

The ethical social economy

Posing some major questions about the future of cities and the way we interact, **Philip Kolvin QC** addressed an audience at the Sociable City Summit event in Washington DC recently. It was an important speech, and we reproduce it here

I last spoke to this summit in Seattle about 2,500 miles from here and what seems like 200 years ago, as the plague descended. I was privileged to deliver a closing address. In what was the last Powerpoint slide of the conference, I propounded what I termed an "ethical social economy".

I suggested that the social economy is where we express and delight in our common humanity. So it should be a repository of ethical practice, going beyond regulation. It should champion:

- Tolerance
- Diversity
- Respect
- Sustainability
- Safety
- Good working conditions

I said that in an increasingly atomised society, it is ever more important that where we commune, we model a good society for those who follow us.

I have not spoken about this topic since. Like you, I have been somewhat distracted. But that small pinprick in our peripheral vision may be the light at the end of the tunnel, so now seems an opportune moment to pick up these threads.

In doing so, I am not purporting to lecture you about the particular needs of your own social economy.

The days of grandees from England lecturing this great nation on how to model a good society went out with the Boston Tea Party.

To the contrary, I am convinced that local places need local solutions which respect and reinforce their own stories, cultures and needs. Nothing could be worse than a world full of homogenised cities.

My modest hope is that in planning your own towns and cities you might benefit from knowing a bit more about the experience from elsewhere, and that you might also consider viewing the challenge, not so much as regulating the social economy, but as forging an ethical social economy.

Now, as the Bible tells us, there is nothing new under the sun. So I started by asking myself whether my baby steps on this subject are ones taken in the footprints of giants. And, luckily for me, it transpires that they are.

Nearly 2,500 years ago, the Greek philosopher Plato was formulating the tenets of a good society in his book *The Republic*.

It is written as a Socratic dialogue, and in one chapter, Socrates propounds a simple society which meets its necessities by assigning skilled individuals to identified needs. So the farmer farms. The blacksmith forges the plough. The merchant sells the produce. The weaver weaves clothes. The cobbler cobbles. And so the inhabitants live in peace in their simple, elemental, healthy city.

Now Plato's brother, Glaucon, takes issue. He says that would be a city fit only for pigs. I paraphrase, what about culture?

All right, all right, retorts Socrates, we'll have paintings, embroidery, pastries and music. So now we will need poets, actors, dancers, dressmakers, hairdressers and chefs. But, and there is a but, our greater consumption in this "feverish" city will require further resources, beyond the ability of the simple city to provide. And that, he said, leads to war with neighbours, which will then need a standing army.

The Republic is a fictional dialogue from before Christianity, but it underlines that in every choice there are externalities. In our case the externalities from our consumption may be environmental harm, or perhaps gout, rather than actual war. But Plato's book demonstrates the essential balance between meeting consumer desires and the needs of sustainability.

The ethical social economy

In considering the ethical social economy, we remember the Native American proverb that we do not inherit the earth from our parents, but borrow it from our children. In our striving for the cultural richness of the feverish city, we should not leave the simple city out of the equation altogether.

Over the last two years we have all seen much. We have lost much. And we have suffered individually and collectively. Yet we have also pulled together in surprising and heartening ways. Technology has enabled us to keep our economy going, educate our children, and to connect with our friends and family remotely. New communities have arisen internationally, including those involved in advocacy around the social economy. New ways of producing and disseminating art have been invented. And our wonderful scientists and primary carers have created and administered vaccines and medical care which have prevented the death toll becoming still more calamitous. As human beings we have stepped up to the plate, made connections, helped each other and exercised our ingenuity to preserve what is best in our society.

Now, here is the question. Can we use just a smidgeon of that intelligence and resolve to plan a post-pandemic ethical social economy? For it takes planning. It won't happen all by itself.

Before the pandemic, there were structural changes afoot in our society and our economy: the loss of retail from the high street, the growth of home entertainment, the reduction of alcohol consumption, particularly among young people and, in my country at least, the closure of bars and clubs. All of these posed challenges for those planning for sustainable cities of the future.

Clearly, the pandemic has hastened some of these trends, particularly the growth of online retail and the loss of shops from the high street.

But the biggest structural change over the last couple of years has been the shift to home working. This has been partially reversed in recent months, but it seems clear that the tectonic plates of working life have shifted. Employers are closing expensive call centres. Others are recognising the economic and environmental cost of making people travel to meet when they can do so without leaving their home. Workers are voting with their feet. It is nice to visit the office but not so nice to have to do it every day, or to have your nose buried in someone's armpit on a sweaty underground train.

