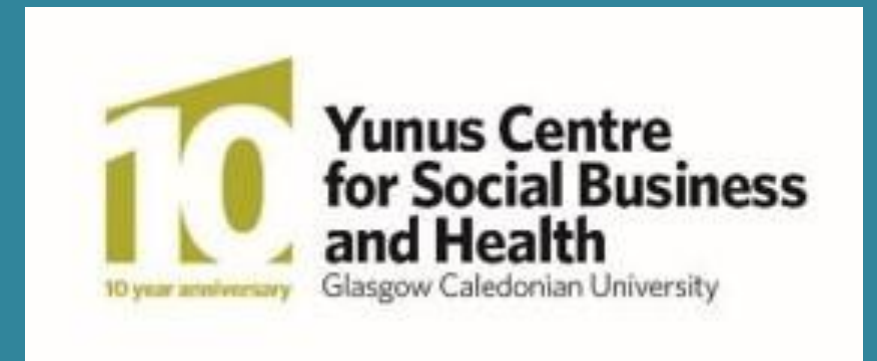




# Social Economy Today

**An economy that genuinely works for people and planet?  
How social and democratic business models must become the norm.**







**Left to right: Chris Martin, Rachel Baker, Neil McInroy, Kim Wallace, Cam Donaldson.**







**DEMOCRACY**  
COLLABORATIVE

**An economy  
that genuinely works for people  
and planet?**

Neil McInroy









# CAPITALISM. TIME FOR A RESET.

Business must make a profit but  
should serve a purpose too.

Visit [FT.com/NewAgenda](https://www.ft.com/NewAgenda)



**THE NEW AGENDA**

Financial Times  
18<sup>th</sup> of September 2019



# POLITICAL CRISIS

The Old Is  
Dying and  
the New  
Cannot  
Be Born

Nancy  
Fraser
















Strongly flows  
to people,  
places,  
communities

**Who owns wealth, who controls it, who benefits from it – these are the defining features of every economy.**



**DEMOCRACY  
COLLABORATIVE**



**MONEY MONEY MONEY**



**IT'S A RICH MAN'S WORLD**



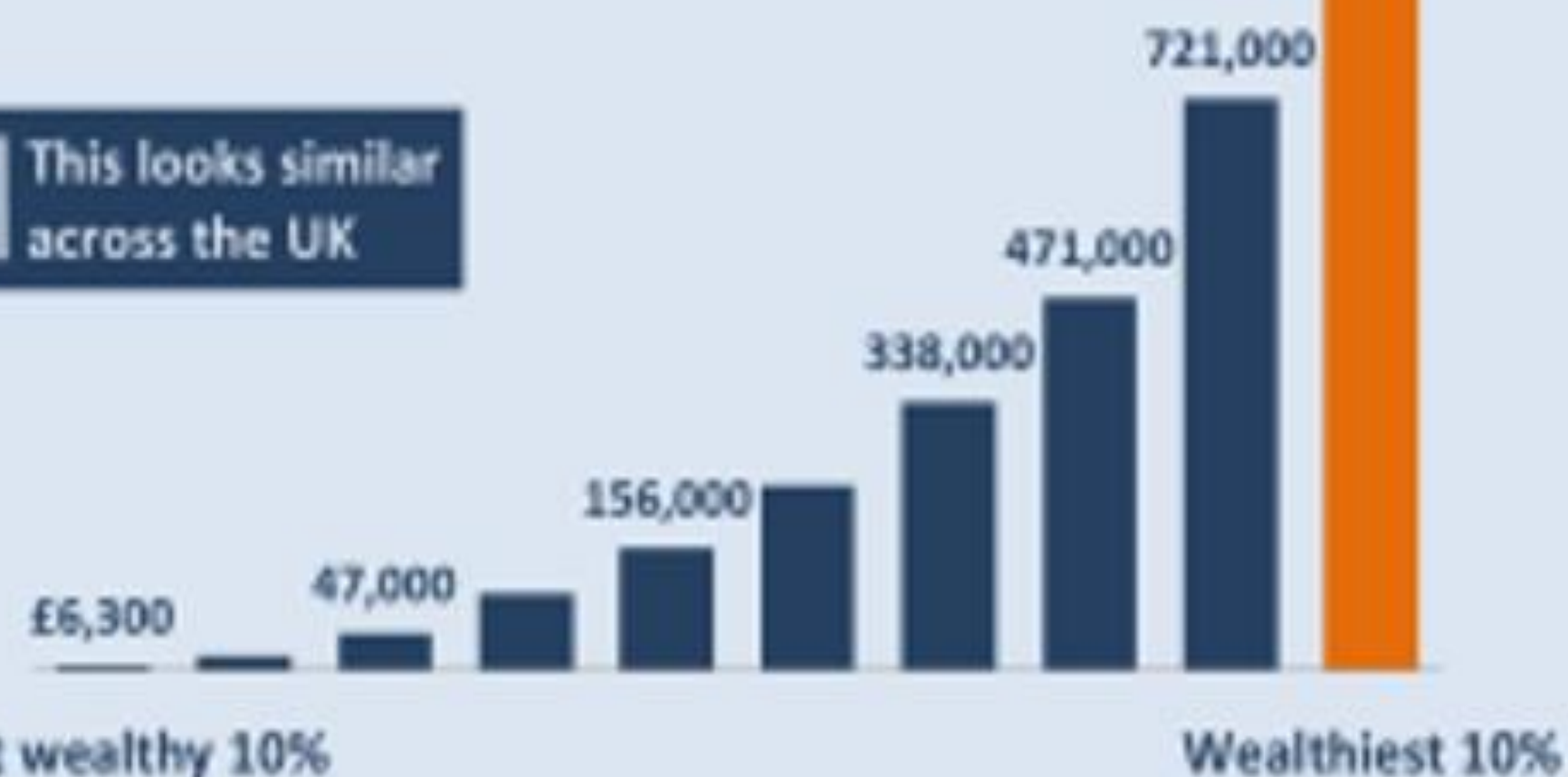
**DEMOCRACY**  
COLLABORATIVE



The wealthiest 10 percent own more than 200 times as much as the least wealthy 10 percent.

