

# Owning the Future

After Covid-19, a new era of community wealth building

## Summary

### About the paper

This paper has been jointly authored by The Democracy Collaborative (TDC) and the Centre for Local Economic Strategies (CLES).

Our work, in parallel on both sides of the Atlantic, to develop new strategies to advance community wealth building has enabled it to become a movement in its own right. In the Covid-19 crisis, we face a major public and economic event of historical importance, potentially unprecedented in its magnitude in peacetime. In the face of this, community wealth building policy and practice must shift to meet the scale of the crisis, rapidly building a new institutional power base for a new democratic economy. This paper lays out the economic landscape which community wealth building must now serve and its new contours.

In keeping with our think-do approach to building more just local economies, this paper is accompanied by a practical guide for local leaders on steps they can take now as they begin to feel their way towards economic recovery and reform from the Covid-19 crisis. [Read it here.](#)

### Part one

The present crisis has revealed the distressed state of our local economies and the brittle condition of the local public sector, following decades of underinvestment and disrespect. At the same time, this dual public health and economic emergency has underscored the centrality of community to our everyday lives. As we ready ourselves to rebuild and reconstruct within the shattered post-Covid-19 landscape, we must strive to make the economic recovery the starting point for reform and a new birth of community in this country.

To do this, we must refashion our vision and practice of community wealth building. We need a plan to survive the first, emergency phase, in which we are operating something akin to a siege economy. But we also need to think ahead to the next phases - the recovery and reform of the economy - and how to build the new resilient economic future to come.

Three potential scenarios can be envisaged for the recovery and reform phase: the good, the bad, and the ugly. This paper details these before setting out three systemic demands that will be necessary to deliver the good, and avoid the bad and ugly. These are:

- 1. Buyouts not bailouts:** To avoid the mistakes of the global financial crisis, we need to consider national and local state holding companies modelled on FDR's Reconstruction Finance Corporation. These should acquire failing businesses until the point when they are able to be re-launched as part of the economic recovery.
- 2. A new green industrial strategy:** We must replace the UK's discredited industrial strategy with a Green New Deal, funded by a green stimulus recovery package.
- 3. A new social contract and welfare system:** There must be a recognition that austerity was a mistake, and that we need to restore the capacities and capabilities of the national and local state, as well as expanding real community power.

## Part two

In part two, the paper begins to sketch out the contours of a new era of community wealth building. Replacing the extractive features of our economy with more democratic and sustainable features must become the new economic common sense. We lay out some emergent steps to get there in five key areas:

- 1. Democratic and plural ownership of the economy:** Rethinking business support and economic development more generally to advance democratic ownership models of firms. Also, a new era of municipal ownership.
- 2. Making financial power work for local places:** A new national fiscal and devolution framework, as well as expanding community finance initiatives.
- 3. Progressive procurement of goods and services:** Taking advantage of changing regulation to advance real social value across all of public spending and commissioning, potentially through a social license to operate.
- 4. Fair employment and just labour markets:** More forceful interventions in regional labour markets, especially in foundational economy sectors such as utilities, food, social and health care.
- 5. Socially productive use of land and property:** Rolling back the enclosure of public land through municipal development vehicles, community land ownership and a democratic revolution in the planning system.

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