishers: p.153. (Original work published 1884 – cited in Macdonald, B. J. (2004). William Morris and the vision of ecosocialism. *Contemporary Justice Review*, 7(3), 287–304. <https://doi.org/10.1080/1028258042000266013>

*and uncorrupted. This is wealth. Nor can I think of anything worth having which does not come under one or other of these heads. But think, I beseech you, of the product of England, the workshop of the world, and will you not be bewildered, as I am, at the thought of the mass of things which no sane man could desire, but which our useless toil makes—and sells?”<sup>810</sup>*

*“Like Marx, then, Morris showed how ‘surplus value’ leads to exploitation, but he realised that this applied not just to the majority of humanity, but to the whole of Nature. Morris also stressed the importance of what we may call “surplus product” - the over-production of shoddy, trashy goods, and the over-exploitation of Nature needed to support it.”<sup>811</sup>*

This is substantially the position articulated by contemporary eco-Marxists such as Moore, Burkett and Foster<sup>812</sup>.

As Williams notes,

*“Morris wanted the end of the capitalism system, and the institution of socialism, so that men could decide for themselves how their work should be arranged, and where machinery was appropriate.”<sup>813</sup>*

The simple equation of Morris with “handicrafts - get rid of machines”, obscures his very much more radical analysis and proposals in his mature work.

Williams continues,

*“He is often mentioned by members of the Labour Party, but usually in terms that suggest a very limited acquaintance with his actual ideas. He is, for instance, something very different from an orthodox Fabian. Socialism for him, is not merely ‘substituting business-like administration in the interests of the public for the old Whig muddle*

---

810 Morris, W. (1884). Useful work versus useless toil. Available at <https://www.marxists.org/archive/morris/works/1884/useful.htm>

His contemporary, George Sturt (often writing under the alias George Bourne) wrote from a similar perspective, with a detailed, almost ethnographic account of the changes in the livelihoods and culture at the level of the village and small town. His work was also praised by both Williams and Thompson. See [https://en.wikipedia.org/wiki/George\\_Sturt](https://en.wikipedia.org/wiki/George_Sturt)

811 O'Sullivan, P. (1990). Struggle for the Vision Fair: Morris and Ecology. *Journal of William Morris Studies*, 8(4), 5–9. p.7. <http://www.morrissociety.org/JWMS/08.4Spring1990/SP90.8.4.OSullivan.pdf>

812 Bellamy Foster, J., Clark, B., & York, R. (2011). *The Ecological Rift: Capitalism's War on the Earth*. New York: New York University Press / Monthly Review Press.; Moore, J. W. (2015). *Capitalism in the web of life: ecology and the accumulation of capital* (1st Edition). New York: Verso.; Burkett, P. (2009). *Marxism and ecological economics : toward a red and green political economy*. Haymarket Books.

Since I wrote this article, Foster has published a thorough analysis and vindication of the ecological tradition within socialist thought, with a particular emphasis on Engels as well as Morris and other British thinkers. I highly recommend it. Bellamy Foster, J. *The Return of Nature: Socialism and Ecology*. New York: Monthly Review Press, 2020.

813 Williams, R. (1958). *Culture and society: 1780 - 1950* (Repr. 1963). Harmondsworth: Penguin Books. p.159.



*of laissez-faire backed up by coercion*<sup>814</sup>. This was the socialism the utilitarians had come to, but Morris, always, applied to socialism the modes of judgement which had been developed in opposition to utilitarianism.<sup>815</sup>

As Williams observes, Morris is sometimes referred to by Labour Party figures. However, this is not always in a simplistic way, equating him with utopian socialism. Jon Cruddas MP, often described as a leading Labour intellectual, explored the continuing relevance of Morris in his 2013 George Lansbury lecture. He echoes Williams and the Marxist historian E.P. Thomson in seeing Morris as the link with a conception of true wealth, rather than exchange value, *“... grounded in the emancipatory conception of human labour and creativity. Art continues a politics of resistance to life being commodified. This is what constitutes socialism. ... It is a continuous struggle, not just against capitalism – given its alienating effects on human creativity – but also left-wing utilitarianism and Fabianism. Socialist change is not simply political and economic change – the ‘machinery’ of socialism – as [Morris] called it – but heightened consciousness that aims to realise a person's true capacities”*.<sup>816</sup>

So on the one hand we have the legacy of Morris as a kind of socialist conscience for a Labour party that all too easily slips into what might be termed a post-colonial model of social administration with growthism (Williams's “triumphalist arguments about production” in another guise) as its preferred economic ideology. On the other hand, there is his legacy as a socialist activist,

*“The three great prophets of Labour and the ILP: Keir Hardie, Ramsey MacDonald and George Lansbury ... were all driven by a profound sense of human fellowship forged alongside Morris in the 1880s.”*<sup>817</sup>

But he also made a significant organising contribution, for some years pretty much full time<sup>818</sup>, to the organisations that were to become tributaries of the modern Labour Party: the Social Democratic Federation and Socialist League (with Eleanor Marx), one of whose branches (Bradford) became the forerunner of the Independent Labour Party. Morris edited *Commonweal*, the newspaper of the League, an important source of socialist ideas for the Labour Movement as

---

814 Morris, W. (1983). *Communism*. Available at <https://www.marxists.org/archive/morris/works/1893/commune.htm>

815 Williams, R. (1975). *Culture and society: 1780 - 1950* (Repr. 1963). Harmondsworth: Penguin Books. p.160.

816 Cruddas, J. (2013). Jon Cruddas's George Lansbury memorial lecture: full text. *New Statesman*. Retrieved from <https://www.newstatesman.com/politics/2013/11/jon-cruddass-george-lansbury-memorial-lecture-full-text>

817 Cruddas, J. (2013). as above.

818 Wilmer, C. (1993). Introduction. In C. Wilmer (Ed.), *News from nowhere and other writings [of William Morris]*. London: Penguin Books. Foster, 2020 (work cited) also stresses this side of Morris.

it came together organisationally at the end of the nineteenth century. He was the inspiration for Blatchford<sup>819</sup> whose Clarion Club was one of the alternative cultural organisations that, along with the co-operative movement, demonstrates that Labour can be more than just the electoral wing of trade unionism.

## Raymond Williams

Raymond Williams has already been introduced as a cultural theorist. A working class boy (his father was a signaller) from the Welsh border (his village, Pandy, is between Abergavenny and Hereford) he went to Cambridge University, worked for many years in the Workers Educational Association before returning to Cambridge and eventually becoming professor of drama. Williams, then, was located at the intersections of the Labour movement and the country, political struggle and cultural theory, literature and politics, Wales and England and Labour and the wider left. He was one of the founding figures of the *First New Left*, editing the 1968 *May Day Manifesto*<sup>820</sup>, but he was also in later life the Vice President of the Socialist Environment and Resources Association (SERA) one of the handful of socialist societies that as affiliates of the Labour Party act as a source of policy ideas and comradely criticism<sup>821</sup>. It was to SERA that Williams presented his analysis of Socialism and Ecology<sup>822</sup> in 1982. As usual he was at pains to direct his critique to both the romanticising and mystifying view of the past, in this case in the ecological movement, and to the lazy tendency of the socialist and social democratic movement, especially in government, to merely offer a better administration of an essentially capitalist economy.

*“In a large part of the ecological movement as it developed ... there was an in-built tendency to contrast the damaging, industrial order with the undamaging, natural, pre-industrial order. ...*

*“On the other hand there can be a simplification the other way round. As socialism, from around the middle of the nineteenth century, began to distinguish itself from a whole body of associated and overlapping movements, there was a tendency to make a quite different emphasis: to say that the central problem of modern society was poverty, and the solution to poverty was production, and more production.”<sup>823</sup>....*

- 
- 819 Waters, C. (1982). William Morris and the Socialism of Robert Blatchford. *Journal of William Morris Studies*, 5(2), 20–31.
- 820 Williams, R. (1968). *May Day Manifesto 1968*. Harmondsworth: Penguin.
- 821 See also Wainwright, Hilary. ‘Raymond Williams and Contemporary Political Ecology’. *Keywords*, no. 2 (1999): 81–93.
- 822 Williams, R. (1982). *Socialism and Ecology*. London: SERA. Reprinted in Williams, R. (1989). *Resources of hope : culture, democracy, socialism*. London; New York: Verso. The original talk (the written text is a more theoretical and historical piece) is available as a video at <https://youtu.be/EiFWHtKOcj0>  
See also *Between Country and City* in the same volume.
- 823 Williams, R. (1982). *Socialism and Ecology* as above, pp 212-213.