**£1.34 million** Median wealth of the wealthiest 10 percent.

**£6,300** Median wealth of the least wealthy 10 percent.



This looks similar across the UK

The least wealthy 50% own:

2% of all financial wealth



2% of all private pension value



5% of all property wealth



18% of all physical wealth



9% of all wealth



The wealthiest 10% own:

67% of all financial wealth



54% of all private pension value



43% of all property wealth



34% of all physical wealth



43% of all wealth



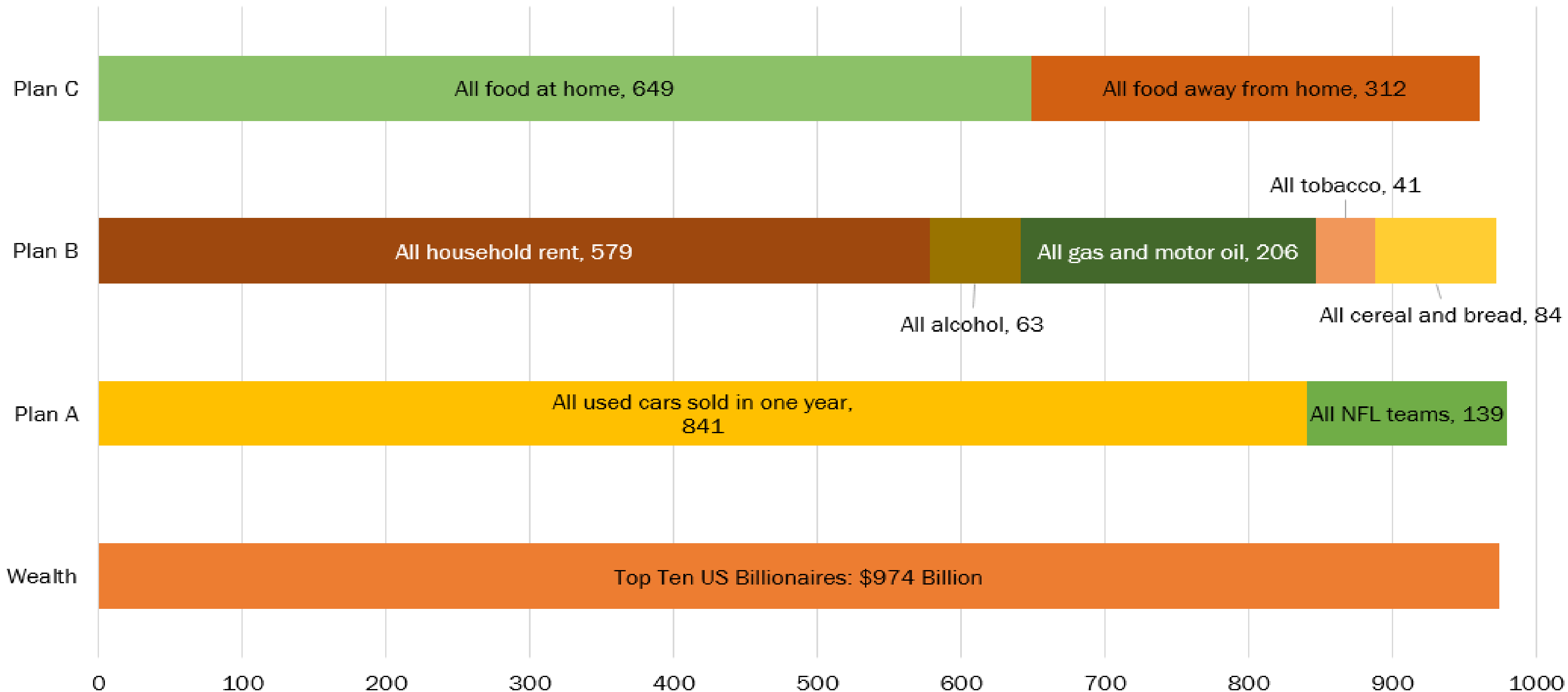


# WEALTH PROBLEM

<b>Action</b>	<b>Cost to do</b>	<b>Could be done by</b>
End the NHS crisis by increasing spending to the EU average for 10 years	£398bn	34 of the richest UK households
Reach net zero by 2050	£321bn	22 of the richest UK households
Pay off all student debt	£182bn	8 of the richest UK households



