Building a Wellbeing Economy

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Meeting the challenges of the 21st century means ending the pursuit of perpetual growth, and building an economy that is regenerative, collaborative and purposeful.

The desk at which this is being written is located in the heart of an economics department, surrounded by academics who are routinely called onto radio stations and TV channels to assess the impact of a particular policy on Gross Domestic Product (GDP). The prevalence of the focus on GDP – compared to the impact a policy might have on poverty (or inequality or decent jobs or carbon emissions) – illustrates how the GDP prism overrides so many other concerns. GDP is the yardstick by which political decisions are scrutinised and the league table by which countries compare themselves.

Its dominance as the prevailing measure of progress goes against decades of evidence that shows that GDP includes lots of things that most people would deem problematic, plus countless examples of how GDP entirely ignores aspects of life that most people would deem important.

GDP counts money changing hands via spending in the formal, marketised economy (such as consumers and governments). As Jorgen Norgaard explains: “much of the growth in GDP over the last years can be ascribed to pulling activities like child care, health care, cooking, entertainment, maintaining houses…from the non-paid amateur economy into the professional economy”. It assumes more is always better – regardless of whether people already have enough, let alone reflecting on the rather vital question of more of what? The OECD admits that:

“if ever there was a controversial icon of the statistics world, GDP is it. It measures income, but not equality, it measures growth, but not destruction, and it ignores values like social cohesion and the environment. Yet governments, businesses and probably most people swear by it.” GDP’s hold over policy making both reflects and reinforces an economic system that has lost sight of the larger goal of sustainable wellbeing. Can we legitimately claim that economic
growth is still delivering better lives in GDP-rich countries when living standards are stagnating, when so many of the gains of growth are captured by those who already have so much, and when our planet is telling us day after day that she is struggling to cope with pressures (the richest of) humanity keep piling on?

The economy of today serves the few at great costs to communities and through collateral damage to the environment. Even if growth as usually understood brought with it some benefits (and clearly institutions and distribution were key to this, not just growth per se), it is running out of puff. Most economists would recognise the phenomenon of ‘diminishing marginal returns’ – essentially getting less bang for your buck. This is the terrain the rich world is now in – fewer and fewer benefits of more and more GDP growth, while the damage being done from pushing for more and more becomes ever more apparent. It is running the planet into the ground and running people into exhaustion.

These ‘externalities’, to use economics jargon, of the growth orientated economic model are becoming more and more acute. Admittedly, some efforts are put into cleaning up those externalities and healing the harm they cause. But those efforts are so often inadequate and patchy. The best we can hope for, it seems, is to use the bounty of growth to ameliorate the damage done in its creation.

In the depressingly circular demand for spending caused by failure to prevent harm in the first place, growth is required in order to pay for fixing the harm done in the creation of the growth. From the government spending money topping up the incomes of those whose wages are insufficient for a decent livelihood, to the money spent cleaning up after oil spills; or cyclists buying face masks so they can breathe when riding on polluted streets, examples are not hard to find. Many of these costs of growth (and avoidable demands on various levels of government) count as an addition to the ledger of national ‘success’ – GDP. It is reactionary spending to address problems created in pursuit of more growth. The economist J.K Galbraith put it rather succinctly when he wrote: “One cannot defend production as satisfying wants if that production creates the wants”.

So maybe it is time to start focusing on what humanity really needs – rather than hurtling towards a hotter, more alienating, more insecure, more unequal future? The UK and other rich economies could do a lot worse than heed Donella Meadows’ call to ask “growth of what, and why, and for whom, and who pays the cost, and how long can it last, and what’s the cost to the planet, and how much is enough?”.

Just as a baker knows when to stop baking a cake, is it time to move on from a 20th century economic model that may have delivered for some people in some respects, but now brings
costs that outweigh the benefits? In the face of both the challenges and opportunities of the 21st century, the dominant economic model is surely – and sorely – in need of a reboot.