*"The essential case is that the wealth and the poverty, the order and the disorder, the production and the damage, are all parts of the same process. In any honest account you have to see that they are all connected, and that doing more of one kind of thing does not necessarily mean that you'll have less of the other."*<sup>824</sup>

Williams's overall outlook is strikingly similar to that of the degrowth movement. Here he is on the reception of *Limits to Growth*:

*What kind of culture is it, when some serious analysis appears and is almost at once placed as another instalment of 'doom and gloom'? What kind of culture is it which pushes distraction, in its ordinary selection even of news, to the point where there is hardly any sustained discussion of the central and interlocking issues of human survival? There are times, in the depth of the current crisis, when the image materialises of a cluttered room in which somebody is trying to think, while there is a fan-dance going on in one corner and a military band blasting away in the other. It is not the ordinary enjoyments of life that are diverting serious concern, as at times, in a natural human rhythm, they must and should. It is a systemic cacophony which may indeed not be bright enough to know that it is jamming and drowning the important signals, but which is nevertheless, and so far successfully, doing just that."*<sup>825</sup>

Towards the end of *Towards 2000*, the book from which the above quotation comes, he argues that a unified alternative social theory requires three shifts in perspective. Firstly,

*"... the connection between the forces and relations of production has to be restated. ... The necessary new position is that this orientation to the world as raw material necessarily includes an attitude to people as raw material. It is this use and direction of actual majorities of other people as a generalised input of 'labour' which alone makes possible the processes of generalised capital and technology. Thus the drive to use the earth as raw material has involved, from the beginning, the practical subordination of such majorities by a variety of means: military, political, economic, ideological.*

*"... We are now in a position where we can monitor our interventions and control them accordingly. We can select those many interventions which support and enhance life ... and reject those many other interventions which have been shown to be damaging or to involve the reasonable possibility of damage. This is the central*

---

824 Williams, R. (1982). *Socialism and Ecology* as above, p. 215.

825 Williams, R. (1985). *Towards 2000*. Harmondsworth: Penguin: p.18.

*ecological argument, But it can only prevail if we unite it with the political and economic argument, in ways that change what we have become used to as politics and economics.*"<sup>826</sup>

Secondly, The emphasis needs to shift from the theoretical focus on the mode of production, used in charting the development of social and economic arrangements over time, to a focus on livelihoods<sup>827</sup>.

*"The old orientation of raw material for production is rejected, and in its place there is the new orientation of livelihood: of practical, self-managing, self-renewing societies, in which people care first for each other, in a living world.*"<sup>828</sup>

Thirdly, he points out the importance of emotion in the new politics of peace, ecology, feminism. He thereby argues against the stark contrast between emotion and intelligence.

*"If our central attention is on whole ways of life, there can be no reasonable contrast between emotions and rational intelligence. The concern with forms of whole relationship excludes these specialised and separated projections. .... the habit of separating the different kinds of good from each other is entirely a consequence of a deformed social order, in which rational intelligence has so often to try to justify emotionally unacceptable or repulsive actions.*"<sup>829</sup>

This has some resonance with one of his most original concepts in cultural studies, the *structures of feeling* which are captured by writers and artists during specific conjunctures. In his ground-breaking works he was already breaking down that barrier between intellect and emotion in social analysis. Williams's concerns went far beyond ecology. In the same 1985 book he also discussed the question of the post-war Welfare State, the achievement of the 1948 Labour government. Again, he identifies the limitations in the dominant social democratic and Fabian mode of Labour reform.

*"What was argued in 1959, that the 'social services remain limited by assumptions and regulations belonging not to the new society but the old ', is still true but incomplete. There never was any way in which the genuinely new ideas and provisions for a caring society could*

---

826 Williams, R. (1985). as above, pp. 261-262

827 A perspective close to that of certain alternative currents in economic thought: e.g. Smith, P. B., & Max-Neef, M. A. (2011). *Economics unmasked: from power and greed to compassion and the common good*. Totnes, Devon, UK: Green Books; Hinkelammert, F. J., & Mora Jiménez, H. (2009). Por una economía orientada hacia la reproducción de la vida. An economy orientated towards the reproduction of life. *Iconos. Revista de Ciencias Sociales*, (33), 39–49. Retrieved from Por una economía orientada hacia la reproducción de la vida. <http://www.flacso.org.ec/docs/i33franz.pdf>; Acosta, A. (2016, March). Post-Growth and Post-Extractivism Two sides of the same cultural transformation. <http://www.alternautas.net/blog/2016/4/6/post-growth-and-post-extractivism-two-sides-of-the-same-cultural-transformation>

828 Williams (1985). as above, p.266.

829 Williams (1985). as above, p. 266.

*persist as an exceptional sector, contradicted by systematic inequality and competition everywhere else. In fact the models of 'relief' and 'insurance', from the old order, provided a base from which, in a period of rising incomes, the idea of common provision was steadily weakened and interpreted as selective 'entitlement' and burdensome 'cost'. It is not by bureaucratic regulation, however complex, but only by direct communal administration that an idea of common welfare can become actual.*

*"At the same time it is impossible that any of these problems can be, solved by measures based on the kind of fantasy which has grown in the shadow of the capitalist ideal of ever-expanding, ever-competitive, ever-successful production. The kinder - sounding fantasy of giving everybody more and more, so that no choices need ever be made, is the death-cry of an old social democracy. The world is not only as tough as the capitalists keep telling us; it is very much tougher. There are hard material limits, wherever they may finally and unevenly fall, on the indefinite production and consumption of goods which the capitalist system and its political junior partners have assumed and promised. Real sharing will have to occur, in some cases within increased production and available time, in other cases within stable or actually reduced resources and availabilities. The profound political problems of sharing, which if it succeeds can take us beyond an industrial capitalist order, can neither be evaded nor postponed by the old fable of the cake. A sharing society, in any case, has to begin by really sharing what it has, or all its talk of sharing is false or at best marginal. Moreover, sharing is not only at the receiving end; it is also, from the beginning, a matter of shared effort and responsibility. These are the only conditions for anything but an imposed and arbitrary stability, or an unstable chaos."<sup>830</sup>*

It would be difficult to find a better statement of the degrowth position on social welfare<sup>831</sup>.

## **Production for Need: the Lucas Plan.**

In the 1970s, some in the Trade Union movement began to articulate an alternative vision of trade-union activism. Jack Mundy, leader of the Australian Building Workers Union toured the UK speaking about the "Green Bans" that his union had imposed on environmentally unfriendly construction. This was picked up by some members in UCATT, the corresponding British union: I remember joining a campaign against the demolition of an historic building,

---

830 Williams (1985). as above, pp.100-101.

831 Compare with our piece on Convivial Social Welfare in this collection.

jointly organised by environmentalists and leftists, mostly communist party members, including Peter Carter, a building workers' leader in Birmingham. However this did not really take off as a movement.

A more radical development was led by shop stewards in the Lucas Aerospace company who, in response to the plans of the firm to close plants and make workers redundant, instead of appealing to government for continued funding of this armaments industry, produced a set of proposals and prototypes that used the engineering skills and knowledge of the workers to create products that met a variety of needs. Examples included remote medical technology and an innovatory public transport vehicle that could run on road or rail<sup>832</sup>. While this alternative plan was not successfully adopted, the initiative received support from Tony Benn, the soon to be displaced Technology minister, a key figure in the Labour Left, and by the Institute for Workers Control<sup>833</sup>.

## Degrowth currents in today's Labour

In a recent piece I identified a number of developments, in both Labour and in the political ecosystem to which it belongs, that seem to indicate some resurgence in the alternative socialist tradition discussed above<sup>834</sup>. They were:

1. Involvement of some leading Labour MPs in the All Party Parliamentary Group on Limits to Growth.
2. John McDonnell's speech to the Institute for Public Policy Research (IPPR) which acknowledged the Limits to Growth and the existential risk of climate change.
3. Developments in some Labour led local governments that emphasise localism and the use of local wealth and financial flows (instead of globalised finance and inward investment) to fund needed economic and social developments.
4. Statements from a number of labour influencers that acknowledge elements of the degrowth proposition.
5. Significant involvement of trade unionists in the fossil fuel divestment and anti-fracking campaigns.
6. Backing by scores of Labour MPs for fossil fuel divestment.