# What could the top 10 US billionaires buy?

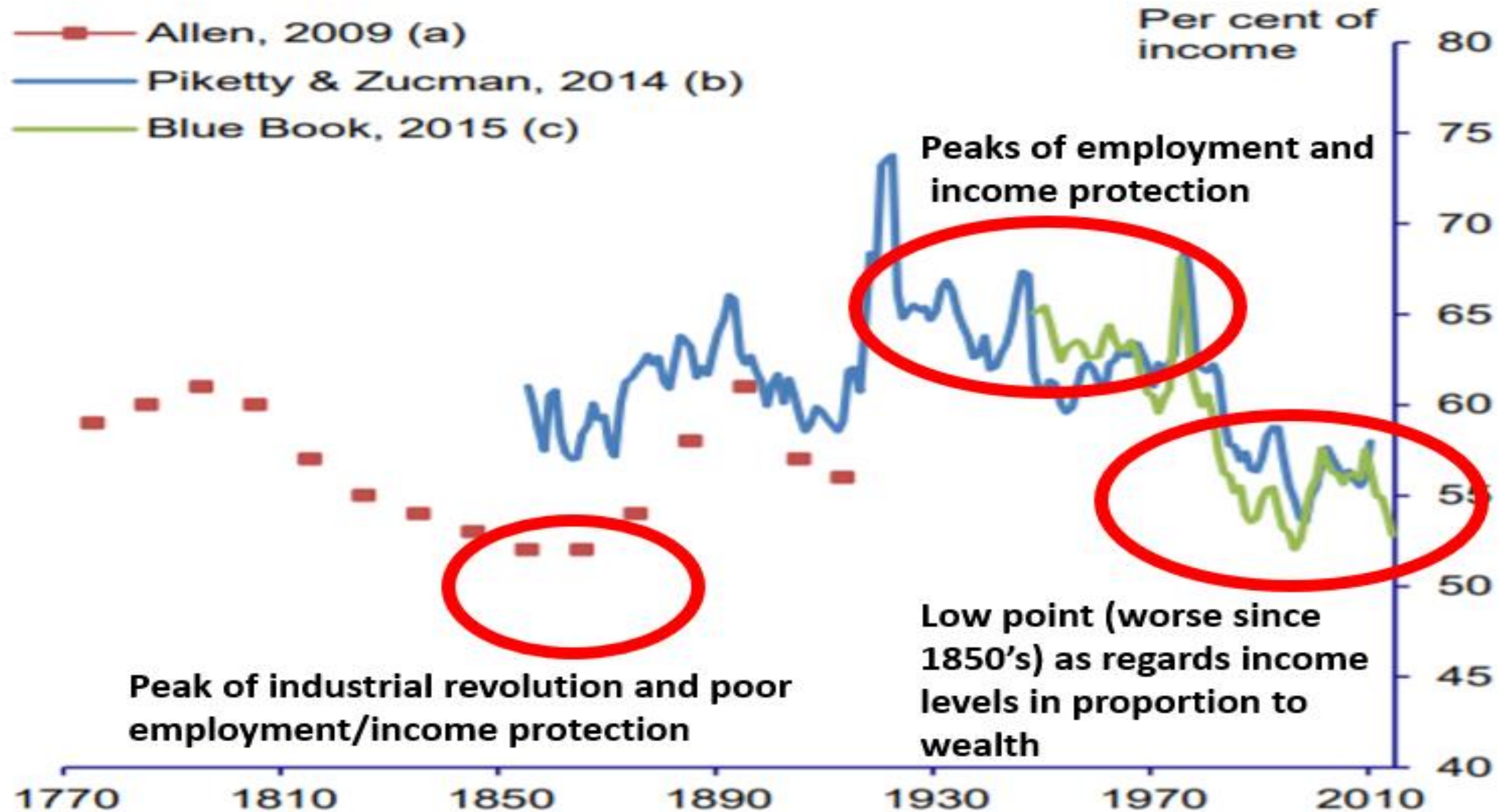


Notes: Top 10 billionaires from the Bloomberg Billionaires list, 7 Nov 2022. All numbers in billions of dollars. Used cars are 2019 sales from USBTS. NFL Teams are values at the start of the 2022 season, from Forbes. All other costs are 2020 total consumer unit spending, from the Consumer Expenditure Survey. PN Cohen chart.



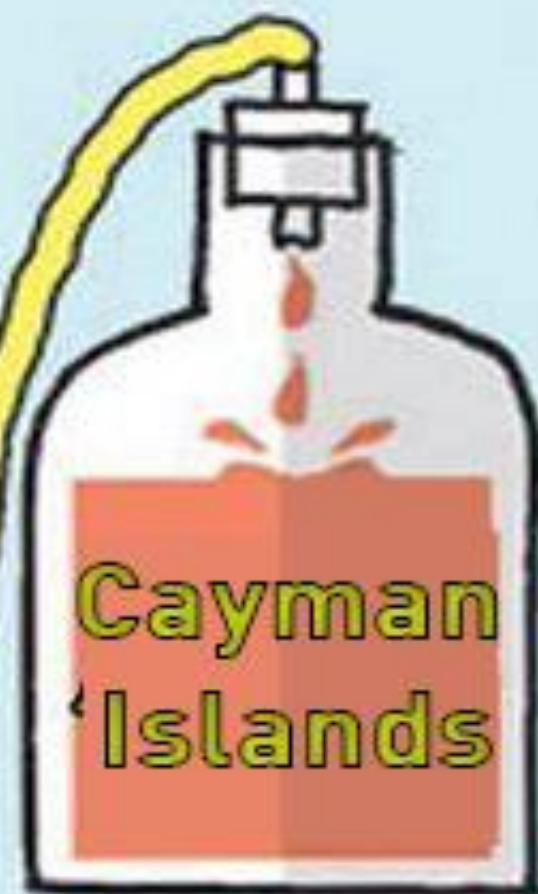
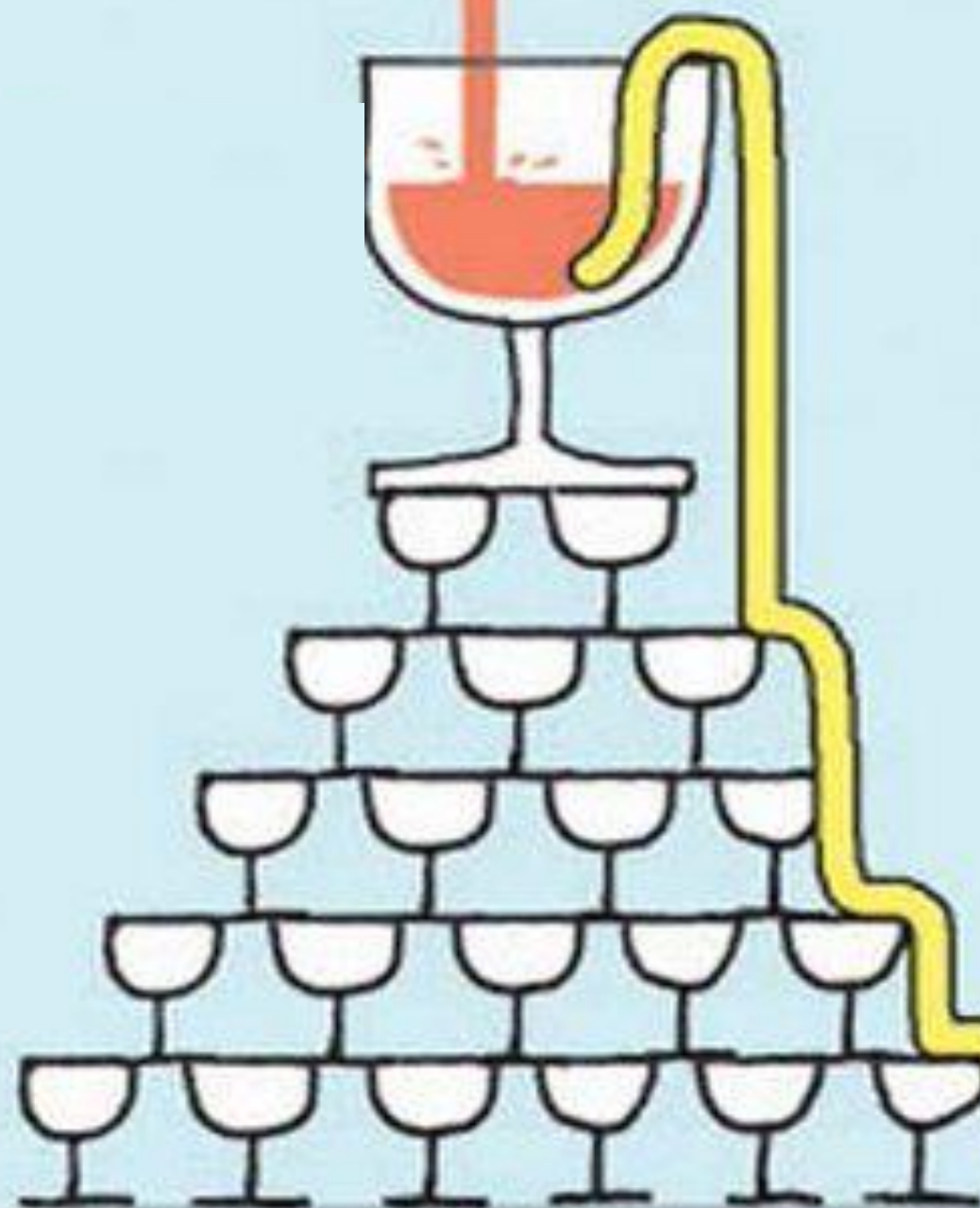
# LABOUR SHARE OF WEALTH

