

T125 Foundational Principles Summary discussion papers

2022



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1 About these papers

These papers provide a summary of the background research that led to the articulation of the Garden City Foundational Principles in Stage 1 of the project. They are presented as discussion papers that were used to inform meetings with the TCPA's Board and Policy Council to interrogate the Foundational Principles in 2022.

2 Discussion Paper 1: For people and the planet

Foundational Principle 1: For people and the planet – human thriving should be our point of departure in thinking about the future.

Introduction

This short note focuses on the first of the Foundational Principles and provides a brief background on how we arrived at the objective of human thriving and how this was originally expressed in the Garden City ideal. It also suggests how we might express that objective today. It is important to stress that while we are offering an outline for this principle, our minds are still open and there is a great deal more material on human thriving to explore. The questions at the end of this paper are designed to help our conversation, but not limit it.

2 What problem are we trying to solve?

There are, very crudely, two ways of viewing contemporary society; the first is the orthodox view that neoliberal macroeconomics are the best, indeed the only, way to organise society and that human behaviours must fit within the requirements of that economic system. While this system has driven inequality and irreversible environmental decline, it is strongly defended as better than any other alternative. But at its heart this system is not concerned with human thriving for everyone, but with the accumulation of wealth. This wealth creation, it is argued, enables a welfare framework which mediates the worst excesses of the poverty and inequality which neoliberalism generates. It is our assumption that the failure of this system, not just for those in poverty, but increasingly for those in work, coupled with the challenges of issues such as the climate crisis will be the driver for social change.

An alternative response to these problems is to begin with the idea of human thriving as the objective for social organisation and to construct the governance and economic instruments to make this a practical reality. This is the core assumption of the Tomorrow 125 project. It is based on an explicit moral assumption that human thriving should be a goal that is available to all, regardless of their income rather than only being available to economic elites. This key moral assumption is the point where the Garden City path divides from the public policy orthodoxy which has applied in the United Kingdom for the last five decades.

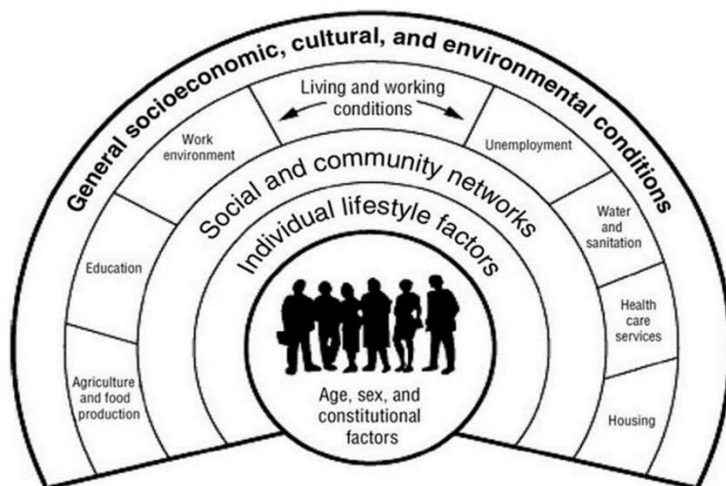
3 How is human thriving described in the contemporary literature?

There are multiple terms used to describe the importance of the ‘good life’, including human flourishing, quality of life and well-being. Each of these words has a complex and contested definition within the literature and our decision to identify human thriving as our objective, was based on our assumption that it best encompasses the overall and positive goal for our individual and collective future.

There is an extensive set of academic literature on what human thriving means. The most helpful summary of this work is provided by Brown et al, who define human thriving as "the state of positive functioning at its fullest range-mentally, physically, and socially."¹ That might be distilled further into simply enabling people to live fulfilling and connected lives. Since there is a great deal of discussion about well-being in this space it is worth reflecting that we assume that human well-being is a precondition for human thriving.

We have consciously tried not to fall down an academic rabbit hole and into the detailed debate about these concepts partly because the Garden City tradition comes to the table with a robust sense of what thriving might mean, as discussed in more detail below. But in unpicking what thriving means in practice, it is useful to reflect that it has two basic aspects. The first relates to our personal health and well-being, and the second relates to our collective social experiences. The diagram below reflects the social determinants of health and give an indication of how a person’s physical and mental well-being relates to wider notions of community networks.