---

832 See <http://lucasplan.org.uk/>;  
A summary of the plan is at: <https://www.dropbox.com/s/o2sqxvhams2ywup/Lucas-Plan-53pp-alternative%20corporate%20plan.pdf?dl=0>;  
see also Wainwright, H., and Elliott, D. (1982). *The Lucas Plan: A New Trade Unionism in the Making?* London, Allison & Busby;  
Cooley, M. (1987). *Architect or bee? The human price of technology* (New ed). London: Hogarth.  
Also for its contemporary relevance, see King, Dave. 'The Lucas Plan – An Idea Whose Time Has Come?' *Science for the People Magazine*, 2019. <https://magazine.scienceforthepeople.org/vol22-2/the-new-lucas-plan/>.

833 Guinan, J. (2015). Bring back the Institute for Workers' Control. *Renewal*, 23(4), 11–36. Retrieved from [https://www.lwbooks.co.uk/sites/default/files/ren23.4\\_02guinan.pdf](https://www.lwbooks.co.uk/sites/default/files/ren23.4_02guinan.pdf)

834 Burton, M. (2018). Is the UK Labour party facing up to a post-growth future? Steady State Manchester website. <https://steadystatemanchester.net/2018/02/03/is-the-uk-labour-party-facing-up-to-a-post-growth-future/>



To these can be added some developments in Labour policy, in particular the new approach to International Development, co-produced by Shadow Minister Kate Osamor and “ a Task Force of 12 experts and activists<sup>835</sup>”, and new thinking on forms of public ownership, less statist, more diverse<sup>836</sup>. At best, Labour is adopting something akin to the alternative approach advocated by Williams and Morris, which asks how to construct a polity that is caring – for other people - at home and abroad and for the environment, and goes beyond the dominant model of capturing the state to administer a kinder version of the same economic system: capitalism.

## Possibilities and challenges

The context for this partial opening to ideas from degrowth needs some exploration. With the financial crash of 2007-8 there was a collapse of neoliberalism's authority, previously dominant<sup>837</sup>, in Labour circles (manifested in the Labour party leadership in the two stage shift to the left via Miliband to Corbyn), a space has opened for alternative ideology. Now, degrowth and socialism are not the same thing by any means: there are socialists who believe that non-capitalist economic growth would not be harmful<sup>838</sup>. But in this period of interregnum, where the ruling ideology of market solutions and the subjugation of everything to what the Australians used to call “economic rationalism”<sup>839</sup> is being dumped, there is opening up, not just to eclipsed political theory, practice and tradition but also to new ideas. The family of political and economic approaches we now call degrowth is one source of ideas entering the new ideological maelstrom. Given its various roots in both radical political thought (discussed, for the British context, above) and robust scientific analysis (systems analysis, as in the work of Donella Meadows and her *Limits to Growth* team<sup>840</sup>, climate science<sup>841</sup>, and ecological economics<sup>842</sup>) degrowth is well placed to make a critical contribution.

---

835 Osamor, K. (2018). *The Many Not the Few the Labour Party's Vision for International Development* (Opposition Green Paper). London: The Labour Party. Retrieved from [https://www.policyforum.labour.org.uk/uploads/editor/files/World\\_For\\_The\\_Many.pdf](https://www.policyforum.labour.org.uk/uploads/editor/files/World_For_The_Many.pdf)

836 The Labour Party. (2017). *Alternative Models of Ownership: Report to the Shadow Chancellor of the Exchequer and Shadow Secretary of State for Business, Energy and Industrial Strategy*. London: The Labour Party. Retrieved from <https://labour.org.uk/wp-content/uploads/2017/10/Alternative-Models-of-Ownership.pdf>

837 Davies, W. (2016). The New Neoliberalism. *New Left Review*, (101), 121–134.

838 For a discussion and critique, see Kallis, G. (2017). Socialism Without Growth. *Capitalism Nature Socialism*, 1–18. <https://doi.org/10.1080/10455752.2017.1386695>

839 “Economic rationalism” was a term eventually supplanted by “neoliberalism”, but it perhaps better captured the idea of an accountancy model of societal management where everything must be costed in order to be compared and preferably traded (*pace* Oscar Wilde). The same thinking can be found in the work of the thinker who first used the term “decroissance” (degrowth), André Gorz - Gorz, A. (2007, 2012). *La salida del capitalismo ya ha empezado ~ decrecimiento*. <http://www.decrecimiento.info/2012/01/la-salida-del-capitalismo-ya-ha.html> (online Spanish translation from the French original which appeared in *Herbert Marcuse, Michel Bosquet (Andre Gorz), Edward Morin, Sicco Mansholt et al.* First published in French by Le Nouvel Observateur, 1975).  
also see Gorz, A. (2010). *Critique of Economic Reason*. London: Verso. And Gorz, A. (2012). *Capitalism, socialism, ecology*. London: Verso.



However, the “straws in the wind” noted above do not amount to a resolved change of direction. Overall Labour policy development still relies, at best, on a green growth logic, present even in the positive developments just enumerated. McDonnell, for example, combines statements about the limits to growth with an emphasis on better technology and investment in the green economy<sup>843</sup>.

The above, “conjunctural”, analysis might suggest that Labour is in a kind of temporary unfrozen state where unorthodox, even iconoclastic, ideas can be voiced and taken seriously. But that will not last: Labour would consolidate its ideology as a new, if temporary, settlement, following a move into to government. That two stage picture is itself a simplification because within each of the two phases, pre-governmental and governmental, in different ways, there would be a multidimensional, ideological struggle.

In relation to degrowth, we can ask, *why is it difficult for Labour people to accept what is the hard core of degrowth, the limits to growth thesis?*

Answering that might give us clues about how best to present degrowth thinking in Labour circles. The sources of opposition and counter-arguments to degrowth are readily identified, and would appear to be the following<sup>844</sup>,

- Jobs: It is growth that will deliver much needed jobs.
- Poverty and deprivation: We need growth to lift people out of poverty and deprivation.
- Technological fix: We can deal with the problems of growth by investing in smart technology.
- Squaring the circle: Growth as consistent with environmental protection: sustainable development or having our cake and eating it.
- Class: The green movement is a middle class one that does not represent the interests of the working class.

- 
- 840 Meadows, D. H., Meadows, D. L., Randers, J., & Behrens, W. W. (1974). *The Limits to growth : a report for the Club of Rome's project on the predicament of mankind*. London: Pan Books. Retrieved from <http://www.donellameadows.org/wp-content/userfiles/Limits-to-Growth-digital-scan-version.pdf>
- Meadows, D. H., Randers, J., & Meadows, D. L. (2005). *Limits to Growth : the 30-Year Update*. London: Earthscan.
- 841 e.g. Le Quéré, C., Andrew, R. M., Friedlingstein, P., Sitch, S., Pongratz, J., Manning, A. C., ... Zhu, D. (2018). Global Carbon Budget 2017. *Earth System Science Data*, 10(1), 405–448. <https://doi.org/10.5194/essd-10-405-2018>
- 842 Daly, H. E., & Farley, J. (2011). *Ecological economics : principles and applications*. Washington, D.C: Island Press.
- Jackson, T. (2017). *Prosperity without growth: foundations for the economy of tomorrow* (Second Edition). London ; New York: Routledge, Taylor & Francis Group.
- Lange, S. (2018). *Macroeconomics without growth: sustainable economies in neoclassical, Keynesian and Marxian theories*. Marburg: Metropolis-Verlag.
- Victor, P. A. (2008). *Managing without growth slower by design, not disaster*. Cheltenham; Northampton, Mass.: E. Elgar.
- 843 See the textual analysis of his speech in my earlier piece, Burton, M. (2018). Is the UK Labour party facing up to a post-growth future? As above.
- 844 Burton, M. (2018). *Is the UK Labour party facing up to a post-growth future?* as above.

- “And the environment”: Nature is seen as separate, secondary to human life, society and economy.
- We can't isolate ourselves: We live in a global world and we have to compete to survive.

