Local Economies of Brexit

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Abstract: Liverpool is a city which has, in many ways, undoubtedly and observably benefitted from Objective One EU funding to the extent that there is pretty much universal agreement that this has underpinned the city's recent renaissance. That said, outside the city centre persistent long term economic problems endure. This paper reviews the mixed experiences of Merseyside's Objective One 'Pathways to Inclusion' programme as an attempt to solve problems of concentrated deprivation, arguing that the success of conventional approaches has been mixed. Brexit provides an opportunity for a rupture with forms of local economic development that have been progressively neoliberalised through time. It argues for a focus on opportunities, not deficits and absences, using Asset-Based Community Development (ABCD), Diverse Economies, and Solidarity Economy approaches.

1. Introduction – 'Thank EU', says Merseyside?

The EU has been good to Merseyside – sort of. The city was once a thriving seaport populated by 'Liverpool Gentlemen' becoming rich off the slave trade fuelled by the products of 'Manchester Men'. It is now a UNESCO world heritage site, celebrating the birth of mercantile capitalism. In the 20th century it was central to transatlantic trade, and then saw manufacturing thrive as a result of the Merseyside Plan of 1944 (Sykes et al. 2013). In the 1960s a 'cheeky and young, un-posh, un-stuffy, democratic to its boot heels' (Du Noyer 2002: 78) produced the Beatles and Merseybeat. Then, in 1973, Britain joined the EEC, famously leaving the city 'marooned on the wrong side of the country' as the terms of trade moved away from a relationship with the Commonwealth to integration into the EU. For the next 30 years Merseyside would suffer. By 1977 half of Liverpool's unemployed were aged 16-24, with many waiting 2-3 years for their first job (Murden 2006: 440). Many gave up on an unequal fight and moved elsewhere to seek work. A city that at its peak had a population of 855,000 in 1931 had halved in size by the end of the 1970s (Murden 2006:428). Looking back, one economic development manager who had worked through that period remembered:

> "By the time you got to the late 70s you're actually dealing with the devastation of the depopulation of the city. So not only was it economically poor it actually looked ravaged. It was a hurt city. … there was this air of stagnation over the centre. Many of the buildings hadn't been cleaned up, … they were black. But the one thing pictures [images] will not show you is it stank to high heaven. Down by the docks … the silt was the depth of two London buses one on top of the other. So it was a tidal estuary in effect right up to the edge of the city centre. It wasn't a pleasant seaside smell and this was right at the heart of the city centre. It was almost as if the Albert Dock became a symbol of a past greatness and of current impotency" (economic development manager interviewed 2012).

On the outer estates, things looked as bleak:

> "About 1978, I lived in Speke, and I always remember going to school we'd always be walking past a picket line, … so you were sort of aware of the class struggle and so on. Then they shut Standards Number Two, they shut Dunlop's, and they were the big headlines. The amount of workers that were thrown out of work on that industrial estate.... it felt like everything was just collapsing around you.
>
> It was very real, being on a working class estate with a father who was a factory worker who worked just over from where we lived in Metal Box, and he was coming home saying 'They just announced 200 redundancies … when is it going to be our family's turn?' So you'd be hit with redundancies and know people around you who were affected by that … you just felt like Capitalism was collapsing around you" (Labour Party activist interview 2012).

The is led to a perception of a city in perhaps terminal decline, 'the city of lost opportunities' (Parkinson and Bianchini 1993). Everything had been tried, nothing worked:

> "Since the 1960s, the city has been the recipient, or victim, of every urban experiment invented, including Tony Crosland's educational priority areas, Jim Callaghan's traditional urban programme, Roy Jenkin's community development projects, the Home Office's Brunswick neighbourhood project, Peter Walker's inner area studies, Peter Shore's inner city partnerships, Geoffrey Howe's enterprise zones

and Michael Heseltine's urban development corporation. Two decades' experience of those policies had not substantially improved the city's problems" (Parkinson 1985: 16).