The social determinants of health



There is a great deal of evidence surrounding the individual and the social determinants of health. There is also a clear sense of how important the physical environment, particularly access to nature, is to people’s overall well-being. But on the whole, there is less emphasis on how to secure people’s collective well-being. In our view, this is partly due to Western cultural traditions, which have championed the individual as a consumer, rather than the health and well-being of collectives or communities. As a result, we are not comfortable discussing our collective future, despite the fact people often perceive that a sense of community has declined or been lost. As a counterbalance we have explored one of the most compelling alternatives

¹ Brown D., Arnold R., Fletcher D., Standage M. Human Thriving. Eur. Psychol, p. 256.

which is the African tradition of Ubuntu. This is a broad tradition which highlights the importance of community and connection. It can be best summarised ‘as a person is a person only through other people’. This short clip from Desmond Tutu as an entertaining introduction: <https://www.youtube.com/watch?v=0wZtfqZ271w>. While Ubuntu is a widely drawn idea, it speaks to an aspect of life sadly lacking in many western cultures; the ability to access and value social networks in our physical communities and connect with others in meaningful ways. Although representing differing cultural traditions, the Garden City idea is the closest we have come to an Ubuntu community.

4 How did Howard express the idea of ‘human thriving’?

Howard started from a broad moral assumption that human beings are capable of kindness and co-operation and deserve the opportunity to live fulfilling lives free from the poverty and pollution of industrial cities. As a result, human welfare was the foundation of the Garden City. There was nothing religious or dogmatic in this view, despite being informed by Howard’s nonconformist background and his pacifist and anti-authoritarian leanings. He recognised that people are diverse and complex but also creative and co-operative, and he sought a way for communities to be organised to meet the complexity of human needs. He did not, as many industrial philanthropists of the time did, impose a moral code as a precondition of entering these utopian communities.

This moral and intellectual space allowed several ideas to accumulate around the Garden City vision, which immeasurably enriched the legacy. These ideas were a radical expression of humanist philosophy and sought to explore the nature of the human condition from economic equality and class boundaries to the nature of sexuality in the campaign for gay rights. It is very easy to get lost in this forest of fascinating debates covering issues from sex, death, art and love to the nature of craft and meaningful work. But one important issue emerges from this legacy. The Garden City was not about social control so much as the construction of a pathway, or a framework for human liberation. In essence, to thrive was to be able to feed all aspects of the human condition, from the basic necessities of life to the needs for artistic expression and community contact.

With a starting point of meeting human needs, it is easy to see why Howard became interested in the marriage of the very best of town and country. From John Ruskin and William Morris, he took the assumption that human beings are part of nature, not separate from it. We are dependent on nature for all aspects of our lives, so to prioritise human thriving is also to prioritise a sustainable planet – the two are indivisible. He accepted the spiritual value of nature and laid across that the information that was then emerging on the value of fresh air, exercise, sunlight and wholesome food for human health and well-being.

But Howard’s vision was more sophisticated than simplistic ideas of ‘back to the land’ as it recognised the value of many aspects of city life – its vibrant and creative culture, the availability of art and entertainment, its institutions of learning, and above all, the ways in which it could meet the human need for sociability. In merging the best of town and country he hoped to create the ideal human environment.

Taken together, the ideas that Howard synthesised provide a rich pattern for human thriving which offers the maximum possible liberty inside the framework of a democratic community. This was, as Colin Ward pointed out, a ‘social utopia’. This distinguishes the Garden City from

architectural utopia's which dominate our understanding and sometimes our fears of new social models. The emphasis on ideal physical designs, while superficially appealing, often fail to answer any important questions about power and social organisation. Physical design is of course crucial to enabling 'the good life', but it is essentially hollow, without the parallel ideas of how social organisation is to take place. Howard's genius was to construct a social model, his curse was to be only remembered for his diagrams.

5 How might we distil human thriving for 21st century Garden City?

The following statement is our first draft of how we will express human thriving in a Garden City context:

The objective of the 21st century Garden City is to create a framework for human thriving in which all our basic physical needs are met and where the other diverse needs of human beings, the things that which make life worth living, are enabled. This requires the creation of a framework for human liberation and equality which enables people to thrive regardless of their income. In simple terms, this means everyone having access to a decent home, nature, meaningful work, healthy food, art, community and all the diverse ways of connecting with each other. The modern Garden City is the foundation of the 'good life' not as single imposed vision but as series lives supported and enriched by the fabric of a cooperative and caring community.