**Collective wellbeing: a (much!) better purpose**
The vision for what an economy needs to deliver is not far away. You hear it if you take the time to listen to what people identify as most important in their lives. You read it in certain texts of the world’s religions and development scholarship. You see it if you look at brain scans or reflect on the findings of psychologists and epidemiologists about human stress and flourishing. But, too often this picture of what people need to live good lives is hidden by old-fashioned assumptions, hampered by a system designed not for meeting human needs, but for perpetual growth.

Peeling back those barriers and blind spots allows us to see what really matters – and the dimensions of that vision emerging from diverse quarters are remarkably compatible. They can be described by the term ‘wellbeing economy’ – an economy in service of human and ecological wellbeing. This is regenerative, collaborative and purposeful. Building an economy in service of wellbeing starts with the recognition that real wellbeing depends on creating a world where we all can prosper and flourish. In a wellbeing economy nobody is left behind. It is about meeting the needs of all, rather than the wants of a few. A wellbeing economy also recognises that the economy is embedded in society and the rest of nature as an integrated, interdependent system. The economy is a means to an end, not an end in itself. It is an economy which regenerates nature, an economy where collaboration trumps competition, an economy where activities and what organisations do is purposeful, not simply just to make money. In which individuals’ desire to be acknowledged for meaningful contributions with a decent living is not dominated by a motivation of acquiring wealth. And which is financed by a stable, fair and socially useful financial system that serves the real economy for the long term. A wellbeing economy is thus one that puts human flourishing at its core, which respects and seeks to regenerate nature and the planet.

A wellbeing economy is designed consciously and thoughtfully – for a purpose. It is regenerative rather than extractive. It will not harm people and the environment, and thus avoids having to deliver expensive down-stream intervention to fix the damage caused by the current economic model. A wellbeing economy is about more than tweaking and fixing the harm caused by the current model. It is more than redistributing and healing the damage done. The virtuous circles that can be instigated by such an economy are diverse. For example, more egalitarian societies are better for all their members: delivering better health and higher life expectancy; fewer drug addictions; less violence; lower teenage pregnancies; higher wellbeing for children; lower obesity; less mental illness; and fewer people in prison. In preventing economic extremes, a wellbeing economy reduces the need for costly state amelioration services, highly paid
‘downstream professionals’, and the politically fraught and often inadequate process of redistribution after the fact. So making ourselves at home is about initiating virtuous cycles in which interventions are investments that ultimately, if not immediately, pay for themselves. As such, the economy won’t need so much growth because the state and society won’t be constantly cleaning up after themselves or trying to put individual lives, communities and the planet back together.

A wellbeing economy can be visualised as a ‘doughnut’ – Kate Raworth’s compelling illustration of a new purpose for the economy that operates below Planetary Boundaries, but above a social foundation. In this space – shaped like a doughnut, it is safe (in environmental terms) and just (in social, economic and political terms).

Policy pillars for a wellbeing economy
There are common threads running through the array of ideas to create a wellbeing economy, that not only prevents harm, but also regenerates the planet and enables people to flourish. It is thus possible to point to some shared foundations and certain core elements that serve to unite various contributions the players in the wellbeing economy movement make, even though the emphasis they might take or the policies they push for are diverse.

What marks them out as speaking to the creation of a wellbeing economy is that they act as stepping stones to systemic, upstream transformation. Many will be conducive to other changes – few operate to their greatest extent in isolation. And while they are not silver bullets, they do stretch beyond merely poking and tweaking the current scenario and instead focus on what systems thinkers would identify as ‘higher leverage points’ – where resulting change be widespread and long lasting.

