

Rethinking poverty

What makes a good society?



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How far off is a good society?

The Webb Memorial Trust asked 10,112 people which qualities were most important to a good society, and how present they are in the UK today

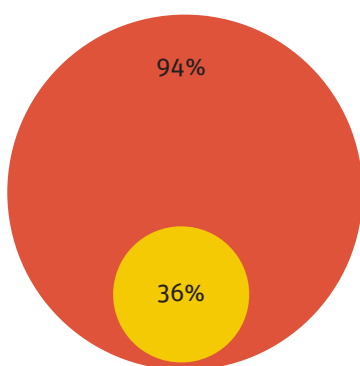


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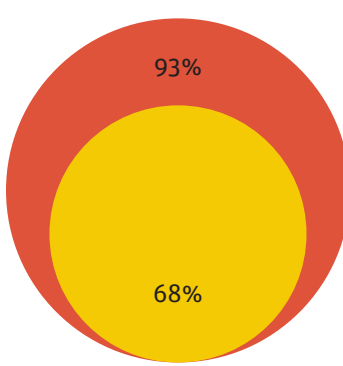


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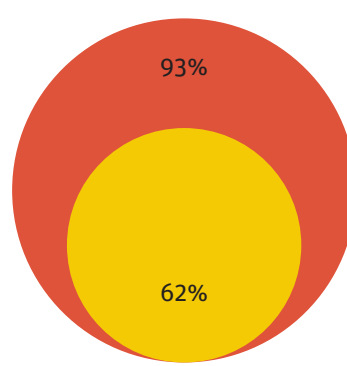
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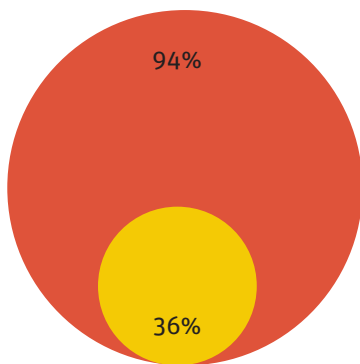
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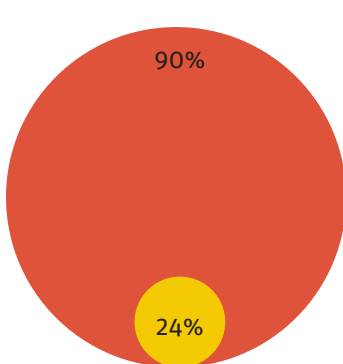
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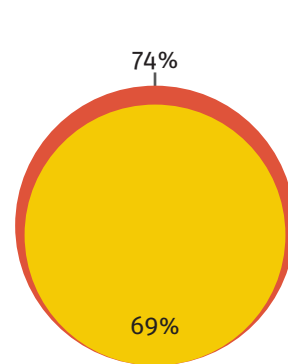
Compassion



Absence of poverty



Welfare benefits



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This is a summary of *Rethinking Poverty: what makes a good society?* by Barry Knight, director of the Webb Memorial Trust. The book details the findings of the Trust's five-year research programme, and can be ordered from Policy Press.

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What makes a good society?

A lasting alternative to our poverty-stricken society will only be achievable if we know what we want to replace it, writes Barry Knight, director of the Webb Memorial Trust



We need to rethink the problem of poverty. The welfare state is no longer effective in meeting social needs, and must be revitalised if we are to make progress. The first step in rethinking poverty is to rethink whether we should use the word “poverty”, a word that divides people emotionally and politically. This division means that policies to address poverty have always had limited support. Rather than seeking to assign blame for the problem of poverty, a more productive approach is to focus instead on building the society we want – a good society.

What would a good society look like? The five principles of a good society are:

1. We all have a decent basic standard of living
2. So, we are secure and free to choose how to lead our lives
3. Developing our potential and flourishing materially and emotionally
4. Participating, contributing and treating all with care and respect
5. And building a fair and sustainable future for the next generations

These five principles emerged from an extensive programme of research sponsored by the Webb Memorial Trust. The research includes the perspectives of people living in poverty, black and minority ethnic groups, community activists and children, and population surveys of more than 12,000 people.

There is one underlying concept that links the five principles more than any

other – the idea of community.