Of course, it would be absurd to argue that EU entry was the sole, structural cause of decline. Liverpool's problems were shared by many other cities; a result of the 1973 oil price hike and subsequent inflation; the introduction of neoliberal policies that meant that cities were now declared to be masters of their own fate and should compete with other cities for footloose capital (Harvey 1989); the migration of manufacturing to places with lower environmental standards and labour costs (Harvey 1992); and technological change (aircraft replacing liners for transatlantic passenger trade, the introduction of the container) that led to a massive loss of dock employment. Containerisation gave a competitive edge to ports with large areas of free land on which to handle large numbers of containers, favouring Rotterdam Europort and Hamburg (Levinson 2016), and in turn the UK's east coast ports over Liverpool. Liverpool Port was slow to adopt containerisation, a dispute that led to the long running Liverpool dock strike of 1995-8 (Castree, 2000). Liverpool had other 'local difficulties', not the least the election in 1983 of the city's left wing Labour council, with a strong Militant Tendency element, which argued that the response to Liverpool's problems needed to be at the scale of postwar reconstruction. The Council refused to set budgets that led to cuts in public spending, with the result that the recalcitrant councillors were disbarred and surcharged (Frost and North 2013, Parkinson 1985). Through the 1990s the city continued to struggle to handle the fallout from these conflicts in terms of lost investor confidence.

Perceptions of Liverpool's fortunes changed when the City was designated European Capital of Culture for 2008. As well as an estimated 15 million tourists spending £800m (Garcia et al., 2010) this period coincided with wholesale regeneration of the city centre. The privately-financed Liverpool ONE shopping centre created a new regional shopping district, opening the city centre up to the Albert Dock and the new convention centre and arena on the banks of the Mersey. This new draw, much of it EU funded (Meegan 2003, Biddulph 2011), when added to the city's cultural offering, powered the visitor economy. Seemingly, the city had 'got its mojo back' and for once, after the 2008 crash, it was not first into the recession, it was not deeper on Merseyside than elsewhere, and it was not the last to emerge from the crisis. Between 2006 and 2016 the city region grew at an average of 2.9% annually, although it was hit hard between 2010 and 2012 (Parkinson et al., 2016:18).

After 2010 austerity hit the public sector hard in Liverpool (Jones et al. 2015) as Liverpool City Council lost 58 per cent of its funding, £330 million, through government cuts. The city's longstanding problems of low jobs and business density, poor skills and productivity, and low GVA remain (Parkinson et al., 2016:22-24). Unemployment, while nowhere near the rates of the 1980s, remains 1.7 times the national rate, second only to Birmingham in 2015 at 10.6%. Liverpool's youth unemployment at 23.4% is the worst in the country (Parkinson et al., 2016:49). 24% of families are classified as workless (Parkinson et al., 2016:50). The most disadvantaged neighbourhoods in the country are still found in Knowsley, north Liverpool, south Sefton and East Wirral). City centre revitalisation, while welcome, has not substantively moved the picture on (Boland 2010).

In some ways, this is a story of a city reacting to changing economic fortunes. The single market made it easier for manufacturing to relocate to east and central Europe, hitting UK manufacturing generally. In other ways, the UK's decision to join the EC in 1973 was a structural change in the terms of trade of a magnitude that hit Merseyside specifically. Merseyside also suffered from the 'branch plant' problem in that it had few locally-based large employers, and as a result decisions about Merseyside's economic future were made in board rooms elsewhere (Parkinson 1985). Either way, structural changes in the economy hit the city hard: did these structural changes undo all the attempts at revitalisation? Or did Merseyside's Objective One status mean that the EU's commitments to social inclusion and territorial cohesion mean that EU membership provided powerful tools that powered both city centre revitalisation, and represented a praiseworthy attempt to include residents of its poorer estates in that revitalisation that, post Brexit, are no longer available? In that case, is Brexit a disaster, or an opportunity?