Chart 15: The UK labour share of income, since 1770



Latest figures from ONS - 49% Labour share of income





Daniel  
PAZ



# MONEY FLOWS





# A NEW ECONOMIC PLUMBING





# COMMUNITY WEALTH BUILDING

Community Wealth Building is an **economic development** model that **transforms** local economies based on communities having **direct ownership and control** of their assets.

It addresses wealth inequality at its core to produce broadly shared economic prosperity, social Justice and ecological sustainability.



Implementing  
Community Wealth  
Building

A G U I D E

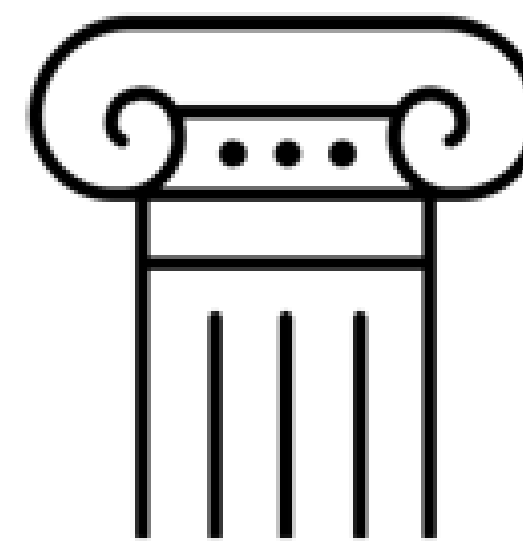
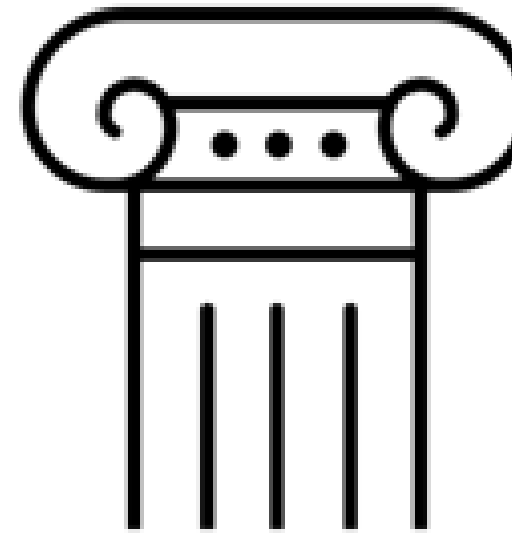
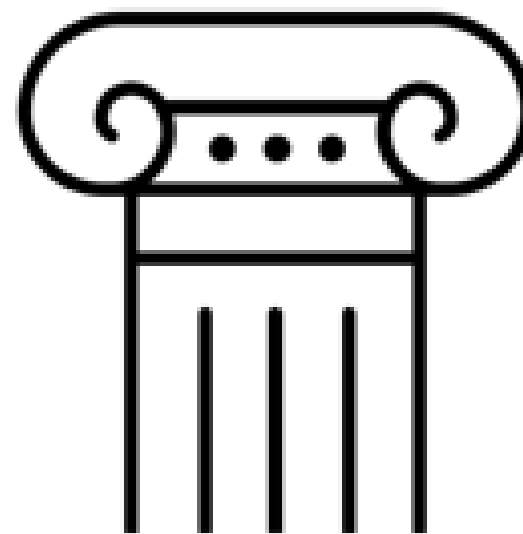
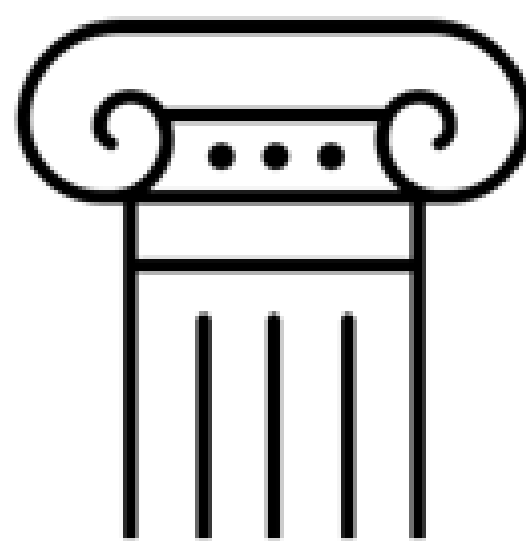
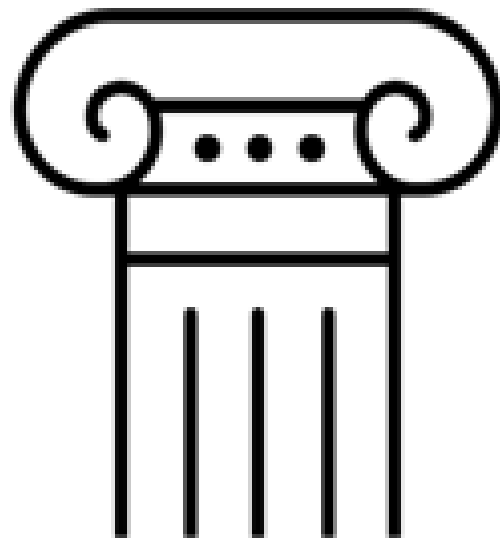