Now, you can lament this as a draining away of the lifeblood of city centres. Or, as Bing Crosby said, you can accentuate the positive.

Because one outcome of this has been the rebirth of the suburb as a social hub.

People have been meeting friends in local pubs, cafes and restaurants in the daytime as well as the night, creating and augmenting new local economies.

Pavements have been widened.

Parklets have sprung from the tarmac.

Low traffic neighbourhoods have been promoted, with traffic calming measures balanced by facilitation of walking and cycling.

We can learn much from the "15-minute city" espoused by the Mayor of Paris, Anne Hidalgo, a city in which all services and social needs are expected to be met within a 15-minute walk or bike ride, strengthening community networks, fortifying local supply lines, favouring local traders and craftspeople over national chains. These ideas are taking root internationally, including in cities across USA.

And if you grasp this nettle, you might be ahead of the curve, but only just. In 30 years' time, we won't be belching out burnt hydrocarbons as we drive our kids a mile to school. We won't be travelling 10 miles into a city centre to buy a pair of socks, or be struggling to get home after a heavy night out. We will have local food and energy production facilities. We will have planted more trees to shelter from the heat and to absorb carbon and flood waters. With further advances in medical science, and living to a ripe old age, we will spend our later years in local parks, squares, cafes and bars, communing with friends and neighbours and enjoying our green environment. And that social ecology, with its heterogeneous mix of ages, genders and ethnicities will be safer, self-policing, more inclusive and more caring.

I believe that the 15-minute city, because of its sustainability, diversity and inclusivity, will provide the bedrock for an ethical social economy. Plato would definitely have approved.

Town and city centres

Let's now look at town and city centres.

The rise of online retail and the corresponding decrease in town centre retail is well-documented. Some of it is simply a reflection of consumer demand. Some of it is fiscally driven. In the UK, there is a business rate disparity between online retailers and those occupying town and city centre space. This, together with other advantages in the hands of online retailers such as lower worker benefits and savings on rents, has conspired to drive shops from the high street.

Even some of the proudest names in British retail, such as Marks & Spencer and John Lewis, have shut flagship stores, stores which have for decades anchored the town centres they served. The current situation in UK is that one quarter of retail spending is online, and rising, while one in seven town centre units is vacant. There were 30 retail closures every day last year.

To add to these woes, the flight of workers from town centre offices has drastically reduced the footfall in town centres, which is in turn putting huge pressure on the social economy. In the UK, the loss of workers through Brexit, a staffing crisis in the security industry, rocketing energy and food prices and a return to full VAT on supplies in the hospitality sector is creating a perfect storm, with leisure leaders fretting that 2022 could be a tipping point. This is on top of the decrease in pubs, nightclubs, music venues and LGBT venues over the last two decades, a growing issue which has permeated the consciousness of even the most tin-eared politicians.

What to do?

Let's start with the positives.

1. Our government has married up what are called planning use classes for retail, services and leisure so that one does not need to make planning applications to change use, say, from a shop to a restaurant. This flexibility is in keeping with an ideologically deregulatory agenda.
2. Government has also passed legislation making it much easier to establish a streaterie, so useful to expand the capacity of venues and cater for people's desire to eat outdoors or at a safe distance from their neighbours. Rather than needing two different licences and a planning permission, there is now just one short form to fill in and £100 to pay.
3. The gaps left by departing retailers have created a flurry of activity by small independents. We now see former large stores occupied by independent retailers, mini-golf and bar concepts, and by community co-operatives.
4. More generally, falling rents on high street have caused a burgeoning of new entrants to the market. Over 2,000 new independent outlets opened during 2021.

However, to my mind, what looms over all of this is not the ebb and flow of national and independent retailers, or leisure versus services. It is something far more existential.

Much of town and city centre property is held by large institutions such as pension funds which wield considerable political muscle. This, coupled with what is recognised to be a housing crisis in the UK, has persuaded our government to deregulate planning requirements for housing, enabling pubs, shops and offices to be converted to housing without planning permission. This was against the advice of many planning experts, who rightly argued that it will potentially create dead frontage. Putting housing in a chain of shops is like removing a front tooth. It is just one tooth, but it is the one people notice. This may not matter much, save that housing prices are at record levels, so the economic incentive for institutional landlords is to convert, convert and convert. Why wait for rental payments to accrue from struggling publicans if you can develop and sell the site for housing, reaping a large, immediate capital sum?