6 Questions for debate

- What are the contemporary implications of returning the Garden City ideal to the objective of securing human thriving?
- Dare we offer a vision of what Colin Ward described as a 'social utopia'?
- Is our broad outline of what thriving means useful and compelling?
- Is the Ubuntu concept useful and describing the importance of community and social networks to our sense of self?
- What are the contemporary models of human thriving which are worth more detailed examination?

TCPA

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3 Discussion Paper 2: Democracy and Power

Summary Discussion Paper: Foundational Principle 2: Democracy and Power

Introduction

The feedback from the interim report and the summary paper on ‘Foundational Principle 1: human thriving’ suggested we had failed to sufficiently emphasise that we saw the re-exploration of the Garden City ideals through the lens of place, people and the physical community. While the issues we are dealing with have obvious wider implications it was not our intention to pretend we could replace, wholesale, existing social and economic systems. Instead, we assume that the Garden City ideals would apply to both new and renewed communities in ways which offer practical development model which is particularly relevant to those places most in need of new and hopeful pathways to the future. How far these examples have wider implications depends on the real-world resonance of these ideas in these communities and ultimately their long-term success.

This short note focuses on the second of our foundational principles on democracy and power, and how this was originally expressed in the Garden City idea. It also suggests how we might express that objective today. It is important to stress that while we are offering an outline for this principle, our minds are still open and there is a great deal more material on the nature of local democracy to explore. The questions at the end of this paper are designed to help our conversation, but not limit it.

2 What problem are we trying to solve?

Democratic decline

The evidence of people's disengagement with traditional democratic processes is well recorded in relation to voter turnout. The wider sense of public mistrust in politics is also evident². England's dominant model of representative democracy based on the ‘first past the post’ system is one of the most archaic in Europe and has survived all attempts at its reform. This representative model has been mixed with the growing introduction of direct democracy at a national level (this was recently deployed in the Brexit referendum vote). The lack of any wider constitutional safeguards for this vote resulted in one of the most divisive moments in British political history. While Wales, Scotland and Northern Ireland all have more active debates on democratic renewal and constitutional reform, England remains a chaotic blend of democratic institutions, constitutional vagueness and voter apathy.

It is significant that many of these problems are blamed on the apathy of the electorate rather than the dysfunctional state of our democratic organisation. Participation in elections has been

² “Public Attitudes 2022”. Webpage. Electoral Commission. <https://www.electoralcommission.org.uk/who-we-are-and-what-we-do/our-views-and-research/our-research/public-attitudes>

declining and in some excluded communities, voter turnout has fallen below 25%³ in local elections. There is a sense that the blame for this apathy rests with the individual's lack of commitment, but this ignores the fact the democracy has failed many of these communities. Put simply, democracy has not delivered tangible change to their lives so why bother participating in it? This question gets to the heart of the missing element of much of the commentary about community empowerment which is an effective analysis of how a power operates. Democratic processes can only be meaningful if the result is control over the levers of power in a community. A directly related question is how far such powers should be delegated to elected representatives such as counsellors for a fixed period, or whether participative democratic models are used to allow for the direct citizen control of some decisions.

A practical example of the question around what meaningful democracy is relates to the declining power of local democratic institutions. A vote for Birmingham City Council in 1939 was a vote for a public authority which directly controlled local taxation, extensive land assets, transport systems, housing delivery, energy generation and distribution, water supply, as well as a host of other cultural and sporting activities. Taken together these activities align closely with modern conceptions of the foundational economy⁴ and also remain key areas of activity for many European cities. A vote in Birmingham in 2022 gives some degree of 'influence' over a much smaller and declining group of activities. In an age of austerity, the choice of local voters often surrounds which services to cut rather than the ability to make meaningful positive change to places. In this sense the power of the citizen to vote has remained stable but the power of the City Council to do anything meaningful as a result of that vote has radically declined. The bandwidth of positive change has starkly curtailed.