We do not know what kind of Brexit we will have, but it is expected to be 'hard'. We do not know what access Liverpool's growing knowledge, bioscience and low carbon economies will have to further Horizon 2020 funding, or to skilled international labour. We should assume international trade, but do not know on what basis. It could be that what cynics are calling 'Empire 2.0', more trade with the Commonwealth, leads to more trade through the new Post-Panamax Liverpool TWO port which, given containerisation, will not produce many jobs, but also to increased employment in logistics in the Halton and Warrington areas. We do not know to what extent unregulated global free trade will drive down standards, leading to the destruction of (what is left of) UK manufacturing, or if the lack of a trade deal with Europe will lead to more manufacturing in the UK with positive implications for employment and for reductions in emissions associated with the high levels of road transport that an integrated continental economy requires (for an extended discussion on this see North 2010). A cheaper pound is likely to boost Liverpool's already vibrant visitor economy. We can assume that current EU citizens will still live here, but low skilled migration is limited in the future, again with implications for the employment of those currently 'left behind'. Might that lead to the need for more skills training? We don't know. What we do know is that the status quo is not an option.

Might the time have come to respond to the shock of Brexit to think more radically about what the purpose of local economic development is, beyond 'growth' uncritically conceived? Can we develop a new economic ethics, think about ways that we can meet the needs of all for a dignified life in a climate and resource-constrained world? Can we create an economy that enables all of us to make decisions about how we want to live, economies based not on competition for limited places in the labour market or the gig economy, but based on solidarity? Could progress be made by focusing less on problems and absences (not enough jobs, to few SMEs created, skills not good enough) and on exclusion, on communities left behind (the glass is half empty); but rather take an Asset Based Community Development (ABCD) (Kretzmann and Mcknight 1993) approach which asks not 'how do we get you job ready' but 'how do you want to live your life?', 'what resources do you need to do that?' and 'what resources do you have already, or can get, or can be given?' To answer this, we will first review the experiences of Liverpool's Objective One programme and consider how these reflect a wider neoliberalisation of local economic development theory and practice. We will then consider how a post-structural, asset-based community development programme, focussing on the existing and potential assets and opportunities of Liverpool's socially excluded neighbourhoods, might offer a 'glass half full' vision of a post-Brexit Merseyside.

2 The experience of Objective One on Merseyside

Given the investment in the city centre by the EU it is not hard to see the benefits of Objective One funding in the bricks and mortar such that the city no longer looks 'devastated'. Funding from Brussels started in 1994 when £700m was allocated under the Objective One programme. In 2000, another £928m followed and between 2007 and 2013 the North West shared another £700m. In 2015 £190 ESF funding was allocated. This was spent on a range of measures, but specifically and observably in the city centre a semi derelict piece of land next to Lime Street was rebuilt as a bus station and one of the early new hotels, Liverpool Echo Arena and a Convention Centre were built on the banks of the Mersey, and St Georges Hall – again opposite Liverpool Lime Street - underwent a £23 million refurbishment (Murphy 2016). This complemented Merseyside Development Corporation's refurbishment of Albert Dock (Meegan 1999), and the £500 million Grosvenor Estates Liverpool ONE shopping centre.

That said, the fruits of EU membership were unevenly felt. That Liverpool (58%), Sefton and Wirral (both 52%) voted 'Remain', while Knowsley (52%), St Helens and Halton (both 58%) voted to 'Leave' perhaps reflects the extent that socially-excluded Merseysiders recognised the benefits of Objective One in uneven ways. Critics (Lloyd and Meegan 1996, Boland 1999a, b) were concerned that, in the early days of Objective One (the 'Merseyside 2000' plan) the strategy for the disbursement of EU funds was too top down (set by the EU and by the UK central government, rather than being locally-led); not inclusive enough (led overwhelmingly by the public sector with little private or community sector involvement); not innovative enough (too focused on traditional training or enterprise support rather than on innovative solutions designed with and/or by local people); too bureaucratic (involving complex bidding, appraisal and evaluation processes that local people found impossible to understand or were resourced to engage with, hedged in with eligibility finding, and requiring match funding); and too dominated by 'professional money chasers' providing 'more of the same'. Too much money was spent on projects facilitating competitiveness, too little on social inclusion – making sure that the poorest were able to benefit from this investment. There was too little focus on 'place', in particular understanding the economic pressures that were affecting Merseyside, and developing a strategic response to these pressures given the abolition of Merseyside County Council in 1986. Responding to the criticisms meant that there was a delay in starting spending.

