

Institute for

Environment
Sustainability
and
Regeneration



STAFFORDSHIRE
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Public Lectures in Regeneration 2008

"A Low Carbon, High Well-being Future: A New Model for Local Economic Development"

Elizabeth Cox

Head of Connected Economies at
The New Economics Foundation

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Ashley Building
Leek Road campus
Staffordshire University

Lecture series supported by



A Low Carbon, High Well-being Future: A New Model for Local Economic Development

Elizabeth Cox



Elizabeth Cox is the Head of Connected Economies at nef (the new economics foundation), a London-based independent *think-and-do* tank, that inspires and demonstrates real economic well-being. nef aims to improve quality of life by promoting innovative solutions that challenge mainstream thinking on economic, environmental and social issues.

Prior to joining nef in March 2003, Elizabeth worked:

- as an independent consultant economist in the agricultural sector, principally developing agri-processing projects;
- over four years as a policy advisor based within the Agricultural Project Cycle Unit, Ministry of Agriculture, Guyana, where her remit included policy advice on: the environment; Intellectual Property Rights; food security; and project management support to community-based poverty alleviation projects;
- four years lecturing on economic development and agricultural economics at Aberdeen University.

Action research interests at nef include:

- Low carbon, high well-being local economic development, approaches to decarbonising local economies.
- Practical tools and approaches to support communities to re-invent their local economies
- The new regeneration practitioner - revising the expert role
- Sustainable public procurement
- Well-being and the built environment

Elizabeth read economics at Coventry, and holds an MPhil from Glasgow in Economic Development.

As Head of Connected Economies, Elizabeth leads on the action research part of nef's work, designing and implementing approaches which challenge the notion that the economy is an end in itself; and instead re-focuses attention on models of local economic development which enhance the well-being of the citizens, in a way that is socially just, and environmentally sustainable.

In this work, nef works in partnership with: communities who pilot new tools and approaches to actively shape their local economy; local authorities who want to generate a positive regeneration impact, and open up local employment and business opportunities using their mainstream budgets; front-line regeneration

practitioners who want to improve their impact by using coaching and economic literacy tools; and Regional Development Agencies seeking to develop and learn from new approaches to supporting local economic development.

The Connected Economies work at nef has been developed in response to two key observations regarding communities experiencing economic disadvantage:

1. *The problem is not necessarily that too little money flows into a neighbourhood. Rather it is what consumers, public services and businesses do with that money. Too often it is spent on services with no local presence, and so immediately leaves the area.*
2. *Statistics show there are fewer enterprises in communities experiencing economic disadvantage. Rather than believing that the people in these communities are less entrepreneurial than those in other areas, nef's interventions have focused on changing the institutional system of support available to entrepreneurs to release the key elements for transformation which exist in every community.*

To challenge the misconception that there is a lack of entrepreneurs and enterprising ideas in communities experiencing economic disadvantage, nef developed jointly with the Civic Trust a community-based business support approach - BizFizz.

Key aspects of this approach are the use of a coaching approach to deliver support, development in community-based support networks, focusing on enterprise as the transformative element within the community.

During the period 2002 to 2006, the approach was piloted in 13 very diverse communities with development funding from the DTI's Phoenix Development Fund across England and supported over 1,000 clients. The BizFizz programme is now available nationally, and currently working in 21 communities from Port Glasgow to Hastings, including a very active project in Burslem. www.bizfizz.org.uk

To support communities plug some of the leaks of money flowing as quickly out of their community as it was pouring into it, nef has sought to address the dislocation people feel towards the economy. That is, the concept of the economy was felt to be more something you were subjected to, rather than something you could actively shape.

In response to this nef has created economic literacy tools to support action in communities, and within local authorities, which develop an understanding about the flows of money and resources into local economies to identify enterprise opportunities people are passionate about that can be quickly be translated into action. These tools have been developed as part of an action learning programme in association with the emda (East Midlands Development Agency). This approach has been piloted in 13 communities.

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The seven key outcomes of a sustainable local economy are:

- Responsible enterprise and business sector: Diverse range of businesses and enterprises in terms of size, social and private mix, and diversity of goods and services produced.
- Positive local money and resource flows: High local multiplier in terms of spending and re-spending financial resources locally, and local re-use of waste, energy and resources.
- A strong local asset base defined as including local people's attitudes, skills and knowledge, physical, financial and natural resources.
- Responsive public and business sector which is working to strengthen and invest in the local economy.
- A strong community and civic voice including local activism, leadership, volunteering, and engagement in debate.
- Environmental sustainability and a reduced environmental footprint.
- Interdependence: Increased understanding of economic, cultural and ecological inter-connections that link communities, span the globe and impact on the future

Within the community four questions are explored:

- What are the opportunities for enterprise development of both new and existing businesses?
- How could goods and services be delivered differently?
- How can we mobilise resources to do what we want to do?
- What are the local economic, social and environmental outcomes of our decisions?

How communities are supported is key to lasting change, **nef** utilises a coaching approach to support action going forward and builds local networks of support around individuals and groups

More information on the tools and approaches developed can be found on www.pluggingtheleaks.org

Working in learning partnerships with locally-based organisations this work is currently being piloted in Peru, Brazil and Honduras, with plans to extend the programme into South Africa.

As we move forward with the increasing understanding of climate change we must ask different questions of our local economies. Good lives do not have to cost the earth, and facing up to current global challenges could, in fact, propel us towards a much better way of living. This requires us to re-think what our local economies deliver, and take action at the local level to support a low carbon, high well-being future. www.neweconomics.org

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