Self-organisation vs state activity? The problems we are trying to address are not limited to this wider context of democratic decline. The Garden City tradition also illustrates a tension between those such as Howard and Colin Ward who saw self-organisation as a dominant element in the model, and those such as Frederic Osborn who recognised the need the state action if the model was to be scaled up and made relevant and available to the whole population. The tension between self-organisation and state activity is not one that can be helpfully resolved in favour of one idea or the other but it is a critical question for the future of the governance of the garden cities. What we clearly do not have is the right balance between a model of community self-organisation and an empowering state which can support such activities.

Recognising the 'other England'

One final element of context is useful for our debate. Our work with the incredible edible network has revealed an 'other England' of community self-organisation. In relation to local food this is often happening despite the local state and certainly outside traditional forms of democratic governance. These networks are emerging partly as a response to the failure of local democracy, but they illustrate the appetite in communities to find tangible solutions to the

³ "Results and turnout at the 2018 May England local elections". Webpage. Electoral Commission, 2019. <https://www.electoralcommission.org.uk/who-we-are-and-what-we-do/elections-and-referendums/past-elections-and-referendums/england-local-council-elections/results-and-turnout-2018-may-england-local-elections>

⁴ See the Foundation Economy's "What is the Foundational Economy?" webpage at <https://foundationaleconomy.com/introduction/>

problems that confront them from local food banks to Community Housing to local food growing.

3 How is the democratic question described in the contemporary literature?

It is not the intention of this short note try and summarise the contemporary debate about the future of democracy. One highlight of our examination of the extensive literature is some emerging thinking about regenerative democracy which highlights the importance of participative democratic process is in the context of social justice and planetary sustainability. In this paper regenerative democracy might be a useful summary term to encompass the practical rebuilding of public trust and the community capacity to actively control local decisions.

In the UK context the debate over democracy has focused largely on the devolution of powers to the nations and regions but it has not fundamentally questioned the relationship of the citizen to the local and national state. Despite active campaigns for proportional representation in England these have been dismissed by both of the mainstream political parties. Indeed, despite the rhetoric over the past 25 years on 'new localization' or 'localism' the clear tendency of the Westminster government has been to centralise power. While there are a variety of organisations working on community empowerment and placemaking there is a general trend for these not to discuss the fundamentals of the power balance between the citizen, the local state and the influence of the market.

For the purposes of this short paper there are five questions which the democratic renewal of the Garden City ideal must address:

1. How much power does the individual citizen have over decisions in their local area?
2. What should be the institutional structures for local decision making?
3. How much power does the democratic institution have to control local decision making?
4. What democratic model will apply to decision making?
5. What constitutional safeguards are there to protect the individual and a wider objective of securing human thriving from the excesses of populism?

We do not have complete answers to all of these questions, but we are clear about three directions of travel:

Subsidiarity. As a general rule decisions should be made closest to those most directly affected. This means that the presumption is that decisions with the most immediate impact on the local area should be made at the local level. This requires a fundamental shift of power both between the national and local state and the key anchor institutions currently held in the public and private sector.

Participative democracy. Of the three dominant democratic models in play in the UK, representative, direct and participative, it is the latter which needs greatest emphasis. A process whereby individuals have an ongoing role in decision-making processes can be the start of a

regenerative democracy, but it also implies skills and capacity which many communities will take time to restore.

The importance of the enabling state. Our thought process so far is not so naive as to imagine that local self-organisation can take place in a vacuum. The national and local state will continue to play a pivotal role and the delivery of services and into wider strategic solutions to issues such as climate change. However, asking the question of how the national state could enable community activity is one which now appears novel. This thought process leads to interesting results in terms of community rights over land and assets, but it requires Whitehall to accept that there will be risks on failures in a community led approach. The question remains as to what, in detail, would be the business of an enabling state.

How do we enable local decision making without compromising the wider requirements of human thriving, such as designing healthy places and tackling the climate crisis? One final democratic question is how to safeguard the rights of minorities from the kinds of populist democratic processes and to ensure that the overall objective of human thriving isn't compromised. This implies that there should be robust 'rules of the game' about process and safeguards on minimum outcomes, for example, and the way places are designed. We should be honest that these standards, and any minimum outcomes and processes, represent a clear limit on the action of local democracy, but are justified in relation to securing a wider public interest of human thriving.