ACTION GUIDE FOR  
**ADVANCING COMMUNITY  
WEALTH BUILDING**  
IN THE UNITED STATES





# THE FIVE PILLARS







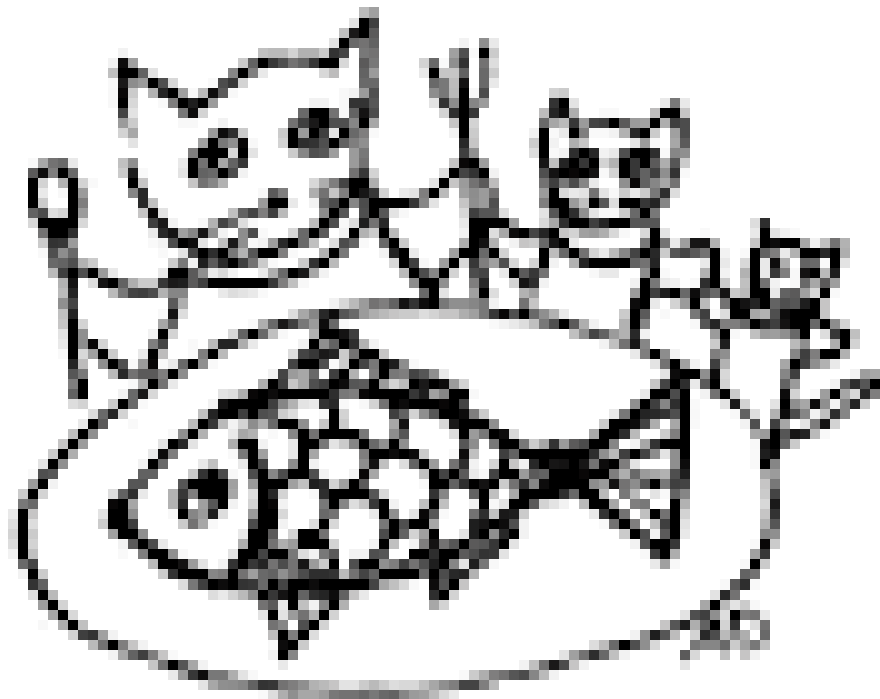


<b>DESIGN ELEMENTS</b>	<b>EXTRACTIVE CAPITALISM</b>	<b>DEMOCRATIC ECONOMY</b>
<b>Reverence</b>	Wealth	Earth, community, democracy
<b>Ownership</b>	Concentrated ownership by wealthy	Broad ownership by ordinary people, public trusts
<b>Purpose</b>	Maximizing income to capital	Lives of dignity on flourishing earth
<b>Accountability</b>	Fiduciary duty to financial gains, rules of materiality	Duty of care for social, ecological, financial impact
<b>Rights</b>	Corporate, investor freedom	Human freedom, rights of nature
<b>Governance</b>	Stockholder governance	Democratic governance, stewardship
<b>Infrastructure</b>	Wall Street, central banks	Next system of capital



# RE-DISTRIBUTION → PRE-DISTRIBUTION

Give a Family  
a Fish



= Charitable Act

Teach a Family  
to Fish



= Sustainability

Organize a Community-  
Based, Intergenerational  
Fishing Collective



= Social Change



# OWNERSHIP MATTERS

The goal is to create an economy where wealth is broadly held and so financial resources recirculate locally.





# INCLUSIVE AND DEMOCRATIC ENTERPRISES

## THE SPECTRUM OF OWNERSHIP FORMS



Social Enterprises, Employee-ownership, Cooperatives, Conversion to employee -ownership of enterprises, Development Trusts, Municipal enterprise