Several of these blocks are not unique to the left, but the emphasis on jobs, poverty and deprivation, and class, are distinctive.

Degrowth thinkers have devoted many pages to debunking these ideas and also working up alternative policy frameworks<sup>845</sup> that are consistent with both the limits to growth and with the aims of social and economic justice. The challenge is how to make those positive degrowth ideas become hegemonic in Labour circles. To be honest, I don't have the answer to this. However, I suggest the following ideas:

- Start from an understanding of the mental and emotional investment in the growth idea. The list above gives some clues to this.
- Practice a kind of intellectual and emotional ju-jitsu: turn what is seen as positive in the growth narrative against it. So we know that investment in technical innovation tends to destroy jobs. We know that as capital accumulates (i.e. as growth takes place), divisions are exacerbated. We accept the point about the global exposure of local economies – but that means that globalisation has to be fought through a relative re-localisation of economies, rather than increasing the globalising tendencies. And that does not mean stopping being internationalists<sup>846</sup>.
- Seek demonstrations that degrowth principles do deliver social benefits. For example when local financial flows are captured and redirected to local benefit. This does not mean seeking perfect degrowth in an imperfect world, but rather seeking innovations that are compatible with degrowth and indicate the ways in which degrowth ideas could be implemented at scale.
- Avoid being defensive. While it is important to work with people's values and preferences, that does not mean becoming apologetic or uncompromising about degrowth. It is growthism that is implausible, unscientific, not degrowth. So go on the offensive and, in good humour, ridicule the faulty thinking that sustains the growthist models. As Kallis argues<sup>847</sup>, *degrowth* is a positive term that disrupts orthodox approaches. New paradigms are always like that.

## Conclusion

The socialist movement has multiple roots, many of which were closely associated with a rebellion against the domination of life by a set of practices and ideology that reduced everything to an economic rationality. Cloaked by that economic rationality was (is) the domination of the many by the few, the property owners. And with that economic rationality of domination goes the

---

845 For two such lists, at different scales, and links to others, see Burton, M. (2018). *Is the UK Labour party facing up to a post-growth future?* as above.

846 Not that the dominant Labour tradition has been particularly internationalist in outlook.

847 <https://oxfamblogs.org/fp2p/youre-wrong-kate-degrowth-is-a-compelling-word/> Also see Latouche, who first popularised “decroissance” Latouche, S. (2010). *Farewell to Growth*. Polity Press.

domination of nature, its pell-mell exploitation without regard to its regeneration and to the future. Moreover, this rationality involves the imperial exploitation of other peoples and regions.

In degrowth we can find all these concerns and we could imagine a natural, mutual sympathy with socialists and their allies, were it not for the adoption of many of the dominant assumptions, models and methods into the heart of the socialist and Labour movement. But perhaps, in these times of crisis (of hegemony, legitimacy and of imagination), when the thoughtful are seeking and exploring alternatives, then there is an appetite to consider the framework of degrowth while jettisoning the absurdity of endless growth on a finite planet. This article has suggested some ways this might be happening, in the context of the British Labour Party, although it is careful not to over-claim: Labour has a long way to go before it can be said to have a policy framework that is consistent with what we already know about limits, overshoot and the extremely dangerous place that the pursuit of growth has taken us all. Clues to finding that framework have been given, but the path to it will sooner or later have to be trodden by the party itself<sup>848</sup>.

---

848 Or, more likely, given the rightward turn and purges under Starmer's leadership, by an extra-, inter-, and non-party alliance of radicals.

## Postscript: A Viable Future?

### The unique orientation of SSM and its impact to date.

Steady State Manchester claims a fairly unique focus on post-growth thinking at the meso-level, that of the large city and conurbation and also the bioregion. We combine an intellectual orientation with activism both outside the dominant power structures and also where possible, in dialogue with the more enlightened actors within governmental and other organisations. As such we try to expand the imagination of what a post-growth, or viable future could be, while building consensus for it and taking selected action in pursuit of those goals. Yet we are a small group with a core collective that has fluctuated between 5 and 10 members and a paid up membership of around 30 at any time. Can such a small voice have any impact and if so, what if anything have we achieved in the best part of a decade?

It was never very realistic to expect a fundamental transformation as the result of one group's activity. Change requires a movement, a coalition of actors, and contributing to that has always been a key part of SSM's approach. We will claim that we have "punched above our weight", that we are respected by, and in some ways have influenced other actors, both within and outside the system. Some of the degrowth-consistent policies that we have promoted have come into being locally, although we can't attribute their adoption to our sole action: maybe we were just ahead of the flow. On some fronts we have been working in the same direction as other forces, movements, trends and have contributed energy, insight and analysis.

Examples are, from the Metropolitan Mayor and Combined Authority, the move to re-regulate the bus system in Greater Manchester<sup>849</sup>, the establishment of a Co-operative Commission and the adoption of a Carbon Budget. A number of the policy initiatives we have proposed or promoted, for the reduction of energy demand and phasing out of fossil fuels, are reflected in, for instance, the work programme of the Environment Directorate of the Greater Manchester Combined Authority. However, on these our impact has been largely indirect, it will be indirect, via influencing the consensus on what needs to be done among energy and environment-concerned sectors. Moreover the majority of these initiatives remain small, grant-dependent and fragmented, rather than constituting a paradigm-shift.

More widely, we take part in networks and have a following, across the UK and internationally. Our work has brought us into contact with a variety of scholars and activists in continental Europe, India, Japan and the Americas. We learn from their experience and believe that our existence and outputs helps develop and strengthen the confidence and consistency of the movement's

---

849 We were active participants in the the coalition of groups that came together as the Better Buses GM campaign which campaigned in support of this reform.

interventions. Members and former members of our collective have also drawn on our Viable Economy and Society framework to inform their work in community development in other cities and towns. We have worked with a coalition of academics and activists, from the degrowth networks and the ecological economics societies, to bring about a major international conference on degrowth and ecological economics, which was originally going to be a live event and intervention into local debates, here in Manchester, but due to the pandemic, eventually took place first as an online colloquium on Covid (September, 2020) and alternative livelihoods, and ultimately in a large online conference in July, 2021.

## The intensifying pancrisis and the implications

We do have to be quite clear that we have not changed the dominant economic model, in our region, or anywhere else - the focus on economic growth, fuelled by the “agglomeration” strategy of inward investment, property development and the expansion of selected “high value” sectors<sup>850</sup>. Despite a pandemic, with the ensuing economic stasis and opportunity to rethink aims and purposes, despite an accelerating climate and ecological catastrophe, the Leviathan of accumulation continues, clogging our streets and air, threatening our health and safety and the very survival of our children and grandchildren (and even us), yet failing to make any noticeable shift in the conditions of large sections of the working class<sup>851</sup>.

Nine years on from the launch of Steady State Manchester, things seem to be much worse. We are in the midst of a global pandemic that is far from over. The Covid pandemic itself is the result of the encroachment on wild ecosystems and the increased exploitation of them. This and the expansion of factory farming are causes and facilitators of these new infections. Epidemics and pandemics are just one consequence of the ecological overshoot that the unviable global economy has generated, approaching and exceeding the safe planetary boundaries. At the same time, the consequences of the 2007-8 financial crisis, which ended the illusion that capitalism had triumphed over its cyclical crisis nature, are far from over. While there are obscene increases in personal wealth and resource consumption for some, thousands of millions live in poverty and there is little prospect of global capitalism changing that reality, dependent as it is on exploitation and expropriation. Trying to find answers, the storm troops of savage capitalism, the populist right, threaten even moderate mitigations of the environmental, health and livelihoods crises: a political crisis indeed. Understanding that all these crises are interlinked is an

---

850 Such as advanced materials, health technology, media and sport, aviation. See the work of the Foundational Economy group for a critique of this in its own terms. Folkman, P, J Froud, S Johal, J Tomaney, and K Williams. *Manchester Transformed: Why We Need a Reset of City Region Policy*. CRESC Public Interest Report. Manchester: Centre for Research on Socio-Cultural Change (CRESC), University of Manchester, November 2016. <https://foundationaleconomycom.files.wordpress.com/2017/01/manchestertransformed.pdf>.