4 How did Howard express the idea of democracy?

Howard was a committed democrat and wrote in detail about how that would work in practice in a Garden City based on equality in voting rights. But here the influence of the anarchist Prince Kropotkin gives the Garden Cities an added depth and spice. Democracy was seen both as a vital fulfilment of the basic human need to have agency over key aspects of life as well as a practical way of organising human affairs [add quote]. Howard also assumed that many more aspects of daily life would be subject to the democratic control of the community through cooperative and municipal organisation. Because the assets of a Garden City were in the hands of the community, local democracy was to be meaningful in shaping the decisions that mattered to people. Howard was also famously suspicious of the central state partly because of its obvious inactivity in solving the problems that Howard was interested in [methuselah quote?]. This is not Howard being ideologically anti-state so much as recognising that it was mostly useless in actually making things happen.

But the question of how far community self-organisation can go became a critical argument in the Garden City movement. The lessons from Letchworth about undercapitalisation and, as a result, slower than hoped for development, and the real disagreements amongst the personalities involved in the Garden City, led Frederic Osborn to see the state as having a central enabling role in new communities. It was that assumption that shaped the New Towns programme. In the process, and despite his best efforts, post war New Towns lost a crucial element of community ownership as Howard might have seen it. Colin Ward pushed back in the 1970s with his do-it-yourself new town idea and championed, along with people like Tony Gibson, the power of cooperative self-build. [add about the TCPA prospectus for a Third Garden City?] Significantly, the question about what role the state should play in enabling community development of any kind remains unanswered but the prospect of a helpful and enabling government supporting communities is a tantalizing one.

5 How might we distil a model of regenerative democracy for the 21st century Garden City?

The following statement is our first draft of how we will express the issue of democracy and power in a Garden City context:

A 21st century Garden City is a place defined by a meaningful and vibrant democracy. This requires a significant shift of power between the national and local state and the citizen based on the principle of subsidiarity so that the local community has the power to shape the decisions which directly impact on their future. It also requires a significant shift to participative democratic models so that communities have a direct and ongoing say in local decision making. Robust individual citizens rights are required to protect the interests of minorities, and minimum legal safeguards are necessary to ensure results of decision-making support human thriving. This would operate within a framework of a national and local state which has a new role in nurturing and enabling community activity.

6 Questions for debate

- What are the contemporary implications of a Garden City democratic model based on a shift of power to community level and self-organisation?
- We have said little about how the precise local democratic structures would operate with existing frameworks. How could this be made to work in practice?
- Is the outline of regenerative democracy useful and worth developing?
- What are the contemporary models of local democracy which are worth more detailed examination?

TCPA

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4 Discussion Paper 3: Land, finance and practical idealism

Foundational Principle 3: Land, finance and practical idealism

1 Introduction

The Tomorrow 125 project is designed to re-examine the Garden City ideals and to test their relevance for the 21st century. While the project was inspired by the desire to celebrate the 125th anniversary of Howard's seminal book 'Tomorrow: a peaceful path to real reform', the project has developed into a detailed reappraisal of the original Garden City idea. This process has disrupted many of our preconceptions and led to some interesting conclusions.

The interim report summarised our work on the first phase of the project and can be found [here](#). The report sets out the key origins and development of the Garden City idea and is not the intention of this short note to repeat that material. The report ended with a key conclusion that the Garden City ideal had three foundational principles:

1. The objective of the Garden City was to promote human thriving in the context of social justice, which implies enabling fulfilment of the diverse needs of the human condition, regardless of people's income.
2. Since human agency is a key part of human thriving, we require new and more meaningful models of democracy which, for the Garden City, was based on the principle of local self-organisation.
3. That to support the principle of human thriving, the basic aspects of a local economy, like housing, which support human thriving need to be mutualised, so they are under local control and the values they generate are returned to the community. This was a vision of a mixed economy accepting the role of the private sector for the supply of services outside the foundational economy.

The feedback from the interim report and the summary paper on 'Foundational Principle 1: human thriving' suggested we had failed to sufficiently emphasise that we saw the re-exploration of the Garden City ideals through the lens of place, people and the physical community. While the issues we are dealing with have obvious wider implications it was not our intention to pretend we could replace, wholesale, existing social and economic systems. Instead, we assume that the Garden City ideals would apply to both new and renewed communities in ways which offer practical development model which is particularly relevant to those places most in need of new and hopeful pathways to the future. How far these examples have wider implications depends on the real-world resonance of these ideas in these communities and ultimately their long-term success.