# WE HAVE 3 ECONOMIES





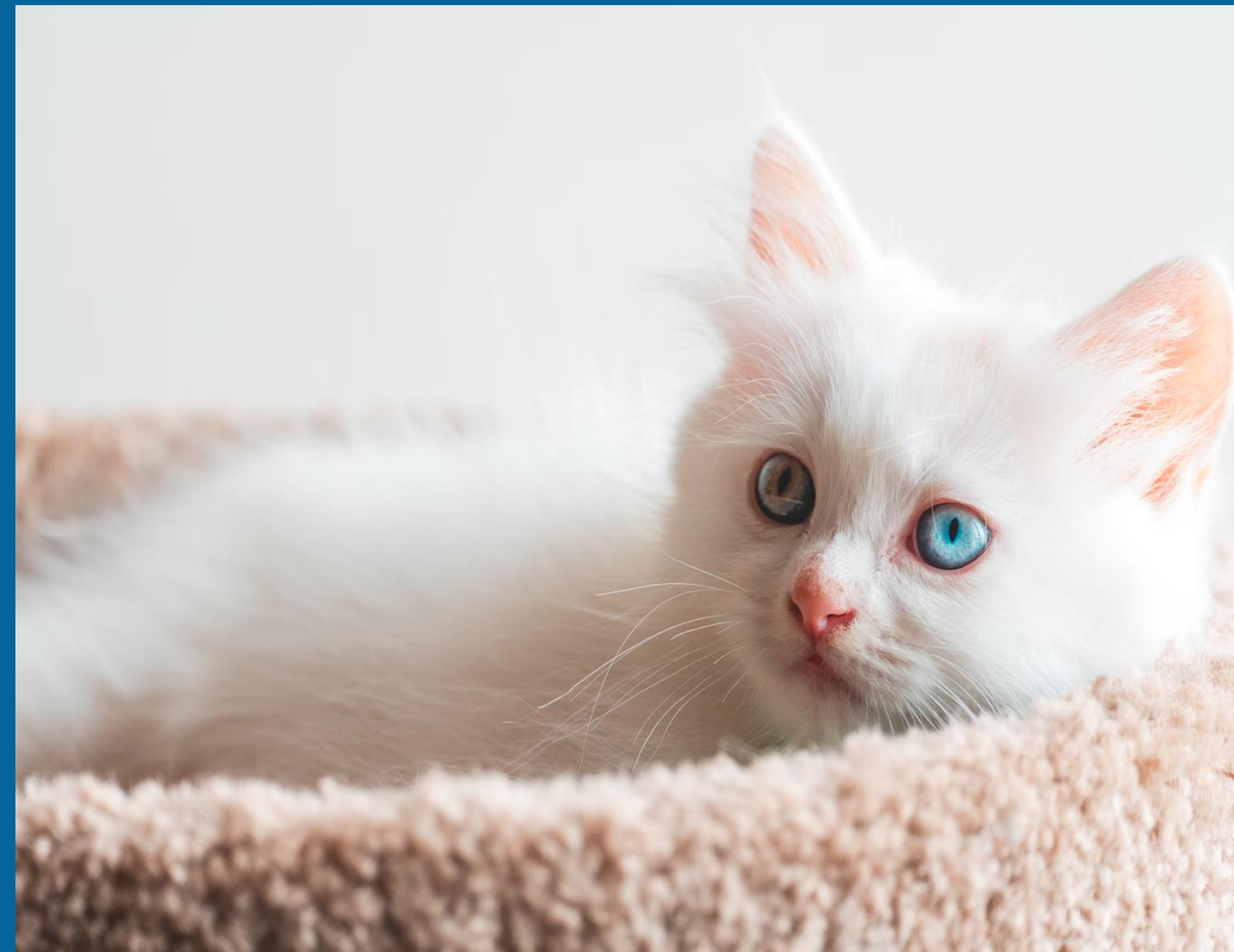


Photo by [Shubham Sharma](#) on [Unsplash](#)

Photo by [Bhargava Srivari](#) on [Unsplash](#)



# THE CO-OP ECONOMY



**7,586** businesses  
**£40.9bn** revenue  
**14.3m** members  
**249,142** employees

**CO-OPERATIVES UK**

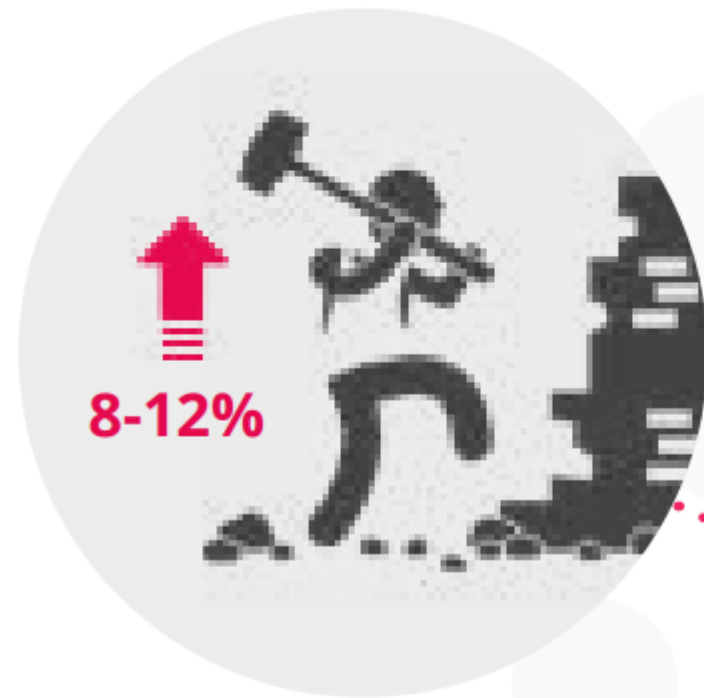
Coops UK(2023). The cooperative and mutual economy.  
<https://www.uk.coop/resources/Economy>

**CO-OPERATIVE AND   
MUTUAL EC NOMY 2023**



## Employee owners are more productive

EOBs are 8% - 12% more productive than non-EOBs (calculated on a Gross Value Added per employee basis).



50%

## EOBs reinvest more into R&D

EOBs are over 50% more likely to have increased investment in Research and Development (R&D) than non-EOBs in the last five years.



## EOBs create more jobs

EOBs are over 50% more likely to be expanding their workforce than non-EOBs (64% of EOBs increased employee headcount in the last five years, compared to 41% of non-EOBs).

25%

EO!

## EO tends to drive up company profits

The majority of EOBs (57%) reported profits increasing since becoming EO and EOBs are over 25% more likely to have seen profits increase in the last five years than non-EOBs.