When, as part of the research, benefits recipients were surveyed in a focus group, they agreed that a good society would be “one in which everybody lived together in a harmonious community, where everyone is treated fairly”. For most people, the good life is not about having a lot of money; it is about having enough to pay for the basics – food, shelter, transport, etc. – as well as occasionally enjoying a few luxuries. When asked which qualities are most important for a good society, 10,112 respondents ranked social qualities such as fairness, freedom, security and tolerance above economic concerns.

Having well-paid work and the absence of poverty are important chiefly because they help people to live fuller lives. When a focus group of low-paid people was asked about what constituted a good society, they focused upon opportunity, agreeing that people should have the chance “to do well in life and realise their ambitions”. A good society should “provide opportunities for work and ensure that everyone has a stake in society”.

The five principles uncovered by the Trust’s research are the best path to a society in which people have the means and the freedom to live fulfilling lives, pursue leisure in ways of their choosing, enjoy caring and respectful relationships and exercise their creativity.

The model of society we have now is based on the principle of individuals maximising their income. Governments and many commentators measure success by footfall in the shops and increases in per capita GDP each year. The result is a society in which a wealthy minority are helped to flourish, while one fifth of the population experiences chronic poverty and many people on middle incomes fear for their futures. We will only be able to change this state of affairs if we drastically rethink what’s important.

From poverty to a better society: who is responsible, who has power, and who does what?

Building a better, fairer society that is free from poverty will only be possible with a coherent plan and the engagement of everyone in that society, from businesses and government to individuals of all ages

We are a long way from the society most people want. But while our current society concentrates on the false promise of individual wealth, the five principles uncovered in the Trust’s research show how government, enterprise and citizens can build a society in which people have sufficient wherewithal to be economically secure and socially free to live fulfilling lives, pursue leisure in ways of their choosing, enjoy caring and respectful relationships and exercise their creativity. But how should this be achieved? Which goals are most valuable in creating a better society?

For most people, security matters more than wealth

Lying awake, worrying about how to pay the bills, causes stress that people carry over into their work and relationships. People want to be able to pay their way and to have occasional nights out and holidays. The research shows that while people desire modest prosperity, becoming rich is not a significant concern for most people.

These findings are consistent with those from other happiness research projects. Once basic material wants have been satisfied, extra income adds very little to happiness. Economics appears to play a much less important part in our lives than politicians of all stripes would have us believe.

A new approach to poverty is critical
While it is not the primary goal of most people to get rich, there is no doubt that poverty spoils lives, hits the public purse and destabilises social relations in a cycle that is repeated from one generation to the next.

We may have done away with the humiliation of the 19th-century soup kitchen, but we are fast replacing it with the humiliation of the 21st-century food bank.

Hardly a week goes by without a new report telling us about the connections between poverty and the growth in homelessness; the use of food banks; cuts to public services; falling wage rates; record numbers of working poor; the plight of refugees; and, perhaps most disturbingly, the likely rise in child poverty rates over the next five years.

A recent report by the Joseph Rowntree Foundation has estimated the overall costs of poverty at £78bn per year. It was this self-reinforcing cycle, and the resulting persistence of poverty, that was the starting point for the Webb Memorial Trust’s research.

Why poverty is still with us

The welfare state aimed to meet social needs through state policies designed from the top down. This system worked reasonably well for three decades following the Second World War, but from the mid-1970s it was undermined both by



financial pressures arising from unemployment and an ageing population, and by resentment at the “cold bureaucracies” that administered the system. The evidence suggests that top-down government programmes and public sector spending often fail to produce the intended results.

The postwar welfare state was increasingly replaced, from the mid-1970s onwards, by a free-market “enterprise culture” that was based on the idea that all economic growth would result in “trickle-down” benefits for everyone. In practice, however, economic growth has failed to lift those who are economically at the bottom of society much beyond subsistence level. Instead, this approach has fuelled inequality and failed to end poverty.

Focus on “security for all” rather than poverty

The word “poverty” is toxic. Present-day efforts to address the problem of poverty

We have replaced soup kitchens with food banks

are hindered by the confusion and divisiveness surrounding this term. There are many different definitions of poverty, and conflicting accounts of who or what is responsible.

Some, like Beatrice Webb a century ago, see poverty as arising from the structure of society and economic mismanagement – making it, therefore, primarily the responsibility of government.

Others, in many cases egged on by television shows belittling those struggling on low incomes, blame individuals for their plight, publicly labelling them as “skivers” as opposed to “strivers”.