The result of these concerns was what was described as a ‘compromise document’ or accommodation that attempted to balance the perspectives of the EU, the UK government, and local actors (Boland 1999b). While the first four of the five drivers of the 1994-1999 Objective One plan were traditional economic development policies that might be found in any region (inward investors, SMEs, knowledge-based industries and cultural industries), more innovative was Driver Five, the ‘People of Merseyside’ (Evans 2002, Meegan and Mitchell 2001). Responding to the criticisms above, Driver Five focused on developing ‘Pathways to Integration’, neighbourhood-focused packages of targeted support for the most socially excluded communities, including ‘pathways to education’ (emphasising links between education and work), pathways to skills (with a focus on prevocational training), pathways to training, and ‘pathways to jobs’ which included support for Intermediate Labour Markets (ILMs), employment subsidies, support for community and commercial businesses, and childcare (Meegan and Mitchell 2001:2177). It was a significant amount of funding, £636 million, 48% of the public sector spend. Specifically, Pathways attempted to counter the conception that what was on offer was traditional training courses developed by the public sector by allocating block grants to 38 local Pathways Partnerships which would allocate the funds. Between 1994 and 1999 Pathways attempted to focus relentlessly on including those who had been ‘left behind’. Given that Pathways came about through an alliance of local and EU actors who wanted to focus on social inclusion rather than the then Conservative government’s orthodox competitiveness agenda, it represents all that was good about the EU’s contribution to Merseyside’s revival, which would be lost by Brexit. Did the reality add up to the hopes?

The experience is mixed. Looking at Knowsley (where significant problems remain, and which voted ‘leave’) Boland (1999a) was concerned that it was unrealistic to expect local people to play an equal part in these partnerships without significant support and prior capacity building, which was absent. They did not have the skills to design, develop, set up, deliver and evaluate programmes, and fell back on what was offered by better resourced public sector players. Given pressures to spend the money, Boland argues that local people were not ready to play a full part in the Pathway Partnerships and were not given the time, training, and not resources to do so. They did not understand the process, and became angry when the complexities of accessing money, especially given the need for match funding, became apparent. As a result, the public sector, particularly training providers, dominated. Local politics meant that some communities were better able to access funding, while other focused more on internecine battles with other communities, with what were regarded as local 'cartels'. Given that, as shown above, Merseyside had been the recipient of every attempt at regeneration and nothing had worked, local people could be sceptical. They focused on their families, not their community or neighbourhood. When the expected jobs did not materialise, they became disillusioned (Evans 2002:511).

Across Merseyside more widely, Meegan and Mitchell (2001) and Evans (2002) are more positive. They agree that it took some time to get local actors with a history of mistrust to come together, and that for historical reasons different areas were less able to engage in the Pathway Partnerships than others (some areas had longer standing, pre-existing organisations with a history of working in their area, some had been more effectively supported than others by local authorities, some were more mistrustful than others). Local politics and personalities mattered. Some communities were more stable and cohesive than others. Some were tribal, resenting their neighbouring communities - while others worked together. Meegan and Mitchell argue that Pathways gave those communities able to do so the opportunity to stop 'more of the same' being delivered 'to' them. In particular, they cite the Eldonians and Vauxhall Neighbourhood Council (VNC) as sustainable local organisations delivering the services to local people that emerged from Pathways. Evans (2002:5078) argues that Pathways created space for community-based economic development (CBED) projects such as customised training, ILMs, community businesses, Credit Unions and LETS schemes (for an extended discussion of the LETS example, see North [2000]). A significant local ILM, Bulky Bobs/Furniture Resource Centre emerged from Pathways, and to this day recycles furniture and provides the city council's large item waste collection service.