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# IMAGINE IF 10% OF ALL FIRMS IN SCOTLAND WERE WORKER COOPS OR EMPLOYEE OWNED

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- Overall labour productivity in Scotland could improve by 20%.
- 56% of workers could have fair pay accreditation.
- 22% of workers would enjoy significantly reduced risk of redundancy in a 3-year period.
- 10% of firms were coops- reduce gender pay gap by 6%



# GROWING DEMOCRATIC ECONOMY IN SCOTLAND...AND SOME



Development  
Trusts Association  
Scotland

A Thriving Community-led Network

co+operative  
development  
scotland

—  
just enterprise  
—



DEMOCRATIC  
FINANCE  
SCOTLAND

SCOTLAND *for* EO

— Employees **CAN DO** Ownership —



SOCIAL  
ENTERPRISE  
SCOTLAND



CEIS

SIS

Social  
Investment  
Scotland





# BUT WE CAN DO MORE

## Building Community Wealth in Scotland

Analysis of responses to the consultation exercise

<https://www.gov.scot/publications/building-community-wealth-scotland-independent-analysis-responses-consultation-exercise-analysis-report/documents/>

October 2023

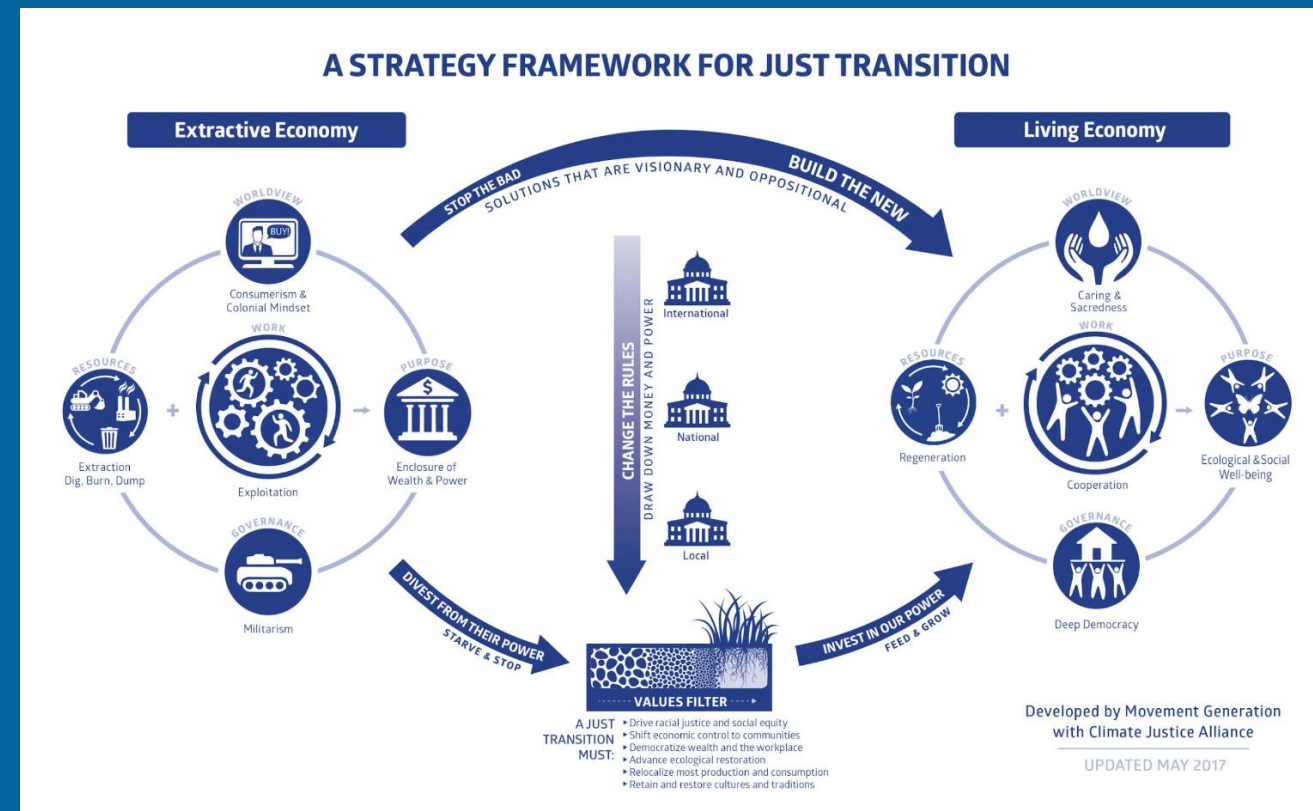
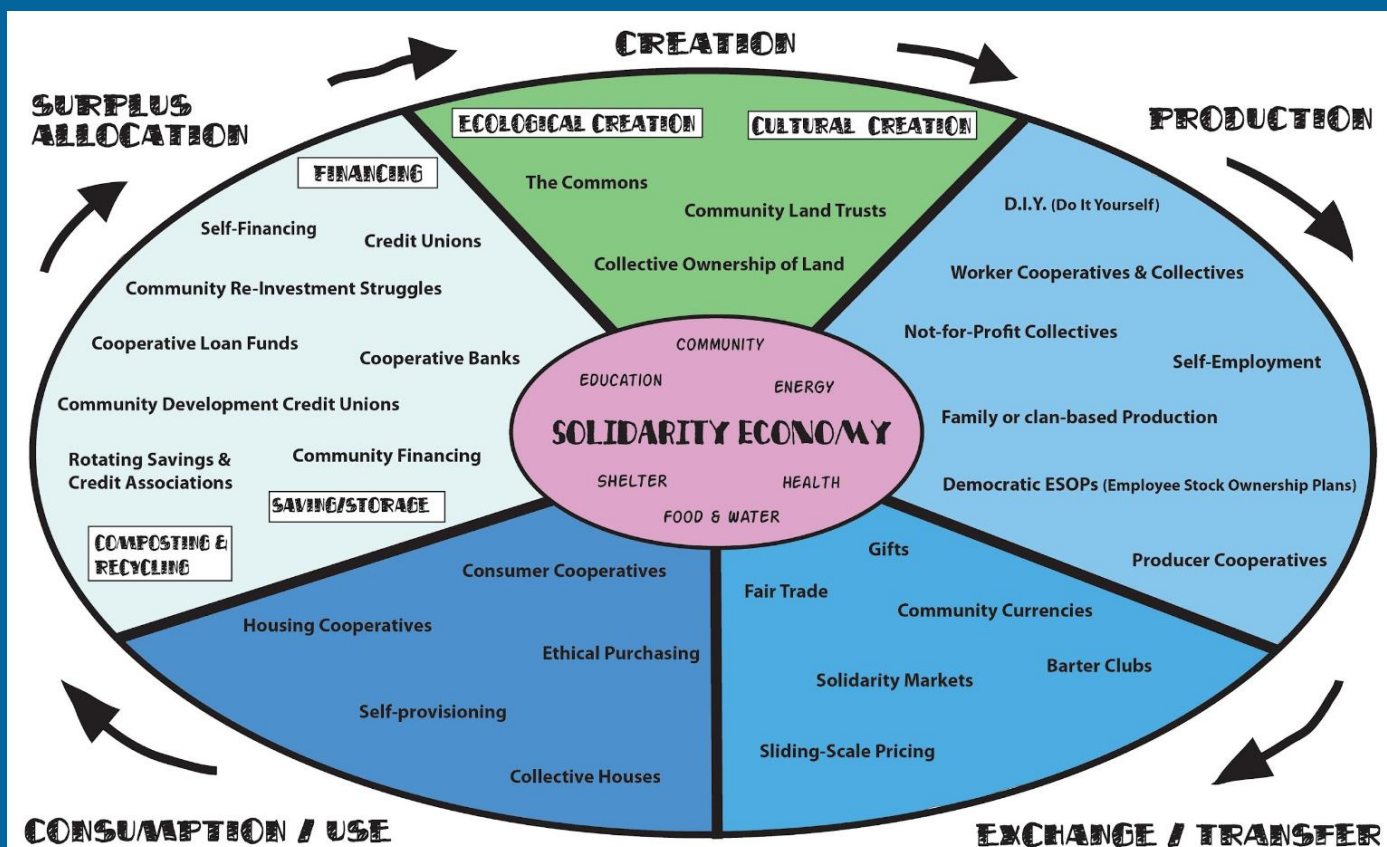
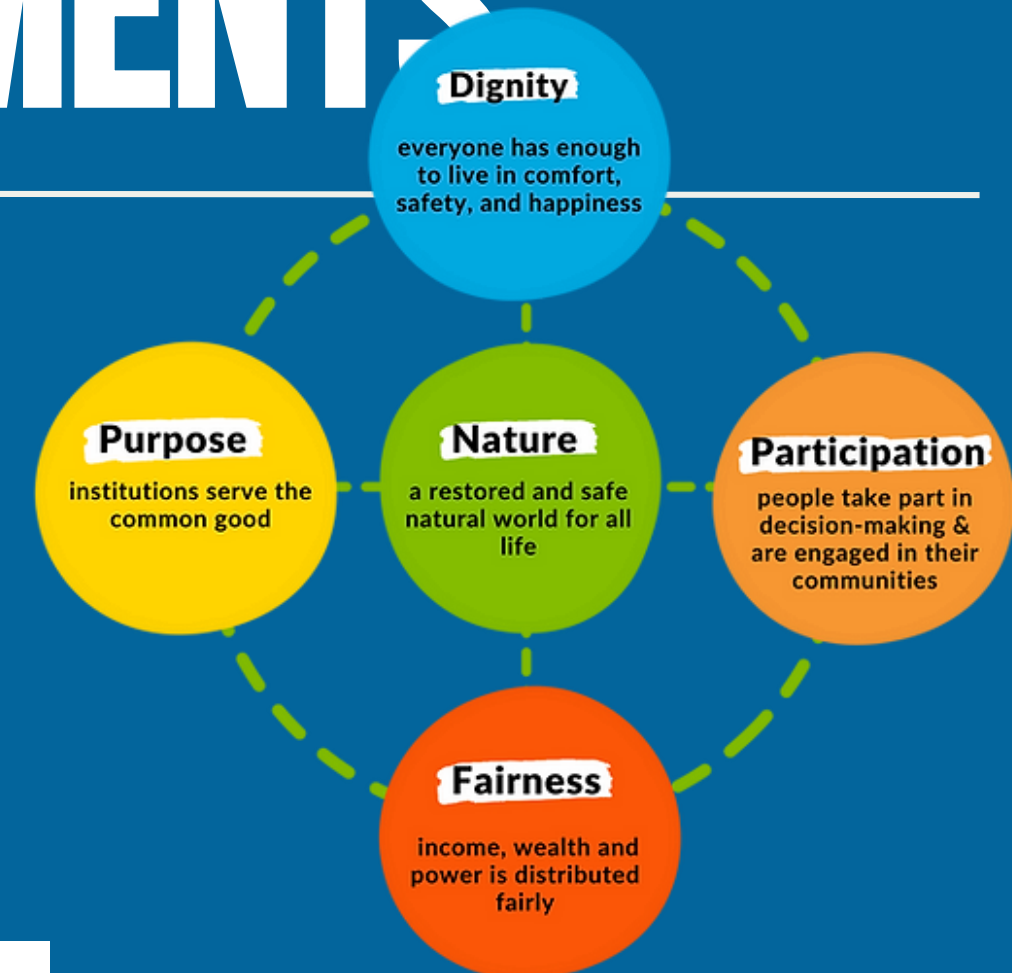
## Developing Scotland's Economy: Increasing The Role Of Inclusive And Democratic Business Models

<https://www.gov.scot/publications/developing-scotlands-economy-increasing-role-inclusive-democratic-business-models/pages/7/>

September 2024



# FAMILY OF GLOBAL MOVEMENTS



- New Municipalism
- Wellbeing Economics
- Doughnut Economics
- Solidarity Economy
- Just Transition





*We live in capitalism. Its power seems inescapable. So did the divine right of kings. Any human power can be resisted and changed by human beings.*

**Ursula La Guin**



*'...Initiatives and experiments should exemplify and foreshadow a direction for society'*

**Roberto Unger**



*Never doubt that a small group of thoughtful, committed people can change the world. Indeed, it is the only thing that ever has'* Margaret Mead.



***L***OCALIZE

***S***Ocialize

***D***EMOCRATIZE





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# CONTACT

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