1. Hacking the DNA of the economy
Repurposing the economy requires a new way of measuring the economy’s performance, away from the consumption-orientated and distribution-blind GDP and towards a target that aligns economic success with the delivery of societal and ecological wellbeing. Just as it is our DNA that determines the colour of our eyes or (the natural!) colour of our hair, the purpose of an economy, whether it is GDP or something else, determines the outcomes of the economy, governs the steps to get there, and alters the type of trade-offs that are made. Despite wide swathes of evidence about its inadequacy (from feminist economist to technology companies, from ecological economists to anyone who understands the notion of perverse incentives), GDP still rules supreme, taunting political players and media reporters with her siren call. There has been great progress in the ‘beyond GDP agenda’: commissions have reported. International agencies have measured. Alternative indices have been created (some better than others and, perhaps as is fitting for a complex world, no stand-out winner has – yet
Better data has been assessed and compared to GDP. Communities have been consulted. Reports have been written and speeches have been given (political leaders from both sides of the political spectrum even quote Robert Kennedy’s famous 1968 speech critiquing GDP).

But, in a disproportionately timid response to this flurry of activity, only small steps have been taken to robustly inculcate more holistic measures of progress into policy making. Scotland has been re-working its National Performance Framework (NPF), on the basis of public consultation, to include goals such as wellbeing, kindness, inclusivity, and equality. But economic growth still clings onto its prime position, and the way in which the NPF will tangibly shape policy decisions is yet to be seen. In Wales there seems to be a bit more concerted work connecting an appreciation of societal wellbeing with policy outcomes. The Wellbeing of Future Generations Act and the Commissioner for Future Generations bodes well and shows that other governments in the UK how to put their wellbeing rhetoric into action.

2. Beyond redistribution as sticking plaster
This rhetoric is certainly there. Not only around the concept of wellbeing (whether understood holistically as in Wales and Scotland, or the more individualised focus on subjective wellbeing heard in conversations around Westminster), but also in terms of the attention to tackling inequality, reducing environmental harm, and meeting the UN Sustainable Development Goals. Yet while growth is still envisaged as the only option these concerns – assuming that they are genuine – translate into political language used to paint GDP growth with a rosier hue: ‘inclusive growth’, ‘green growth’, ‘sustainable growth’, ‘low carbon growth’, and so on. This limits the policy options on the table. The best we are allowed to hope for – let alone agitate and fight for – is disconnected, last minute, downstream interventions that seek to cure and heal. This is an inefficient approach to delivering good lives sustainably and one that demands more resources, more effort, more political agreement, and more patience than is really needed. It entails three protracted and often fraught steps: firstly, get the economy to grow bigger, but don’t fret too much about the damage to people or the environment that this does. Secondly, sequester a chunk out of this economy via taxes. This is a strategy which is vulnerable to fleeting and flippantry political will since it depends on the consent of those being taxed, a consent which is often undermined by the current levels of inequality separating communities from each other and undermining solidarity across society. Thirdly, channel some of this money to helping people and the planet cope with step number 1 (vital, of course, in the short term, but almost always limited to repair and redress).

A wellbeing economy simply wouldn’t require so much of this fixing, healing, and cleaning up. People would have the assurance of being safe and healthy in their communities. Jobs would deliver meaning and purpose and provide people with sufficient means for a decent livelihood.
The economy would do more of the heavy lifting in terms of delivering more equal outcomes, from round one. Ensuring the economy plays this more distributive role requires that economic decisions are distributed more broadly and the ownership of economic assets (including technologies) is shared more widely.

Such an economy is one that has a higher proportion of firms designed with the purpose of sharing resources with more people than simply remote shareholders. Public policy has within easy reach the levers needed to realise such a shift in the composition of the economy. These include procurement choices, business rates, local planning and licensing, tax incentives, advice services, legal support, reporting requirements, subsidies, and promotion efforts undertaken by government. If all of these were tilted towards business models that distribute rather than extract, the UK economy would serve to generate higher levels of equality than is currently the case. Just two examples illustrate how small changes can have significant impact: Cooperative Development Scotland (a government agency) has made it its business to help family businesses plan their succession in a way that transfers ownership to workers, providing advice and guidance as to how to go about this transition. Communities taking ownership of key assets (from community-owned pubs to community owned harbours) are another illustration of alternatives to an extractive economic model.