We have in short turned the future of our town centres over to the market.

Now, the market is a great mechanism for fixing the price of Hershey bars. It is a less reliable friend when you are trying to plan safe, welcoming, diverse and accessible social economies.

To be frank, I would rather place my faith in an Ouija board.

Your own countryman Bill Bryson pointed out that some things can't be fixed by the market: drains for example.

To leave small bars, music venues and LGBT spaces to wrestle it out with housing developers is nothing short of cultural vandalism.

In this wild west world of competition for town centre space, I have no doubt that the large cultural institutions will survive. No-one is going to convert the Smithsonian into sub-standard housing.

I have never been worried about high culture.

It is low culture, popular culture, grassroots culture that needs our protection.

Town and city centres are not a jungle to be ruled over by the oligarch with the deepest pockets.

They are places of wonder, of delight, of celebration, of debate, of artistic movements, all reflections of our common humanity.

Recalling the ethical social economy, we remember its broad tenets of diversity, and of inclusion.

The best town centres are places where rich meets poor, where old meets young, gay meets straight, in a melting pot of music, art, technology, fashion and entertainment and emerging political and social ideas.

I remind you that Dr Martin Luther King did not write “I have a dream” from his duplex apartment. He wrote it from a bar, in this very city.

Nor Hemingway, whose admonition was “write drunk, edit sober”.

Or the Cavern Club in Liverpool without which we would never have had the Beatles.

Without the bars, basement music clubs, the fleapits, the dives, the corner pubs, our society is the poorer.

But these are often marginal businesses. They need protection. They cannot be left to the wiles of the market.

I am far from saying that people should not be permitted to live in city centres. I am saying that the balance needs to be carefully planned.

Preserving town centre culture

So what might we do to help protect and preserve town centre popular culture? Try the following:

1. Promote planning policies restricting influx of national chains and preserving space for local independents. This operates in parts of New Orleans and San Francisco.
2. The agent of change principle originated in New York and was adopted in UK. It places the onus on the incoming housing developer to build in such a way as to protect purchasers from disturbance.
3. Adopt schemes which convert old warehouses and markets to multiple food and drink uses. I think of the hugely successful Cains Brewery site in Liverpool, Brixton Market in London and perhaps most of all, Time Out Markets which started in Lisbon and are now going worldwide, enabling great chefs to bring their food affordably to a wider, less formal audience.
4. Favourable tax treatment of popular venues as cultural institutions. I adore how the Berghain nightclub in Berlin is given the same status as the opera house, reducing its business rates accordingly. And please, campaign to make sure

there is no fiscal advantage for online providers over bricks and mortar shops, bars and restaurants.

5. I admired how, when developers wanted to demolish one of the most famous LGBT bars in London, The Joiners Arms, Mayor of London (Metropolitan Open Land – equivalent in London to metropolitan green belt) required them to incorporate a new LGBT bar on the site as a condition on their planning permission.
6. I congratulate cities which designate cultural quarters to promote and protect makers and artists who live and work there and to provide a sense of specialness and destination. I would cite Vilnius in Lithuania as a great example.
7. Lighting is such a crucial component, and not just at Christmas. Lighting a bridge or underpass can transform a scary space into an atmospheric one. The light night, notta bianca or nuit blanche festival can bring people into the city who then return again and again. Video mapping of notable buildings can help to tell the story of your town or city. Parks lit at night provide a whole new perspective on ecological spaces.
8. Use street ambassadors to welcome visitors and help to protect vulnerable people.
9. Sweat your buildings so that they can be open all hours, like the Rijksmuseum in Amsterdam which puts on EDM (electronic dance music) at night, or the Natural History Museum in London which permits sleepovers.
10. And nothing helps to promote a great night-time economy as much as safe, cheap or even free night transit, for users, for workers and for artists.
11. Finally, pedestrianise where you can. Do the whole centre like Bruges, encouraging a wonderful, clean, calm, safe, human environment. Or promote low traffic, cyclable cities like Copenhagen. Or just prevent traffic at night, like so many Italian cities on weekend nights, bringing a vibrant, festive atmosphere. Or reduce traffic by alternating days of use for drivers like Paris. Or turn whole freeways into pedestrian space periodically like Sao Paulo.