This short note focuses on the third of our foundational principles on democracy and power, and how this was originally expressed in the Garden City idea. It also suggests how we might express that objective today. The questions at the end of this paper are designed to help our conversation, but not limit it.

What problem are we trying to solve?

We have acknowledged in Foundational Principle 1 that all human beings should have access to the basic conditions which allow them to thrive regardless of their economic circumstances. This is a value judgement based on a moral assumption about the importance of equality and social justice. We have also recognised the need for a democratic model which reflects the

importance of human agency over the decisions which affect people's daily lives. The question is what economic system can best support these aspirations? This question itself assumes that economic systems are not naturally occurring or 'god given'. Our current arrangements result from a series of human choices. We have the agency to change them if we have the arguments and the power to do so.

Neoliberal, free market capitalism dominates mainstream western economic thinking. It has proved durable, adaptable and particularly useful in the accumulation of wealth and the circulation of capital to exploit investment opportunities. However, it is not concerned with the question of human thriving or economic equality. It has a very important set of practical problems: it is incapable of circulating wealth to meet everyone's basic needs without major programmes of state welfare spending, whilst also failing to secure the long-term future of the planet because it is incapable of internalising the concept of environmental limits. In short, it assumes finite resource availability to support growth despite the reality of the finite carrying capacity of the planet. It undermines democratic accountability by shifting decisions which can have an existential impact on communities into arenas open only to a constituency of investors and not to the public. As an economic system it is unstable and crisis prone, which in turn generates human suffering and consequent political instability. Overall, it does not work to support the goals of the Garden City idea. The best that can be said, which is in fact its most powerful justification, is that there is no practical alternative.

Our contention is that the Garden City idea was, and remains, a powerful way of modernising our economic system to achieve human thriving. In order to be successful, the economic model supporting the Garden City idea must meet three tests:

1. Capable of reflecting and sustaining those aspects of individual and collective thriving and well-being set out in principle one. It has to both generate and circulate wealth effectively.
2. Supporting our ambitious notion of a new democratic model set out in
3. Capable of practical implementation

In addition to these tests the Garden City economic model must also account for the obvious failures which occurred in the two Garden City experiments and ultimately as to why the idea wasn't taken up more widely.

How is the land and finance question described in the contemporary literature?

There is little need to describe in detail the dominant neoliberal economic model which from 1979, has dominated economic practise particularly around the development of land and property. This system is mediated through regulation and taxation, but both instruments have been progressively rolled back and time planning offers an interesting example of the consequences of this process, for both local democracy and affordable homes.

There is a vibrant and sometimes the bewildering set of alternate economic approaches each designed to modify or socialise the outcomes of neoliberal economics. The following description attempts to classify these ideas into either general development models, holistic economic approaches, individual economic instruments, or description of sectors of the economy. This is to indicate the overlaps which might exist between the approaches.

The Foundational Economy

A description of those parts of the economy directly relate to human thriving: the most established definition is provided by the Welsh Assembly Government⁵.

The foundational economy consists of basic services and products that People rely on to keep us safe, sound, and civilised. Examples of the foundational economy are:

- care and health services
- food
- housing
- energy
- construction
- tourism
- retailers on the high street

In short, the above industries exist because people are there. This is not a small part of the economy, as estimates suggest in Wales four in ten jobs and £1 in every three that we spend, depends on it. In some communities this basic ‘foundational economy’ is the only economy.

Sustainable Development

A holistic development model: Sustainable Development is defined by a concern with futurity and environmental limits, social justice and democracy⁶. The idea first emerged in the realm of International Development and in the context of environmental degradation⁷. Theoretically it is the dominant global development model supported by the United Nations⁸ and has been incorporated into several nations’ development strategies. It was a central part of the UK government’s development objectives, until 2010, when sustainable development in planning was significantly altered in its meaning and any ambition to produce a new version of the UK sustainable development strategy was abandoned. This was because the implementation of sustainable development fundamentally challenged the traditional high growth scenarios of the Treasury. Sustainable Development remains a high-level commitment in a number of policy documents, but the focus is expressed in high-level terms, meaning it often lacks particular relevance to the challenges faced by communities and regions.