This division is most visible in public attitudes to welfare benefits. While some people feel that benefits should enable recipients to lead what most people would consider a “normal” life, others feel benefits should do no more than prevent starvation and homelessness. Even among the many voluntary and community organisations that are working towards a good society without poverty, there is no agreement on what the values of equality, democracy and social justice mean in practice.

“Security for all” has the potential to rally disparate interests. It is positively framed, has resonance across society, and finds favour among all political parties. If civil society organisations could come together and think about long-term systemic change in favour of “security for all”, they could not

only develop a new way of seeing, but also ensure that other sectors take it seriously and begin to heal the long-lasting societal divisions recently exposed by Brexit.

Transformation, not repair

So, rather than addressing what we don’t want – poverty – we need to look at what we do want: a society without poverty that provides security for all.

The task is not to repair an old system that appears incapable of eradicating poverty. Rather, it is to design a society in which poverty becomes obsolete – to design our world afresh.

The financial journalist Stewart Lansley has identified four conditions that could bring about this kind of transformation. They are a severe economic shock; the intellectual collapse of the existing model; a loss of faith by the public in the existing system; and a ready-made and credible alternative. The first three have already come about. What is missing is a coherent, ready-made, and widely endorsed alternative that would command public support.

If we are serious about eradicating poverty, we will need to develop such an alternative.

A task for everyone

A complete rethink will necessarily involve radical change. We cannot solve poverty through a series of technocratic fixes that treat society as if it were a machine.



Instead, we need transformational processes in which everyone is included in developing the society we all want.

The great error in the delivery of the welfare state was the principle that “the gentleman in Whitehall knows best”. In post-Brexit Britain, where contempt for the establishment is widespread, ordinary people – and particularly young people – are no longer willing to play a passive role and accept blueprints handed down from on high. The slogan “Nothing about us, without us, is for us” is emblematic of the new mood.

So, the primary question should not be *how* we develop a good society without poverty, but *who* should do it. Answers to this question lead to a discussion of who has the responsibility, agency and power to create change.

This approach avoids the polarisation that mars the current debate. While asking people how to reduce poverty tends to divide them along the lines of social structure versus personal agency, asking who is responsible is less divisive. People see many agencies as having a role to play in reducing poverty. In fact, they typically see a configuration of agencies playing a part. Poverty is everyone’s business, and everyone has a role to play in creating the society we want.

Ownership and compromise

The success of any initiative will depend on people being involved from the outset. If key agencies – the people who will be doing the most to make it work – can only make recommendations at the end of a process, that process is unlikely to work because those agencies will have no ownership of the results. Participation is therefore a vital ingredient in developing a good society.

Compromise will also be essential. Security seems to be the foundation stone of a good society in the minds of most people, and it is an idea that has resonance across all the main political parties. For this reason, the concept of security is a good starting point for building compromise.

Building a constituency for change

It is one thing to say that people broadly agree that poverty should be everyone’s business. But how will this work in practice?

The first step should be to persuade those involved in combating poverty to co-operate with each other rather than competing for attention and resources. The five principles the research uncovered for building a good society are a useful starting point for building consensus.

If a society without poverty is to be

achieved, we will need to build a constituency for change, moving beyond stereotypes and looking for counterintuitive or “unusual” allies in the change process. Relationship-building lies at the heart of creating this constituency. This takes time, patience, and personal and social skills. Central to the thinking is the idea of “power with” rather than “power over”.

Who does what to produce a good society?

If we want to create change, it is important to harness the energies of people who want to do things, and to avoid supporting those who are trying to put things back the way they used to be. We need to identify people who are the sources of the energy that will deliver the society that we want. The key question here is agency – who will take responsibility? Who will take the lead?

To explore this question, the Webb Memorial Trust has commissioned studies on specific groups in society, looking at what those groups do now, and what they might do in the future, to help build a good society without poverty. This included studies on the potential role of business, planners, the voluntary and community sector and community activists.

• *Business*

Business leaders do not see poverty as being core to their corporate objectives. They are more comfortable using terms like “fairness” and “staff wellbeing”, which they see as being of wider value to their business. Measures to improve staff wellbeing could include paying the living wage, providing financial and debt advice, offering rainy day savings schemes, childcare vouchers and flexible working.

• *Planners*

In recent years, planning has become divorced from its social purpose. #Planning4People is a coalition of organisations and individuals committed to bringing about “the rebirth of the creative social town planning which did so much to lay the foundation of a civilized Britain”.