3. Aligning incentives

In a sense, economic actors are often predictable – they tend to respond to the path laid out for them and the prods pushing from behind. In other words, incentives matter. Together, such paths and prods constitute an operating terrain in which many business and personal spending decisions are often made. When incentives are misaligned with a wellbeing economy, then so too the outcomes of business’s calculations and people’s decisions will be misaligned with an economy that serves people and planet. Of course, there is more to decision making than this – much more. For example, it is a tangled suite of emotion, heuristics, framing, time horizons, and so on. But incentives of all sorts are a significant part of this mix.

Incentives are many and range from the regulations, credit provision, taxes and subsidies that firms are presented with to the prices, promotion prospects, and remuneration potential that individuals navigate. They also encompass the governance structures of businesses – how they are designed and for what purpose.

Currently, almost all incentives drive choices that run counter to what people and planet really need. For example, prices do not reflect true environmental or social costs. Subsidies are given to fossil fuel companies while being taken away from renewable energy enterprises. Professions that most directly meet social needs are the most poorly paid. And taxes are high on work and low on wealth. And so on and so on.
One step that would help hasten the transition to a wellbeing economy would be to more proactively propagate the nascent ‘fourth sector’. To do this would mean incentivising the business models that have social and environmental aims as their overriding purpose and hence make decisions accordingly. Who they source from will be different. How they account for their impact will be different. Which staff behaviours and actions are rewarded will be different. There is a flurry of activity that gives cause for optimism that such business models are possible: B Corps, social enterprises, community interest companies, firms using the Economy for the Common Good balance sheet, and so on. But these chinks of light are the exception – too many other firms do not have wellbeing economy concerns at their heart. Again the policy changes to shift incentives are within easy reach and can be brought in at all levels of government. Fortunately, the policies to encourage pro-social businesses are more positive, more about encouraging one type of behaviour rather than punishing another. They are also the same sort of policies need to go beyond redistribution as sticking plaster.

Another step is to get prices right. This requires recalibrating measurement, accounting processes, responsibility for value chains, and much more. From one perspective this seems a complex, herculean task. But it doesn’t need to be perfect – it just needs to be sufficient to shift incentives. Levies on plastic bags are an example – no one suggests that five pence constitutes the sum total of the deleterious environmental impact of plastic on our oceans and wildlife. It has, however, been enough to spur a step change in behaviour. More levies like the plastic bag charge – especially those that target businesses and manufacturers rather than placing all the onus on consumers to change their behaviours – would start to reshape the operating terrain in which economic decisions are taken (just think of a frequent flier tax for a sense of how this might work). Getting the prices right enough, if not perfect, is a good way to incentivise actions that create a wellbeing economy.

4. Regenerative behaviours

Too much of the way things are made and consumed involves using natural resources in a destructive, wasteful, extractive way. From the planned obsolescence that compels people to replace an item earlier than is really necessary, to the signals that bombard people to align their sense of self-worth with how much they own, to the linear production system which simply takes from the earth, makes something, uses it and then throws it on the scrapheap. The evidence that this cannot carry on is mounting faster than alternative approaches and processes can be developed. Yet, many alternatives are there – they just need the policy system to sidle up and give them a better boost than is currently the case.