851 To echo Engels's groundbreaking social and economic analysis of the social consequences of the Greater Manchester Economy one and three-quarter centuries ago Engels, Friedrich. *The Condition of the Working Class in England*. Penguin Classics. London: Penguin Books, 2009.

essential first step to doing anything about them. That is why we use the term *pancrisis* to capture the multiple and connected nature of the current catastrophic reality.

In the face of the global pancrisis, can approaches like that of SSM make any kind of a difference? We can't say. It is certainly conceivable that those wider and stronger forces will prevent any rational approach to the fundamental problem of living beyond our ecological means while systematically transferring wealth from the poor to the rich. If that is the problem, then some kind of eco-socialism has to be the answer. Yet the urgency of change and the power structures (mainly in commerce and politics) are against our favoured approach of expanding informed, deliberative democratic decision making in order to capture the levers of power and install a sane alternative. As was always the case, just having the "correct analysis" is not sufficient, nor is having feasible and adequate proposals for change<sup>852</sup>, even though both are necessary.

No one group can address the *sufficient* part of the equation (overcoming entrenched power, solving the problem of democratic governance, implementing the needed solutions, and doing it quickly) on our own. We can contribute to that wherever we get the opportunity, chiefly by supporting and joining relevant campaigns. We can continue to contribute analyses and proposals, aiding "the movement" to continue developing its collective understanding of the nature of the problems to be overcome, avoiding false trails and dead ends, and knowing what to do when various of the levers of change come into reach. We can do both these things at the scale where we have most to contribute and where our small resource might have the most relative impact: that scale will vary depending on the issue concerned. Usually this will be the meso-scale<sup>853</sup>, but we can also act within our various more local neighbourhoods and at times venture into national and international terrains and questions.

Raymond Williams made an acute observation about Britain, that it is both too big and too small for effective politics<sup>854</sup>. That duality suggests what is wrong with both the agendas of Brexit and city-regional devolution<sup>855</sup>. The former ignores the need for international coordination (and solidarity) over major problems facing humanity. The latter fails to deliver decision-making power to communities, dispensing a fragmented settlement of uneven delegation of selected responsibilities<sup>856</sup>. While these characteristics have a lot to do with

---

852 This was the argument of the chapter, Sustainability, Utopian and Scientific.

853 i.e. between the micro and the macro levels. Bronfenbrenner, U. 'Ecological Models of Human Development.' In *International Encyclopedia of Education*, 2nd ed. Vol. 3. Oxford: Elsevier, 1994.

854 Williams, Raymond. 'Decentralism and the Politics of Place.' In *Resources of Hope: Culture, Democracy, Socialism*, 238–44. London ; New York: Verso, 1989.

855 <https://steadystatemanchester.net/2015/02/19/is-devomanc-a-missed-opportunity/>

856 It need not be like this, though. There is no reason why city regional devolution necessarily prevents community decision making. The point is that the English experience of devolution has not been the proper devolution of all powers that would enable community decision making.

the particular long-term unresolved problems of England (and English identity)<sup>857</sup>, they also apply to problems of power and identity within the regional and municipal levels too. The too big – too small duality, however, has a more general relevance: wherever we are, the most relevant scale for action will depend on the nature of the issue being “praxised”<sup>858</sup> upon, while whatever the issue, there will always be connections beyond the systemic level of most relevance. To give an example, we might campaign against a particular planning proposal for a high building in a particular place: the target will be the local council and the campaign will focus on building a coalition of support, chiefly among local people, those who will be inconvenienced, displaced, or otherwise affected and those who are generally concerned about the kind of settlements that are being, as it were, almost by accident, foisted upon us all. Yet the determinants of such development proposals are probably to do with the long-range decline of capitalist profitability<sup>859</sup>, leading to speculative investment in buildings<sup>860</sup>. The material dependency of such construction is on high energy, high carbon industrial processes, whose consequences are felt globally as well as locally. The rules that allow such development, or might also offer some leverage for opposing it, are set nationally (and on some issues, for example those concerning trade, they are set supranationally – brexit certainly didn’t let “us”<sup>861</sup> “take back control” in the UK<sup>862</sup>).

An attractive slogan of the environmental movement has been “think globally, act locally” but this only takes us so far, as the above example shows. We (active citizens, organic intellectuals, scholar-activists, campaigners for social and ecological justice, etc., etc.) all need to be thinking and acting both locally and globally. Place is fundamental to imagining and achieving a viable (economy and) society – the viable community, but places exist in global space and time, and can only be made viable if there is a globally relevant praxis.

---

857 Nairn, Tom. ‘The Twilight of the British State’. *New Left Review*, 1, 101–102, January–April 1977, no. 101–102 (January 1977): 3–61. <https://newleftreview.org/issues/1101/articles/tom-nairn-the-twilight-of-the-british-state>.

Anderson, Perry. *English Questions*. London ; New York: Verso, 1992.

858 A neologism of an arcane word maybe. “Praxis” (a noun that indicates action) means the unity of theory and praxis. “Praxised” is what I take to be the participle of what should be its verb form.

859 Roberts, M., and Carchedi, G. *World in Crisis: Marxist Perspectives on Crash & Crisis*. Chicago: Haymarket Books, 2018.

860 For this phenomenon on a global scale, see Harvey, D. ‘Globalization and the Spatial Fix’’. *Geographische Revue* 3, no. 2 (2001): 23–30. For Manchester, see Silver, J. ‘From Homes to Assets Housing Financialisation in Greater Manchester’. Manchester: Greater Manchester Housing Action, 2018. <https://www.dropbox.com/s/45uj6plrn14hwrB/FROM-HOMES-TO-ASSETS.pdf?dl=0>.

861 “Us” and “we” are always problematic notions when writing in general terms about social change and since they can be taken to assume a collectivity with a shared consciousness and interests where no such thing exists.

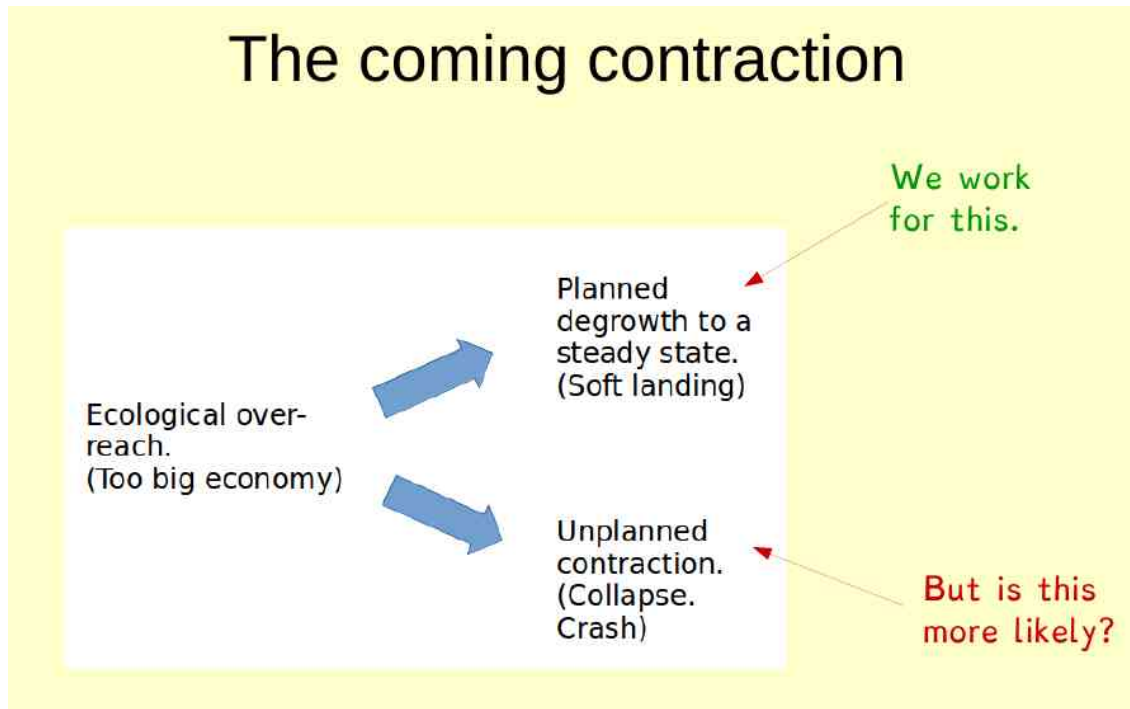
862 “Take back control” was a slogan of the little England brexiteers during the EU referendum campaign.