• *The voluntary and community sector*

The voluntary sector’s lack of an overall conceptual frame for its work in addressing poverty leads to a dissipation of its efforts. But the sector’s potential is demonstrated by the work of organisations such as Citizens UK which, over 25 years, has built a power base among citizens to work on issues affecting local communities, notably the successful Living Wage Campaign.

• *Community activists*

Mutual aid was the bedrock of working class society until the 1940s, but it went into steep decline after that. But this may be changing. In Hull, a growing band of community activists have come together to build a network of mutual aid. The group now has 63 youth work and community development students on placements across the city to produce the #hullwewant.

The role of national government

It was Beatrice Webb’s view that while the state guarantees the basics, voluntary action should do the rest. Part of the role of national government would be to provide structure in the form of an overarching plan about what kind of society we want. Such a plan would have two main goals:

• First, to guarantee economic and social security for all citizens.

• Second, to empower citizens to develop the society that they want.

Of course, national government would also act directly on issues that can only be driven nationally, such as social security and housing. Where possible, however, many more issues would be addressed at local

level, by local government and by the voluntary action of people who have the energy and motivation to create change.

The role of local government

The devolution of powers and resources to regional government, local government and cities could facilitate greater democratisation of the economy and create an important forum for addressing poverty. The primary aim of an economy must be to enable people to live the lives that they want. Tackling poverty and inequality becomes an intrinsic and fundamental part of achieving local prosperity and reforming public services.

The local authority has a key role because:

• Austerity notwithstanding, it is the owner of land and buildings.

• It has considerable purchasing power.

• It can act as convener across different institutions and networks.

Important local organisations such as hospitals and universities and other large employers can be involved in sustainable economic practices, buying goods and services locally and ensuring local people are fairly treated in hiring policies. Business should be seen not as part of the problem but as a full partner in the development of place, as “corporate citizens”. The local authority can also enable an atmosphere of self-determination and creativity among local people and community groups.

Social innovation has a key role to play. The essence is to experiment, to use small-scale innovations to foreshadow the possibilities of larger-scale transformations in society. Two examples are cooperative councils and local currency.

• *Co-operative councils*

In Plymouth the “1,000 Club” is an alliance between senior public sector leaders and businesses to help young people become work ready. Some 580 businesses have become involved and 1,639 opportunities for young people have been created.

The aim of an economy is to enable people to live as they want

• *Local currency*

The Brixton Pound is “money that sticks to Brixton”; the currency is used among local traders and is exchangeable for sterling at a ratio of 1:1. The idea is that money spent with independent businesses circulates within the local economy up to three times longer than when it’s spent with national chains.

What can individuals do?

There are many examples up and down the country of local voluntary action playing an important role in developing a good local society. Recognising and supporting such work is vital if we are to address people’s sense of disconnection from their societies that found expression in the Brexit result.

Citizens must be full participants in developing and implementing policies. Communities are better able to understand and address their problems than government professionals because they are closer to them. While central government must give new powers and responsibilities to local government, including the ability to fund itself, local government must give power and control to local people through parish and town councils, community groups and residents’ associations.

Handing power to the next generation

The five principles of a good society are a starting point for discussion and action. They are to be developed, modified, built on and applied by people and organisations who want to take the ideas forward. If we are to produce the society we want, we need to engage people of all ages in a creative process of developing new ideas and approaches.

Young people need to be involved in all of this. They are particularly good at seeing new solutions to old problems. Their ability to think about what they want from society has been shown by work with children and young people that was supported by the Webb Memorial Trust over a three-year period. This work culminated in a document called *Poverty Ends Now* – a clear and succinct manifesto derived directly from the life experiences of those young people.

It’s time to listen to young people and support them in achieving the future they want. All the evidence suggests that they understand what needs to be done to replace the failures of their elders with a world that offers both security and freedom for all. What we need is not a set of transactional policies that shift resources, but the development of transformational relationships that shift power.

What next?

- An online forum to enable people to take forward the ideas for a good society without poverty put forward here and in the book *Rethinking poverty: what makes a good society?* This will include blogs, photos, videos, discussions of specific topics, and ongoing reports on activities to achieve a good society.
- An archive of all the Trust-sponsored research findings and reports referred to in *Rethinking poverty: what makes a good society?* from which the five principles for a good society are drawn.

If you'd like to get involved ...

Visit **www.webbmemorialtrust.org.uk**

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