All of these ideas speak of positive protections. There are many more ideas. The important thing is not to take action for the sake of action, or spend money for the sake of spending

money, or engage in empty gestures, but to analyse, consult, test and learn from elsewhere, so that all you do is to the good.

Before we move on from city centres, let me leave you with three thoughts.

First, city centres always need investment, and nearly always that is private money. Your job is to direct it in the right way. But centres belong to the people. Please beware of the privatisation of public place.

Second, the greatest cities and their social economies are tourist draws and that is a financial benefit. But the purpose of a city is not to support a tourist industry. Rather, create a distinctive, unique, local social economy and the tourists will come. Some cities have had to restrict tourist influx, such as Venice. Others go the extra mile to remind tourists that they are guests not conquerors, like Amsterdam. Many charge a tourist levy on hotel bills, which is then put to good use. That can be controversial. I am in favour. Quite simply, cities are ecosystems for those who live there. They are the hosts, not the subordinates, of those who choose to visit.

And third, the best city centres promote a social economy on a human scale: navigable, legible, welcoming and safe for all sections of the community. Beware messianic urban practitioners. They can do irremediable harm. When the irresistible force of Robert Moses in New York met the immovable object in the shape of Jane Jacobs, hugely important gains were made in our understanding of what as humans we crave in our urban environments. The same battles took place in London where countless old buildings were saved by campaigners from the futuristic zeal of the post-war planner Abercrombie. Think big by thinking small. The ethical social economy supports small business people, emerging artists, workers and those with little or nothing to spend. All are part of the rich collage of city life.

The social economy

The final area for scrutiny is the social economy itself.

I have left this until last, not to diminish but to underline its importance.

It is very easy to conflate the future of the social economy with the future of the city centre.

That is a huge mistake.

The social economy is not some afterthought in urban planning. It is everything we do when we are not at work.

It is not a small file in a sub-folder of urban planning. It is

pretty much the point of being alive.

One of the greatest new developments is the rise of the night tsars, not for what they can do – some do less than others – but because their very existence is a proclamation of the importance of the social economy.

More than that, through lockdown we have seen brilliant communal working between urban practitioners around the world to identify common problems and propound solutions. I would say that night studies can now be considered a professional or academic discipline. Anyone who is into the night should key in to the international thinking. Start with GNRP, the brainchild of Mirik and Lutz. I was honoured to contribute one of the chapters on state assistance, in which I outlined a scientific approach to planning a social economy. All this is online.

Let me now pick out some of the bigger emerging themes, specifically by reference to an *ethical* social economy.

Safety: The Me Too movement has shone a stark light on the experience of women in public and private spaces. It is the worst cases which make the news. But for every tragic headline there are a thousand micro-aggressions: unwanted touching, sexist remarks and so forth. In the UK, our record on spiking with drugs in drinks or even needles is appalling. Sexual harassment on campus is a national disgrace. The ethical social economy deals with this.

- Staff are given welfare and vulnerability engagement training. That includes the WC staff and the bus boys. Anyone can spot a dangerous situation.
- The Ask Angela scheme enables a woman to Ask for Angela at the bar, a codeword meaning she needs protection.
- Staff are told of the “power of hello” to check all is well.
- Doorstaff are told to be as vigilant about who is leaving as who is arriving.
- Victims are always believed and complaints are always acted on.
- Potential perpetrators are messaged about standards of behaviour.
- Most of all, everyone is urged to be an active bystander.

- To the question – am I my brother’s keeper, or my sister’s? - in an ethical social economy, the answer is always yes.

Drugs: In my country at least, the incidence of drug-related deaths has risen steeply for reasons which are the subject of a different talk. We have a tendency in UK to focus on drug consumption as a crime rather than as something which can kill the user. For that reason, for too long we have eschewed drug testing at clubs and festivals, and helping people to consume safely, arguing that it promotes illegality. A similarly disastrous approach was taken to teenage pregnancies. It turns out that telling underage people to have safe sex rather than no sex reduces unwanted babies. At last, in the case of recreational drugs, the ice is thawing. Police forces are allowing drug testing organisations to test drugs to stop people poisoning themselves. Preventing crime is one thing. Saving lives is another. In an ethical social economy, lives prevail.

Terrorism: This is a serious emerging risk, whether the bombing at the Ariana Grande concert in Manchester Arena, the London Bridge knife terror attack or the gun attack at Bataclan in Paris. An important report has emerged this year in the UK proposing a Protect Duty, with different levels of responsibility depending on the size of the venue. To prevent atrocities, the ethical social economy assigns a role to everyone.