Lessons for practices that go beyond respecting planetary boundaries (zero harm), but proactively regenerate the ecosystem are emerging. The momentum behind circular economy design and manufacturing is an exciting cause for optimism. Businesses adopting circular
economy practice don’t even need to be wedded to the desirability of the collective benefits of a wellbeing economy: they just need to be capable of reading the reality of resource constraints. One famous estimate says that there is more gold in a tonne of mobile phones than in a tonne of ore. This may or may not be the case, but resource limits in a range of commodities mean it makes sense even for businesses operating with 20th century measures of success (even for those whose purpose is simply short term profit) to look at extracting minerals from piles of waste equipment, or to harvest the sun for energy rather than mining the earth, and generally embrace the idea of cradle to cradle product design. But beyond this, many creative designers are using lessons from nature to solve environmental challenges and are crafting production processes that turn what was once seen as waste into useful and beautiful items that help meet human needs. Even in just one sector, fashion, examples abound: a company called MG Surfline takes plastic soiling the ocean and makes it into swimwear; a company called OSOMTEX repurposes millions of pounds of discarded post-consumer and post-industrial textile waste directly into high quality yarns and fabrics; and a company called PINATEX creates leather-like material made from pineapple skins. Encouraging similar initiatives is going to require not only communicating the examples of the likes of OSOMTEX and PINATEX and using government incentives and support to encourage such enterprises and behaviours, but also efforts to ensure use of natural resources (including use via dumping of waste into the rivers, oceans and skies) is priced in a way that reflects the real costs on governments, on communities, and on future generations.

5. Deliberative
Finally, all these shifts need to be led by a vision that is derived from communities. Too many outcomes of the political and economic system are misaligned with what people and planet most need. This is a dire indictment on the current operation of political systems. Even countries where democracy, in a formal sense at least, is deemed to be strong, are often confined to relatively thin manifestations of democracy. Citizens feel that they have little influence on the decisions that impact them, feeding a sense of alienation and lack of control. This matters for the economy because until the economy is configured in a way that meets people’s fundamental needs, rather than geared up for short term profit or a daily boost in the share markets, people will grasp for apparent solutions that merely pull things further away from a wellbeing economy. Addressing this is not simply a case of more opinion polls or one-off referenda. It necessitates weaving into the current democratic process many more threads of deliberative democracy. When people are able to discuss and reflect together they come to decisions that speak to the greater good, rather than the decisions they take when they are – literally – isolated by the ballot box, from other groups and from other perspectives. The evidence from nascent trends in participatory budgeting and the experience of citizens’ juries are proof that taking the time to create spaces where people can talk through issues together is a key plank of a building a wellbeing economy.
Enriching democratic processes with more deliberation is required not just in the realm of political decision making, but also, amongst other things, in how the purpose of the economy itself is determined. Beyond-GDP measures will not constitute a sufficient power shift if they merely replace a problematic measure of progress with one that might be better in its content, but is constructed in a way that is dominated by elites. Put simply, the measure used to determine the very purpose of the economy needs to itself prefigure a change in the balance of power – putting more diverse voices at the forefront. This might be messy and might limit the cut and thrust of international league tables, but it represents a profound rebalancing of whose voices and which interests shape the very purpose of the economy.

**Headwinds**

The headwinds against such shifts are strong and they are many. Chief among them is the narrow ‘conceptual bandwidth’ that – despite the best efforts of publications such as this – precludes against a fulsome debate about the operations and ultimate purpose of the economy. Hence the questions that are ostensibly permitted (let alone encouraged) are largely restricted to how to humanise the prevailing system. Discussion about whether the system is working on enough counts, let alone changing that system, is largely shut down with a flippant dismissal that such conversations are ‘naïve’.

The allegation of naïveté simply furthers the notion that there is no other way of doing the economy, no matter how many people might recognise the necessity of such new ways or how many organisations and businesses are already carving out alternatives, albeit mainly at the niche-level. A recent example was a report commissioned by the governing Scottish National Party to examine the prospects for the Scottish economy in the context of constitutional independence. Regardless of one’s views on the question of Scottish independence, the assumption of the report – entitled The Growth Commission – and the discussion that followed its publication was an indictment of the stranglehold that the growth agenda has on policy debates. Not only was the presumption inherent in the report that the future of the Scottish economy had to be one of GDP growth (albeit with the cosy adjective of ‘inclusive’), but in the subsequent debate no one raised an eyebrow in surprise, let alone a hand in question, at this taken for granted objective. All sides of the independence question, and most perspectives on so many other debates it seems, are constrained by the straitjacket of an economic orthodoxy that assumes more is always better.