The second tranche of Objective One funding (2000-2006) moved away from this neighbourhood-driven approach and from 2000 the (by then over 60) local Pathways

Partnerships were amalgamated into eleven areas which were in turn incorporated into five regeneration clusters focusing on opportunity, thus linking need to growth (Meegan and Mitchell 2001:2189; Evans 2002:503-505). In Liverpool, this meant linking to the city centre, to the Edge Lane 'Eastern Approach', and Speke Garston in the South. These all focused on improving gateways to the city centre, and the city centre itself. A fourth focus was on linking north Liverpool/south Sefton communities to the docks. Linking 'opportunities to need' was not always accepted by the Pathways, and Meegan and Michell (2001:2191) note that by now the area-based Pathways Partnerships had developed their own local identities, which they wanted to maintain. Funding no longer focused on local needs (if it ever did): it was aligned with the emerging Local Strategic Partnership (LSP) Liverpool First's focus on more conventional growth at the city region, rather than neighbourhood, level. After the 2010 election, private sector-led Local Enterprise Partnerships (LEPs) replaced LSPs and ESF funding focused on delivering the LEP's four priorities: the city centre-based cultural economy, the knowledge economy, the port of Liverpool, and the low carbon economy. Many of the organisations that had been capacity-built by EU funding like VNC, Everton Development Trust and Alt Valley Community Trust continue to be a resource for their neighbourhoods, but focus on delivering business support measures and acting as social enterprises, rather than community-based economic development (CBED). Others struggled with the public spending cuts associated with austerity and have not survived. How should we understand this process?

3. The Neoliberalisation of regeneration policy in the EU years

Rereading the literature on Objective One anew, what struck this reader was the relentless focus on the 'problems' of 'left behind' communities (e.g. see Meegan and Mitchell [2001:2167-2179] and Boland [2010]). What we do know is that the Pathways approach of linking socially excluded residents with opportunities, while laudable, did not solve the problem of entrenched social exclusion which, as discussed above, remains. To understand how Brexit might provide new opportunities to look at problems anew we need to understand how what was once conceptualised as community-based economic development (CBED) has undergone a slow process of neoliberalisation into 'social enterprise'. There has always been a strand in local economic development practice that did not look at inclusion, but rather, on building something better than a conception of development as wage slavery or self-employment (North and Bruegel 2001). The capitalist crisis associated with the 1973 oil shock saw a rise in community activism in Britain's inner cities as students radicalised by the student movement of the late 1960s set up squats in run down streets, tenants engaged in rent strikes, and activists developed a range of community-run services such as adventure playgrounds, childcare centres, welfare rights centres and trade union resource centres in places that lacked state provision (Hain 1975, Curno 1978). In the 1970s government funded Community Development Projects (CDPs) saw mixed teams of community activists, community development practitioners and academics working together in inner city communities to explore possibilities – and it is no coincidence that VNC is based in Vauxhall, the location of Liverpool's CDP project. The findings of the CDP projects stressed structural causes of poverty (CDP 1977).

The countercultural and alternative movements reacted against large scale technocratic industrial society, as captured by EF Schumacher's philosophy of 'Small is Beautiful' (Schumacher 1973). In turn, this movement led to a huge rise in co-operative economic activity as through the 1980s and 1990s a new wave of green activists developed a range of local examples of what they called the 'community economy' (Pearce, 1993, Dauncey, 1988). A number of co-ops were established out of this milieu, along with Co-operative Development Agencies to support their development (Cornforth 1983, Tuckman 2011). Many 'local socialist' radical local authorities (Alcock et al. 1989, Boddy and Fudge 1984, Mackintosh and Wainwright 1987) facilitated the development of co-ops, community businesses, unemployed worker's centres and credit unions as a response to the job losses of the 1980s.