One Planet Living

A framework of principles design to implement Sustainable Development: the ‘one planet living’ principles emerged from the sustainable development paradigm and was previously part of the 2005 UK Sustainable Development Strategy. They represented a set of economic considerations for the delivery of the sustainable development paradigm. One Planet Living is still advocated by Bioregional⁹ who have produced a framework of actions to implement the sustainable development model. Just as with the wider sustainable development principles defined by the United Nations, the Bioregional framework discusses the importance of health equity and environmental capacity.

⁵ “Foundational Economy”. Webpage. Welsh Government. <https://businesswales.gov.wales/foundational-economy>

⁶ “Quick Guide to Sustainable Development: History and Concepts”. National Assembly for Wales. March, 2015. <https://senedd.wales/research%20documents/qg15-003%20-%20sustainable%20development%20history%20and%20concepts/qg15-003.pdf>

⁷ “Sustainable Development”. Webpage. UNESCO. <https://www.unesco.org/en/sustainable-development?hub=72522>

⁸ See the United Nation’s “Fast Facts – What is sustainable development?” webpage at <https://www.un.org/sustainabledevelopment/blog/2023/08/what-is-sustainable-development/>

⁹ See Bioregional’s “Homepage” webpage, at https://www.bioregional.com/?qclid=CjwKCAjwwoWBhAMEiwAV4dybecckBIUjWMkQiS7A9xfLI00D9SFb4Ia6Y9VpUZZRzZt73ZMTjTVxBocIRsQAvD_BwE

Doughnut Economics

A holistic economic approach: this model advocates a fundamental shift and economic thinking. The idea emerges from the sustainable development paradigm but provides a more worked out approach around the economic systems necessary to support both environmental limits and human driving. It defines a social space which the economy must service in terms of the necessities of life but also defines environmental limits or ecological space which the economy must not breach. It aims to occupy the space between these two concepts on this essentially arguing for a fundamental evolution in the way that capitalism works from extractive to regenerative.

Doughnut economics has a series of teaching resources and best practised examples it is being adopted by local authorities and communities internationally and in some places in the UK¹⁰.

Doughnut economics is perhaps the closest fit to answering our questions around Foundational Principle Three. It overlaps with foundational economics and one planet living, containing aspects of both ideas. In that sense it is one of the most sophisticated contemporary platforms to deliver an economic model that supports human thriving inside our ecological capacity. It is a framework designed to shift from an extractive to a generative economic model. What it does not seem to do so well is offer practical frameworks of instruments, for example by arguing for a significant shift to mutualization. It seems to imply that the existing private businesses will adopt the principles as a result of their logical and moral force.

Circular Economy

An economic concept focused on a different approach to resource use: the circular economy¹¹ is a type of subset of doughnut economics, providing innovation in the way resources are used in the economy to ensure activity occurs within the environmental limits of the planet. It is also designed to be regenerative to natural systems and focuses on reducing waste and pollution. It does offer some detailed examples on resource reuse and renewable energy, but it is less clear to me that it has a clear agenda on exclusion and equality. It is not predicated on any particular ownership models or, as far as I can see, on an active commitment to redistributing wealth.ⁱ

The Wellbeing Economy

A broad economic approach focused on fostering human wellbeing: a set of ideas supported by Carnegie UK amongst others, which focus on developing new economic instruments to support human well-being.

Community Wealth building

A practical economic model focused on local regeneration: community wealth building seeks to change the way that economies function by aiming to retain more wealth and opportunity for the benefit of local people. It does this by harnessing the economic and social power of locally rooted institutions. These are commonly referred to as anchor institutions. Typically, this means local councils, health boards, universities, colleges and housing associations, and potentially, the private sector too. The Voluntary, Community and Social Enterprise (VCSE) sector also plays a fundamental role, by using its local intelligence and influence as a conduit for change, and as an important part of the generative local economy in its own right. There are five key principles of the community wealth building:

- Plural ownership of the economy
- Making financial power work for local places

¹⁰ "About doughnut economics". Webpage. Doughnut Economics. <https://doughnuteconomics.org/about-doughnut-economics>

¹¹ "What is a circular economy". Webpage. Ellen Macarthur Foundation. <https://www.ellenmacarthurfoundation.org/topics/circular-economy-introduction/overview>

- Fair employment and just labour markets
- Progressive procurement of goods and services
- Socially productive use of land and property

Community wealth building has the benefit of evolving from practical experience of the regeneration needs of communities in the UK. As a result, it is one of the ideas which is perhaps closest to the ground and easiest to realise. It has a strong focus on social justice and the regeneration of existing left behind places. It's less clear that it relates to wider ideas about environmental limits.