And to some extent this is reasonable. In the current economic set-up, lack of growth is proving itself rather painful: “jobs, retirement pensions and increased public spending…all presuppose a constant rise in Gross Domestic Product”. The magnitude of the resulting challenge is vast. As Dr. Ted Trainer explains, in a growth-orientated society “getting rid of growth would require almost a complete remaking of present political, economic, social, geographical and cultural
systems”. Like it or not, the modern economy is structurally reliant on growth for stability – so when growth falters, politicians panic. In other words, economic institutions must sup the oil (often quite literally) of growth to function, and when it dries up, the thirst is debilitating. But that reflects more on the institutions themselves than the merits of growth. As Maja Gopel explains, ‘Without a doubt, instant [decline of growth] would diminish the happiness of many. But it is the result of a structural crisis and not of the violation of some natural laws of human existence’. It is thus imperative that the transition pathways to a wellbeing economy are paved out with secure stepping stones so that people have little reason to prefer the devil they know and no reason to resist striding towards a more humane and sustainable economy.

Another headwind is that not only is system change challenging, messy, and complex, it is also difficult to measure – and hard to singularly attribute. It therefore faces a political bias against (necessary) shifting of investment towards upstream structural change. Similarly, many funders looking for measurable ‘impact’ are unlikely to find sufficient metrics that tick the boxes and tally up the numbers in their annual reports in efforts to transform the nature of the economic model. And of course, the prevalence in the way in which nations compare themselves to each other and seek out their international allies is essentially via a GDP equivalent of the Champions League – even in global geopolitics, the ostensibly easy to measure matters most.

This reflects yet another headwind: the practices, default responses, the assumed options are themselves narrow. As Robert and Edward Skidelski warn: “the irony is, however, that now that we have at last achieved abundance, the habits bred into us by capitalism have left us incapable of enjoying it properly”. Thus, despite the admission that the limitations of the current system have been exposed, “there has been no marked increase in the actual use of Beyond GDP indicators …[and] during periods of low growth there is an almost exclusive obsession with how to increase it again…the economic downturn has immediately compromised the opportunity to build a new model (both logistically and politically) by implying a shortage of resources”. Change, it seems, is and of itself a headwind.

**Building a head of steam**

But change must come. The realities of environmental destruction and the extent of inequalities and alienation are making the current set up less and less tenable. Most political leaders are either putting their fingers in their ears to ignore the sound of plaster and tiles falling from the current structure or are trying to reassure us that things are ‘better than they have ever been’ and all should carry on as before. That can’t happen. Change is coming whether we like it or not. Change will come whether we make way for it or resist it.

The wellbeing economy is not a government-led vision. It is a broad societal shift that involves every level of society. There need to be changes in technology, institutions and laws, new
cultures and social relations, new discourses, business models and mechanisms for sharing wealth, new approaches to the environment and ecosystems. Everyone will have a role in building a wellbeing economy, co-creating a future that emphasises quality over quantity. Yet policies can enable or constrain that work. Fortunately there are a handful of political actors – in and out of government – who are talking as if they understand the magnitude of the situation and the sort of options and opportunities they can take to create a more humane and sustainable economic system. If they were ever to find themselves close to the despatch box – or whatever signifier their respective governments use to denote official power – they need a programme of action.

Changing an economic system, is, of course, extraordinarily challenging. In a negative sense, powerful vested interests who benefit from the current scenario will resist. Both loudly and surreptitiously. In order to counter this a strong enough counter-weight needs to be developed and so the ball is back in the court of communities and activists. Other vested interests might be in fact be ready – or close to ready – to concede that business as usual cannot carry on. Sometimes this will be an admission that their personal values are misaligned to their ‘day jobs’ or enlightened self-interest that their day jobs need to realign in order to be viable in the future. Making spaces for conversations that draw out these perspectives is vital. Again the ball is in the court of those advocating for system change to create and fill those spaces and build on the conversations that emerge. And we need to persevere because ‘without the belief in a different future, radical political thinking will be excluded from the beginning’.