## Areas not covered that need to be addressed.

### Collapse<sup>863</sup>

As noted above, the prospects for achieving a viable future seem to be diminishing as the pancrisis intensifies. The problem can be stated more acutely: there is a high likelihood of the systems that make human life as we know it collapsing. While we and others in the degrowth and post-growth movement work for a planned or managed contraction, is an unmanaged, and probably violent collapse more likely?



The potential causes of collapse include one or more of:

- Accelerating global warming (positive feedback): regions becoming uninhabitable, much reduced food production, severe weather events. As of 2021 this is evident with new extreme events and broken records for temperature, rain, storms, etc, almost every week<sup>864</sup>.
- Financial crash due to reducing return on investment in energy and raw materials. This was the main mechanism for collapse identified in *Limits to Growth*. The report was almost uncannily accurate in that the

863 The ideas in this section were initially presented at the International Degrowth Conference, Malmö, 2018.

864 See the 6<sup>th</sup> IPCC Assessment Report, <https://www.ipcc.ch/report/ar6/wg1/>  
Severe weather events are now clearly linked to global warming:  
<https://www.carbonbrief.org/explainer-what-the-new-ipcc-report-says-about-extreme-weather-and-climate-change>  
Climate mitigation is incompatible with the current global accumulation regime. Bordera, F Valladares, A Turiel, F Puig Vilar, F Prieto, and T Hewlett. 'Leaked Report of the IPCC Reveals That the Growth Model of Capitalism Is Unsustainable.' translated version: *Monthly Review Blog*, 23 August 2021. <https://mronline.org/2021/08/23/leaked-report-of-the-ipcc-reveals-that-the-growth-model-of-capitalism-is-unsustainable/>.

trajectory that has been followed is close to that of their “standard run”, or business as usual scenario in the model which identified the likelihood of collapsing systems in the mid 21<sup>st</sup> Century, starting around 2015<sup>865</sup>.

- War, including Weapons of Mass Destruction. : a threat that has not gone away and could be more likely as other stresses play out globally.
- New pathogens – human epidemics<sup>866</sup>, crop failure, biomass dieback.
- Other planetary boundaries<sup>867</sup> crossed: including the nitrogen and phosphorous cycles, biosphere integrity, land system change.
- The dreaded “unknown unknowns” or *black swan* events – those threats that have not been (fully) understood or anticipated.
- Population displacements and consequent stresses on human settlements.
- The impact of combinations of these threats, which can also trigger one another.

Servigne and Stevens<sup>868</sup> summarise three states of the global system, that in their analysis, combined, lead to a cascading systemic collapse. They are

1. The shutting down of “*the engine of thermo-industrial civilisation – the energy-finance dynamo*” as the consequence of the ending of the era of cheap and abundant fossil fuels.
2. The exponential material expansion of our “civilisation” which has irremediably disrupted the complex natural systems on which it rested, crossing boundaries and causing, among other things, global heating and the collapse of biodiversity.
3. The “*ever more complex systems which provide food, water and energy*”, make increasing energy demands and the infrastructures, along with the political, financial and digital ones, are now “*so interdependent*,

---

865 Meadows, Donella H, Dennis L Meadows, Jørgen Randers, and W.W. Behrens. *The Limits to Growth : A Report for the Club of Rome's Project on the Predicament of Mankind*. London: Pan Books, 1974. <http://www.donellameadows.org/wp-content/userfiles/Limits-to-Growth-digital-scan-version.pdf>.

Turner, Graham. 'Is Global Collapse Imminent?' Melbourne: University of Melbourne, 2014. [https://www.researchgate.net/publication/267751719\\_Is\\_Global\\_Collapse\\_Imminent\\_An\\_Updated\\_Comparison\\_of\\_The\\_Limits\\_to\\_Growth\\_with\\_Historical\\_Data](https://www.researchgate.net/publication/267751719_Is_Global_Collapse_Imminent_An_Updated_Comparison_of_The_Limits_to_Growth_with_Historical_Data). Hall, C, and J Day. 'Revisiting the Limits to Growth after Peak Oil.' *American Scientist* 97 (2009): 230–37.

<http://www.esf.edu/efb/hall/2009-05Hall0327.pdf>. Herrington, Gaya. 'Update to Limits to Growth: Comparing the World3 Model with Empirical Data'. *Journal of Industrial Ecology* 25, no. 3 (June 2021): 614–26. <https://doi.org/10.1111/jiec.13084>.

866 IPBES (2020) *Workshop Report on Biodiversity and Pandemics of the Intergovernmental Platform on Biodiversity and Ecosystem Services*. Daszak, P., et al. IPBES secretariat, Bonn, Germany, DOI:10.5281/zenodo.4147317. <https://ipbes.net/pandemics>

Wallace, Rob. *Dead Epidemiologists: On the Origins of Covid-19*. New York: Monthly Review Press, 2020.

867 Rockström, Johan, Will Steffen, Kevin Noone, Åsa Persson, F. Stuart III Chapin, Eric Lambin, Timothy M. Lenton, et al. 'Planetary Boundaries: Exploring the Safe Operating Space for Humanity'. *Ecology and Society* 14, no. 2 (2009): no page number: digital journal. <https://doi.org/10.5751/ES-03180-140232>.

868 Servigne, Pablo, and Raphaël Stevens. *How Everything Can Collapse: A Manual for Our Times*. Translated by Andrew Brown. Cambridge, UK : Polity, 2020.

*vulnerable, and often obsolete that minor interruptions .... may endanger the stability of the overall system by causing disproportionate domino effects”.*

The impacts will particularly be felt in cities, which is where more than half the world population lives now. Cities are highly dependent on global supply chains, concentrated energy, systems for clean water, sewage and waste disposal, emergency and security services, while being particularly vulnerable to food system disruptions, flooding, intense heat, as well as being vulnerable to civil disruption and conflict.

As noted above, current degrowth strategies focus on positive policy and practice frameworks for an intentional transition. This has two dimensions or spheres of action. 1) *Politics, Campaigns, Theory*: trying to influence socio-political and economic aims, macroeconomic policy, distribution, financial systems, measurement, and so on. 2) *Building Alternatives*: Piloting more local solutions: co-operatives, food systems, local / regional economic and financial initiatives, co-housing, institutions and demonstration projects.

Within the trajectory and strategy of planned degrowth to a steady state, a “soft landing”, the first dimension (politics, campaigns and theory) entails campaigning for and promoting policies that could reduce material flows (resource & energy use, emissions), increase equality, restore ecosystem health, so that systems globally and locally shift into stewardship mode, averting catastrophe with social justice.

However, given the prospect of unplanned contraction - collapse, crash - this changes to campaigning for and promoting policies that adapt to radically reduced material flows, combat increasing inequality, work with natural forces and changes to restore ecosystem health so that so systems locally shift into emergency-stewardship mode, mitigating catastrophic impacts, ecologically, economically and socially. The overall pattern is similar, but it switches into crisis mode, emphasising protection and restoration.

Something similar happens with the second dimension of degrowth practice. While working for managed contraction, the strategy of building alternatives entails devising and implementing projects that demonstrate how to reduce material flows (resource & energy use, emissions), increase equality, and restore ecosystem health. It means preventatively putting things in place that reduce the risk of catastrophe while improving ecological and social well-being. However, faced with collapsing systems, the subtle shift is to devising and implementing projects that are robust in the face of reduced material flows (resource & energy use, emissions), provide resilience for the most vulnerable, and preserve local ecosystem health. It means putting things in place that enable better chances for people and natural systems under conditions of ecosystem catastrophe.

Often, though, the two modes involve similar actions. While localisation and related strategies are probably inadequate as solutions within the context of global capitalism, they do take on an urgent relevance in the context of capitalism's ugly collapse. What does this mean for those post-industrial (global) northern towns? It could look something like this.