Social Value

Economic concept designed to value those benefits to human thriving not captured in market prices: social value is the quantification of the relative importance that people place on the changes they experience in their lives¹². Some, but not all this value is captured in market prices.

It is important to consider and measure this social value from the perspective of those affected by an organisation's work. Examples of social value might be the value we experience from increasing our confidence, or from living next to a community park. These things are important to us but are not commonly expressed or measured in the same way that financial value is. By changing the way we account for value, we believe that we will end up with a world with more equality and a more sustainable environment.

Cooperatives model

An economic tool/instrument: A cooperative as a way of organising economic activity which generates and shares wealth with the members of that cooperative. A cooperative is way of organising economic activity which generates and shares wealth and which the members rather than the shareholder have an equal democratic input into the decision making. This is a well-established and highly successful model.

4 How did Howard express the idea of Land, finance and practical idealism?

The administration of the financial heart of Howard's Garden City was to be carried out by a limited-dividend company, a private vehicle but with firm charitable commitments. The investment required to finance a Garden City project would be provided by private investors on a fixed rate of return, with lower returns being traded for investment security. Profits from the project were to be reinvested in the development process, as well as in a form of Garden City welfare state. The early development of Letchworth, in which all key retail, utility and leisure facilities, along with land and housing, were mutualised, gives a glimpse of the Garden City ambition. Although the Spirella corset factory, which played a key part in the development of the town's economy, was in private hands, the overall economic approach appears extraordinarily radical now – but, at the time, in many cities, such as Birmingham and Liverpool, municipal enterprises controlled key functions upon which they depended. In some industrial towns co-operatives dominated service delivery, from the baby's cradle to milk and bread delivery and an affordable burial.

If the headlines of Howard's model lie in this co-operative, municipal and mutualised approach, it is important to recognise that his detailed proposals represented a sophisticated way of capturing wealth and providing long-term income streams to pay, without the need for local taxation, for all the necessities of the good life, up to and including old-age pensions. These values were created through the process of community development, founded on the increase in land values which arise from the development of agricultural land and, crucially, from the

¹² "What is social value and why does it matter". Webpage. Social Value UK. <https://socialvalueuk.org/what-is-social-value/>

mutualised profits of the enterprises central in supporting urban life, such as the utilities. Sources of income included commercial rents from property, income from the agricultural estate, rental incomes from leasehold homes, and the profits from municipal enterprises (in the utilities) and other commercial activities. The periodic revaluation of rental incomes would allow for the fair distribution of increasing asset values. All of this was to be managed by a democratically accountable committee. In essence, Howard offered a detailed viability assessment for the delivery of a large-scale co-operative community and demonstrated how, over time, it could be financially self-sustaining.

One of the many gifts that the Garden City movement offers us is hindsight, the ability to explore the history of how these ideas played out in the context of a real place such as Letchworth Garden City and what those lessons teach us. A number of themes:

- Under capitalisation (?)
- Islands of cooperation in a free market sea
- Government interference. NHS, Leasehold reform
- The challenge of self-organisation
- What does this tell us?

5 How might we distil a model of land, finance and practical idealism for the 21st century Garden City?

The economy of the Garden City is founded on a mutualised approach to a core set of sectors which represent the 'foundational economy'. This community control of key services such as social housing, energy, public transport is not 'anti' the private sector in any ideological or dogmatic way. The Garden City idea is based on a mixed economy, with space for private enterprise, but where the core activities necessary for human thriving are conducted on a social rather than anti-social basis.

6 Questions for debate

- To what extent do you agree that a co-operative mutualised approach to the foundational economy is a sound approach for a Garden City financial model?
- What are the core elements of a co-operative foundational economy in a Garden City context?
- What is the institutional framework that can sustain a co-operative mutualised approach in an otherwise free market economy?

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