On the other hand there will be others, whose livelihoods depend on industries and institutions that are part of the current system, will hang on for dear life precisely because they are relatively powerless in the current system and fear their existences becoming even more precarious during substantial economic change. Policy makers need to concertedly and proactively carve out pathways for them to walk towards a wellbeing economy – ensuring jobs are available and skills imparted for these consistencies. Worker cooperatives, job sharing, minimum incomes, embrace of the foundational economy, community wealth building and so on are all part of a rich programme of initiatives necessary to build these pathways. They are also key elements of a wellbeing economy.

From a different perspective political actors with their sights on building a wellbeing economy need to pay attention to the complex interactions between changes – ripples in one place can become waves elsewhere. Systems thinkers encourage us to see that gradual changes are incremental steps that will eventually add up: ‘radical incrementalism’. They erode the stability of the old system and unlock options for developing a new system. So while no single project will change the system, many small steps over a long period of time just might. Understood and harnessed, this brings the possibility of virtuous circles to be instigated. New mindsets and ways
of working are needed inside government to embrace this potential, not least cross-departmental working, long term budgeting, and system-level mapping. And what might the pronouncements at the despatch box herald in the first hundred days of a wellbeing economy orientated government? Here are initial some suggestions:

- Measure progress more holistically, developing a broader set of metrics and reducing the importance of GDP figures. Distinguish between healthy and unhealthy forms of growth. Recognise the importance of development as meeting people’s fundamental human needs, rather than expansion of consumption.

- Put in place standards that increase circularity in the materials economy, through targets for zero waste, or making businesses responsible for end of life disposal.

- Adopt a commons approach to natural resources, particularly the atmosphere. This could be done through individual carbon trading, which would allow individuals with smaller carbon footprints to sell some of their allocation to others. Rates of carbon emissions rise with affluence, so this would help redistribute income. Managing water supplies could also benefit from a commons approach, with varying tariffs that rise with usage: it should be cheap to water a house plant, but relatively expensive to irrigate a golf course.

- Work to redress market failures, where social or environmental costs are externalised. For example, car culture has multiple impacts on the environment, health and society that are not priced in to the cost of motoring. Aviation is similar. Tools include taxation, air pollution targets, efficiency standards, and regulating to make companies responsible.

- Move towards ‘predistribution’, creating a more inclusive economy and reducing the need for costly redistributive bureaucracy further down the line. Employee ownership, community owned utilities, salary ratios or a maximum wage would all contribute to this and there are a range of other levers government can pull to facilitate their introduction. Use government regulations, procurement, encouragement, and largesse to promote pro-social businesses.

- Ensure that prices reflect human values, including equity, ecological realities, and present and future needs. Sweep away perverse subsidies, such as tax breaks for fossil fuels. Redirect subsidies to support activities which meet the conditions necessary to make ourselves at home, like high environmental quality and decent employment. This might entail: sumptuary or luxury taxes at a high enough level to discourage status consumption and encourage sustainable consumption; new wealth and capital gains to ensure that unearned income is not taxed at lower rate than earnings from work; corporate tax relief for those businesses which adopt purpose and practices conducive to collective wellbeing; and taxes on carbon emissions and energy intensive goods and services, for example a frequent flyer levy.
This list is not just list of key things a government would need to do to foster a wellbeing economy. It is also a small selection of changes that are happening somewhere in the world. Hence none of them should be deemed ‘radical’ in the sense that they are untested or utopian.

Marching on
Clearly, a flurry of changes are needed. Humanity is at a crisis point. Until those who see this and want to be part of the solution get together and make changes to the economy, humanity will not have a world that it can live in the next few decades. Evidence of previous system shifts show that systems change when enough people, across all walks of life, team up to demand it; when the story is positive about how we can live a different life; and when it is solidly based on economic theory that not only makes sense, but also reflects what makes us innately human.