- Intensive use of land for food production close to urban areas: poorly utilised farm land and intra-urban gardens, parks, and former industrial areas once they have been assessed for toxic residues.
- Technology conversion to modes requiring low energy and low material demands.
- People work more locally as longer commutes become too costly, impractical, and possibly dangerous.
- People downsize their housing as heating costs rise, leading to greater population density (greater occupancy rates) and reduced energy demand.
- Out of town shopping centres become disused as what retail is left is situated in localities. As supply chains for mass-produced goods fragment and collapse, people establish tool and equipment libraries, and exchange products from local workshops.
- An explosion of recovered and new craft and artisan know-how: skill sharing and co-learning.
- As fiscal support for human services collapses, co-operatives are set up combining residual government support with mutual aid and local insurance schemes, linked to complementary or substitute currencies and community financial institutions<sup>869</sup>.
- A basic range of medicines is produced locally, combining a resurgence of medical herbalism with scientific expertise and personnel from the former multinationally dominated pharmaceutical and chemical industries.
- As governmental systems erode and collapse, law and order becomes highly problematic but the more successful communities reorganise their fire service, police forces and local military into people's militias, combining public order and civil defence functions<sup>870</sup>.

---

869 See the chapters on *Women at the Heart of Community Solidarity* and *The Social Policy Conundrum* in this collection. Dengler and Lang also make the point that “a feminist degrowth imaginary implies destabilizing prevalent dichotomies and overcoming the (inherent hierarchization in the) boundary between the monetized economy and the invisibilized economy of socio-ecological provisioning.” Dengler, C., and Lang, M.. ‘Commoning Care: Feminist Degrowth Visions for a Socio-Ecological Transformation’. *Feminist Economics* (16 September 2021): 1–28. <https://doi.org/10.1080/13545701.2021.1942511>.

870 This does not form part of degrowth narratives and is certainly not necessarily a desirable outcome, but as systems collapse around them, communities might find this a least worst option – and of course, whatever we plan or propose, they are likely to do it anyway. The alternative is increasing thuggery and warlordism.

Collapse is not an enviable prospect but the existing orientation and practice of the degrowth and post-growth movements, both at the political and theoretical level, and at the practical, local level, offer us a more viable future, in the face of collapsing systems. Whether this means a path out of a collapsing global system of systems, or just a *better collapse*<sup>871</sup> is unclear, and will be so for many years. Yet even a better collapse, perhaps best understood as a voluntary relinquishing of sociopolitical system complexity<sup>872</sup>, is worth working for when the alternative is unimaginably bad<sup>873</sup>.

## Intersections in praxis

We see ourselves and our work as being at the intersection of ecology, critical political economy, feminism and anti-imperialism/anti-racism. However, it is fair to say that the first two of these get a lot more attention than the others. Women comprise half the human race while more than three quarters of the global population live in, or can trace their heritage to the global South. Their interest in a viable future is obvious. Less recognised is the fact that both sectors are ensnared in the unviable accumulation regimes that dominate economy and society worldwide. They are the most exploited, the most expropriated, the most excluded and marginalised. Their labour, both waged and unwaged, makes possible both the provisioning of the global population and also the reproduction of the capitalist system itself.

Both women and the non-white majorities, however, are sources of perspectives that can inform and alter the understandings behind, and also the prescriptions for, the viable economy and society. The field of feminist economics is now well established and has clear synergies with the critical economic and social theories utilised by the degrowth movement<sup>874</sup>. The vast field of critical economic and political theory from the global South can obviously not be summarised here, any more than feminism. However some key dimensions of its relevance are worth exploring.

---

871 This concept is taken from the work of Spanish philosopher and degrowth activist, Jorge Riechmann. e.g. Riechmann, Jorge. *Fracasar Mejor: Fragmentos, Interrogantes, Notas, Protopoemas y Reflexiones*. Tarazona (Zaragoza), España: Olifante, 2013.

872 To echo the classic definition of societal collapse by Tainter, Joseph A. *The Collapse of Complex Societies*. New Studies in Archaeology. Cambridge, Cambridgeshire ; New York: Cambridge University Press, 1988.

873 See also, Odum, Howard T. Odum and Elisabeth C., and Elisabeth C Odum. *A Prosperous Way down : Principles and Policies*. Univ. Press of Colorado, 2001. David Holmgren has also developed frameworks for thinking about these issues in *A History from the Future* <https://holmgren.com.au/news/a-history-from-the-future/> and *Crash on Demand* <https://holmgren.com.au/writing/crash-demand/>, where he updated his Future Scenarios framework.

874 Hence the existence of the Feminisms and Degrowth (FaDA) network.

Elsewhere<sup>875</sup>, one of us has reviewed and argued for the *transmodern* formula of the philosopher of liberation, Enrique Dussel, that is, a formalisation of the process whereby the perspective of those on the “underside of modernity” is brought into a critical dialogue with ideas, plans, policies and actions that come from the dominant system (including from those who are dissidents or reformers within that system). However, this is not a philosophical invention – the process of subaltern critique, leading to a new synthesis can be found in many places. Dussel himself cites the practice of the modern Zapatistas in Mexico, the work of Rigoberta Menchú, as well as the experience of Marx whose perspective was changed by engagement with the Parisian working class in the revolution of 1848. Other examples include the impact of mental health system survivors and disabled activists on both theorists and policy-makers in those areas, and the impact of the women's liberation movement. Dussel's term, “*analectic*”, comes from *ana-dialectic*, where “*ana-*” refers to “*beyond*”. As we explained it elsewhere:

*“Dussel is thereby proposing a resolution of the fundamental problem posed by the post-modernism debate, how to stand outside the reality within which we live in order to critically understand it, its categories and concepts included.”*<sup>876</sup>

Dussel distinguishes two systems, 1) the dominant, eurocentric, modern ideology-action-structure complex, and 2) the dissident, emergent, anti-hegemonic ideology-action-structure complexes based both on those oppressed within the dominant system and the subaltern “underside of modernity” - which includes all those sectors excluded from the dominant system. Together these comprise a “critical community”. The “Organic Intellectual” (following Gramsci) is the practical thinker committed to the cause of liberation, who takes the side of the oppressed and excluded, maintaining a critical dialogue with them. The project of liberation here is the transmodern alternative, rooted in the *analectic* encounter to both modernism (in normative and critical varieties) and post-modernism.

The essence of *analectics* then is to be open to the critical perspective of those excluded and oppressed through the dominant ideology-action-structure complexes<sup>877</sup>, thereby enabling a new synthesis as *praxis*<sup>878</sup>. That, we suggest

875 The section that follows is adapted from a longer exploration, (2014) Re-framing the mess we're in: ideology-action-structures and coloniality. <https://uncommonwater.net/2014/05/14/re-framing-the-mess-were-in-ideology-action-structures-and-coloniality-v2/> This was drawn upon for a short piece based on a talk given to the British Psychological Society, Burton, M. 'A Renewal of Ethics.' *The Psychologist* 26, no. 11 (2013): 802–7.

[http://www.thepsychologist.org.uk/archive/archive\\_home.cfm/volumeID\\_26-editionID\\_232-ArticleID\\_2364-getfile\\_getPDF/thepsychologist%5C1113burt.pdf](http://www.thepsychologist.org.uk/archive/archive_home.cfm/volumeID_26-editionID_232-ArticleID_2364-getfile_getPDF/thepsychologist%5C1113burt.pdf). Also see my short introduction Burton, M. 'DUSSEL, Enrique'. *GLOBAL SOCIAL THEORY* (blog). Accessed 28 June 2018. <http://globalsocialtheory.org/thinkers/dussel-enrique/> and the article with Flores, cited below.

876 Burton, M., & Flores, J. M. (2011). Introducing Dussel: the philosophy of liberation and a really social psychology. *Psychology in Society*, 20–39.

877 See the Chapter, in this collection *Putting the 'social' into sustainability science*.

878 I explore this in relation to critical psychology in Burton, M. (2013). The *analectic* turn: critical psychology and the new political context. *Les Cahiers de Psychologie Politique*, (23), online. Retrieved from <http://lodel.irevues.inist.fr/cahierspsychologiepolitique/index.php?id=2465>



is the approach to take in grounding adequately degrowth and post-growth praxis, avoiding its inadvertent assumption of a white male world-view and the associated practices. This resonates with the idea of epistemic justice, implying understanding and utilising systems of knowledge from the global South and also taking care not to assume dominance of knowledge systems (such as degrowth) rooted in the north. Above all decolonialism requires reflection on and understanding of not just the historical oppressions of imperialism but its ongoing dominance.