Workers: A word about the lifeblood of the social economy. Workers work long hours in sometimes difficult conditions. They are rarely unionised, are sometimes underpaid and working on zero hours or insecure contracts. The desire to drive down costs for customers in the name of competition is understandable, but those working in the social economy are not just cogs, to be replaced by machines at the first opportunity. They are part of a human ecology which is based on interaction. Their pay and benefits should meet local standards. Their employment should be secure and be part of a career path. They should be allowed to keep all their tips to supplement their salaries. And they should be given a safe means of transport home. The ethical social economy cares for them.

And in our ethical economy, neighbours are also entitled to consideration: they should not have to instigate litigation to be heard. Housing near entertainment uses should be air conditioned to avoid opening windows, bedrooms oriented away from nightclubs, windows glazed sufficiently to block out noise. Forums should operate to bring their concerns to the business community. Street cleaning should ensure that they emerge in the morning to clean streets. As venues close, security staff should come into the street to ensure

rapid and quiet dispersal. Taxi ranks should be sited away from housing, and taxi drivers discouraged from using their horns or idling their engines at night. Public transport should swish revellers away quickly. I believe that it is possible to reduce conflict between neighbours and operators, provided that there is good town centre management and a problem solving approach. It is not something which should be left to chance.

Linked to much of this are customers: 99% of them are angels, the rest bring the social economy down. They start a fight in the pub. They slide their hand up someone’s skirt. They get drunk. They urinate in the street. They shout under someone’s window. If they do something drastic they will be brought to court and punished. But if they don’t, there will be impunity. The venue won’t investigate: if it does, the police won’t respond; if they do, the prosecutor won’t prosecute. But if it happens too much, the venue will lose its licence.

This deserves our intense attention. The cost for venues of protections against miscreants is vast. Police resources have to be poured into town centres at night. A&E departments are clogged up. The behaviour of a tiny minority deters users of the night-time economy and closes businesses.

We need to educate kids about how to behave when out at night. And we should keep nudging and messaging in venues and on public transport.

But, ultimately, in an ethical social economy, it is the polluter who pays. We should ensure that crimes in licensed venues are treated particularly seriously in charging and sentencing decisions. I would electronically tag offenders preventing them going out at night, or ban them from licensed venues altogether. I would impose alcohol abstinence monitoring requirements, sentence them to community reparation, and compel them to confront their own alcohol consumption and anger management. In my own country, if someone smuggles a knife into a club in their girlfriend’s bra and someone is stabbed, the venue is likely to get closed. In an ethical social economy, we need to ensure the axe falls on the right neck.

The environment

I want to say just a word about the environment. I have already spoken about walkable cities, low traffic neighbourhoods, parks and parklets, public transport, local food production and greening initiatives. The ethical social economy reduces plastic waste, uses grey water, installs water fountains, uses renewable energy, including turning waste into energy, takes delivery from electric vehicles or even better from cargo bikes, uses local suppliers, and rewards non- car borne access. It staggers me how many people in the UK strut down the street with their take-away coffee cup and plastic spoon

and chuck them away five minutes later. You would never see that in an Italian town. Civilised citizens sit and enjoy their coffee at the café for five minutes, chatting to the owner or watching the world go by. An ethical social economy involves neighbourliness and communication. It is a great pleasure to live slow. We should all try it some time. The survival of the planet may depend on it. Plato, with his simple city, would surely have agreed.

Conclusion

Here is my parting thought.

Everyone in this room has experienced more change than any previous generation in history. Advances in science, technology, data processing, nano-engineering and remote communication mean that our world would be unrecognisable to those who lived a generation ago. It has enabled the rise of global corporations influencing our thoughts and behaviour, and of course taking a proportion

of our income, with their profits sometimes taxed elsewhere or not at all. I venture to suggest that a century ago, a dollar spent in Washington DC would mostly have stayed in Washington DC. Now I would not be so sure.

In Plato's simple city, a dollar spent here, in a local bar, run by a local entrepreneur, with properly remunerated local workers, selling local produce, providing entertainment by artists who received their arts education locally, stays here and supports a sustainable local economy in a predatory economic world. And if that bar models good behaviour, protects its customers, respects its neighbours and practises exemplary environmental behaviour, then it is part of an ethical social economy which we will be proud to bequeath to those who come after us.

Philip Kolvin QC

Barrister, 11 KBW