Efforts for change are necessary on many levels – the micro level of individual organisations and projects; the middle level of policy and rules; and the macro landscape level which is the terrain (literally and in terms of ideas, science, and knowledge) on which the other levels operate and are influenced. These levels interact – actors in the micro level, for example, can change the policy regime by demonstrating feasibility and desirability of a new course of action: hence policy makers are not stepping into the unknown when creating a conducive policy regime. Similarly, change in the landscape level shifts options and demand for policy changes. And these in turn open up or shut down scope for action at the micro level. Each is thus an enabler of the other and activation of one can spark or accelerate change in other areas.

Working to change the landscape level entails creating spaces to ask big questions, challenging what has come to be seen as normal, bringing new ideas into play, showcasing alternatives, spreading them and eventually normalising the notion of a new economic system.
A new alliance of actors working for the creation of a wellbeing economy has been established to work at all levels and ensure the links between levels happen and spur virtuous circles of change. The Wellbeing Economy Alliance (‘WEAll’ for short) is taking a three-pronged approach to supporting those who are active in bringing about a new economic system so that their efforts are more powerful and more effective. This entails framing and amplifying new narratives; working with movements, theorists, and practitioners to create a new power base to push for structural reform; and building alternatives.

1. New narratives
The current economy is dominated by a certain paradigm. A paradigm is those ideas that a society shares, it is assumptions that are never questioned and the implicit understandings of how things work. It also constitutes the “beliefs and knowledge with which humans make sense and orientate their behaviour”. In other words, what people believe to be the ‘common sense’.
This paradigm generates socio-political and cultural norms, it informs how people think about and deliver education, and it shapes rules and laws. This paradigm is the cognitive cement locking in the current economic system.

To create a wellbeing economy, we not only need to weaken the old story that underpins the current economic system, but also create a new paradigm. This will happen when people’s frames of reference are transformed, when their sense of the possible is disrupted. This will see new questions being asked and in different ways, it will see different things being noted and results interpreted in new ways, it will open up new perspectives on what is possible.

2. Structural reform
Working to change the economic system at the regime level requires creating new coalitions and movements and developing shared strategies. It means supporting campaigners and activists and also those advocating for policies more conducive to a wellbeing economy. It needs to involve shining a light (by championing and disseminating) on pioneering projects, so policy makers see them as feasible and desirable. To get policies recognised and accepted, there is a need to persuade, educate and mobilise the public so the ‘window of public acceptance’ expands to includes those policies. WEAll is thus seeking to catalyse the formation of a global Wellbeing Economy movement.

There is no need for this to be an all-encompassing movement – critical mass is more important. This means working with people who are ready for change and building from there to a tipping point (estimated to be around a quarter of a population). This applies to activating the values critical to a wellbeing economy just as much as it applies to working with policy makers or practitioners.

Theory and its dissemination also matters – think tanks, academics, and publications all play a role in either constraining or opening and enabling the discussion and creation of a new economic system, and need to ensure it reflects the lived reality, wishes, and fundamental human needs of all. Vital is ensuring this wellbeing economy knowledge base not only shapes policy decisions, but also feeds into the very teaching of economics to policy makers of the future.

3. Building Alternatives
Developing prototypes at the micro level effectively begins to build the new system while the old one is still here. This has an educational and ideological function since it spreads both awareness and points to new values (those that underpin a new economic system). Pioneering projects (be they community level, businesses or others) that disrupt the current system can also encourage others to replicate them. Eventually new norms will emerge and a critical mass
will be reached. Working to change the economic system here, at the niche level, entails providing support for innovators and connecting them (for example, via communities of practice) so they encourage others to replicate their practice, ‘scaling across’, if you like. Thus WEAll’s key tasks are to amplify and connect, build and promote. In practice, this means WEAll will work with as many actors as possible to construct a power base capable of shifting political decisions in favour of those conducive to a new economic system. It is being joined by a range of organisations and individuals. Its growing membership includes those working within the system to change it from the inside and those building from the outside. It includes academics, businesses, governments, cities, community organisations, NGOs, and think tanks. It welcomes anyone who wants to collaborate for system change.

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