There is an immediate practical connection between a decolonial approach and that of degrowth<sup>879</sup>. Degrowth tends to be associated with the ideas and practices of radical re-localisation. This should not mean a retreat from responsibilities to the rest of the world, and nor does it mean a complete cessation of trade. Instead, it has much in common with what the decolonial Marxist Samir Amin, prefiguring the philosophy of agroecology<sup>880</sup>, called delinking<sup>881</sup>, pointing out that the escape route for the economies of the global South from world circuits of exploitation and expropriation lies in their relative independence from them, delinking from the operation of capitalism's law of value as it extends worldwide<sup>882</sup>. Degrowthers propose something analogous for economies in the North too.

- 
- 879 This connection has been explored in depth by Alberto Acosta, who chaired the process of rewriting of the Ecuadorian constitution, and others. Acosta, A. 'Extractivism and Neoextractivism: Two Sides of the Same Curse'. In *Beyond Development: Alternative Visions from Latin America*, edited by Miriam Lang and Dunia Mokrani, 1. transl. ed., 61–86. Amsterdam Quito: Transnational Inst, 2013. [https://www.tni.org/sites/www.tni.org/files/download/beyonddevelopment\\_extractivism.pdf](https://www.tni.org/sites/www.tni.org/files/download/beyonddevelopment_extractivism.pdf). Acosta, A. 'Post-Growth and Post-Extractivism Two Sides of the Same Cultural Transformation'. *Alternautas*, March 2016. <http://www.alternautas.net/blog/2016/4/6/post-growth-and-post-extractivism-two-sides-of-the-same-cultural-transformation>. Acosta, Alberto, and Ulrich Brand. *Salidas del laberinto capitalista: decrecimiento y postextractivismo*. Barcelona: Icaria, 2017. Gudynas, E and Acosta, A. 'El Buen Vivir o La Disolución de La Idea Del Progreso.' In *La Medición Del Progreso y El Bienestar. Propuestas Desde América Latina*, edited by Rojas, M, 103–10. México DF: Foro Consultivo Científico y Tecnológico de México, 2011. <http://www.gudynas.com/publicaciones/capitulos/GudynasAcostaDisolucionProgresoMx11r.pdf>. Kothari, Ashish, Federico Demaria, and Alberto Acosta. 'Buen Vivir, Degrowth and Ecological Swaraj: Alternatives to Sustainable Development and the Green Economy'. *Development* 57, no. 3–4 (December 2014): 362–75. <https://doi.org/10.1057/dev.2015.24>. Lang, Miriam, and Dunia Mokrani, eds. *Beyond Development: Alternative Visions from Latin America*. 1. transl. ed. Amsterdam Quito: Transnational Inst, 2013. <https://www.tni.org/en/publication/beyond-development>.
- 880 Aji, Max. 'The Hidden Legacy of Samir Amin: Delinking's Ecological Foundation'. *Review of African Political Economy* 48, no. 167 (2 January 2021): 82–101. <https://doi.org/10.1080/03056244.2020.1837095>.
- 881 Amin, Samir. *Delinking: Towards a Polycentric World*. London: Zed Books, 1990.
- 882 In 'A Note on the Concept of Delinking.' *Review (Fernand Braudel Center)* 10, no. 3 (1987): 435–44. [jstor.org/stable/40241067](https://www.jstor.org/stable/40241067), Amin suggests adopting as a matter of policy, a "national and popular law of value" in contrast to the law of value as it exists under global capital. This is not socialism as such but it opens the path to it. Amin drew on the early years of the Chinese revolution. The experience of Cuba and particularly the debates on economic strategy during the 1960s are still relevant to alternative, relatively de-linked economic and social strategies. Silverman, B. *Man and Socialism in Cuba: The Great Debate*. New York: Atheneum, 1973. Yaffe, Helen. *Che Guevara: The Economics of Revolution*. Basingstoke ; New York: Palgrave Macmillan, 2009.



## Beyond the region.

Already the question of the level or systemic scale for intervention has been discussed in broad terms. While SSM has worked specifically on policies at the meso-level (see the chapter *Viable Greater Manchester*), much lies beyond the reach of regional actors. A number of policy areas can be identified that require a concerted coming together of degrowth and post-growth activists and intellectuals to campaign for, and realise, changes that can either only be enacted at a supra-regional, or supra-national level, or that if enacted would facilitate the kinds of policy and practice initiatives we have been calling for locally. There is not the space here to set out a full policy programme, but we, and other degrowth thinkers and campaigners<sup>883</sup> have identified a number of key areas.

## Conclusion

In this book we have sketched contours of the ecosocial pancrisis that is the scenario for all efforts towards a Viable Society and Economy – A Viable Future. We can't know if the worst, catastrophic impacts of the pancrisis can be averted, whether our only option is a better collapse, or whether all is already lost in the longer term. We have to keep trying, through our work as scholars and activists, to help along the needed changes to the present economic and social systems. Our work as Steady State Manchester is one small part of that worldwide effort.

---

883 See for example the list included in our chapter, *The Political Economy of Economic Growth* (this collection) while our *Viable Economy and Society* gives further pointers to policy ideas at this and other levels.

Other formulations that overlap with these can be found in Lange, Steffen. *Macroeconomics without Growth: Sustainable Economies in Neoclassical, Keynesian and Marxian Theories*. Wirtschaftswissenschaftliche Nachhaltigkeitsforschung, Band 19. Marburg: Metropolis-Verlag, 2018; and in the exhaustive compilation in Tim Parrique's PhD thesis Parrique, Timothée. *The political economy of degrowth. Economics and Finance*. Université Clermont Auvergne; Stockholms universitet, 2019, pp. 492-499. <https://t.co/PM0ww3MJf2>.

## About the authors

### Mark H Burton

These days I'm an Independent Scholar-Activist. Since retirement from paid employment as a psychologist and subsequently a senior manager in health and social care services, I have concentrated on the relationships between economy, environment and social justice in the context of the Manchester city region. Publications are in a number of fields including policy research, management and applied psychology, with a focus on social justice and inclusion, along with associated practical and critical conceptual frameworks. From Jan 2004-October 2016 I was Visiting Professor at the Research Institute for Health and Social Change, Manchester Metropolitan University.



### Carolyn Kagan

I am active in a number of community and voluntary sector organisations, mostly concerned with local place-making, and have a particular interest in the complexity of flourishing communities. My work with Steady State Manchester follows a career as an academic, latterly managing a large interdisciplinary research institute. I have published widely about participatory working, urban regeneration, arts for health, disability, poverty and forced labour. I am interested in embedding feminist thought and practice into debates about sustainable futures and understanding community well-being. I am the lead editor of a groundbreaking *International Handbook of Community Psychology: facing global crises with hope*, to be published by Routledge in 2022.



### James Scott Vandeventer

I am a Lecturer in the Department of Management at the University of Huddersfield. My research interests lie at the intersection of organisation studies, human geography, and transformative change. My PhD involved ethnographic fieldwork on a social housing estate in Manchester, where I sought to understand how spaces and places are organised in alternative ways. Previously I worked in food retail before pursuing an interest in environmental sustainability through a Master's degree at the University of Edinburgh. This programme developed my understanding of alternative visions for the future, including degrowth and the steady state economy. My interest lies in understanding both what these alternatives might involve, and how we can begin to move toward them.



## Mike Riddell

I have been involved in the regeneration industry for most of his career, working in towns and communities that have been ignored and neglected by both the markets and policymakers.

Most recently, I am the creator of a membership network and digital platform called [CounterCommunity.com](https://www.countercommunity.com) that enables organisations and individuals to work together for social change, and to boost the local economy.



# **A Viable Future?**

## **Explorations in post-growth from Steady State Manchester.**

*by* Mark H Burton, Carolyn Kagan, James Scott  
Vandeventer and Mike Riddell,  
with other members of the Steady State Manchester  
Collective.



*Steady State Manchester, 2021*

*<https://steadystatemanchester.net>*

Some rights reserved: Licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License unless otherwise stated in the chapter.

ISBN: 978-1-9163858-2-5 ebook

ISBN: 978-1-9163858-3-2 paperback