The election of the Thatcher Government and the rise of neoliberalism made the environment for support for alternatives much more difficult. During the 1980s and 1990s as part of the 'entrepreneurial' turn policy makers began to see community-based economic development as a tool for revitalising inner city areas unlikely to be attractive to inward investors (DETR 1998, Haughton 1999). A number of community businesses were set up in inner city areas to deliver services to local residents, with perhaps disappointing results (Leeming 2002, McArthur 1993). The emphasis on co-operation was replaced in the UK by the concept of the social enterprise and the social economy, meeting needs through business methods by creating enterprises that combined business values and organisational methods with a social agenda – social enterprises – run by a new class of dynamic individuals called social entrepreneurs (Southern 2011). Hegemonic neoliberalism at the level of discourse and the Thatcherite prejudice in favour of the ability of private sector 'movers and shakers' (Peck 1995) to solve problems continued to shape the policies of the Blair and Brown administrations. This meant a renewed focus on the power of social enterprise and social entrepreneurship, now seen as a mainstream and accepted part of inner city policy in the UK (Morrin, Simmonds and Somerville 2004). Community Interest Companies that traded for community benefit, rather than for the benefit of the owners or workers, were introduced as a new institutional form in 2008. By 2010 David Cameron saw the social enterprise sector as the motor of his Big Society (North, 2011).

Thus for the UK social enterprise movement in both the New Labour and Big Society eras, entrepreneurial values are the vehicle for the creation of a more just and socially inclusive society. Today's social enterprises raise income through trade and do not rely on grants as do voluntary or third sector organisations. They often contract with local authorities through competitive tendering to deliver services previously provided in house: in which case they may have only one source of income from the local authority to provide a service, so the extent that these are real trading organisations is debatable. Critics of this approach argue that it is a process of neoliberalisation through which capitalist, profit-making logic is extended into new areas of life that emerge in times of capitalist crisis and can be seen as little more than inadequate example of self-help (Auinger 2009). Have today's UK social enterprises become creatures of market forces, deflected away from their progressive origins through mission creep (Cornforth 2014)? Thus the community-based organisations funded by Objective One now focus on business support, on social enterprise. The wider focus on CBED has been lost. More radical conceptions of local economic development have conceptualised a locally- owned social economy as counter to regular capitalist crises, and to the secular loss of manufacturing jobs to the global South more generally (Amin, Cameron and Hudson 2002, DeFilippis 2004, Imbroscio 1997, Defilippis, Fisher and Shragge 2006).

4: Merseyside's (uncertain) Brexit future(s)

So, as Brexit looms, where are we? Evans (2002:498-499) argues that OB1 did provide local partners with the opportunity to take a more strategic view of the city region's opportunities and assets in an environment where city-region planning was frowned upon, and the Merseyside County Council had been abolished. It stressed inclusion, at a time when this was again not a priority for the Major government, but which did later resonate with the approach of New Labour between 1997 and 2010. It facilitated collective learning and institutional thickness (Amin and Thrift, 1995) in a city where this was lacking, and built social capital which meant that the city was better placed to handle austerity after 2010. The need for both competitive advantage and social inclusion was balanced. Boland (1999a:228-229) argues that the lessons of Pathways are the need for capacity building so that communities have the information and resources they need to affect the programme. A sufficient block of funding under community control can mitigate against inter area conflict, given that local politics can impinge CED delivery. After the election of New Labour in 1997, this support was increasingly provided to Partnerships, but it proved to be both expensive and time consuming (Evans 2002:511). When the expected jobs did not materialise, it became clearer that Pathways could not provide pathways to work if it did not exist (Turok, 1999). This suggested that the Pathways model was 'unproven', and more mainstream methods of generating new jobs and businesses was necessary – which is what has happened.

It could then be argued that Liverpool is now a 'normal' city, if, like Berlin, a 'poor but sexy one'. While EU funding will be turned off past Brexit, in many ways, it has done its job and the city no longer faces the structural disadvantage that meant that managed decline was a serious option for a city that had no business being where it was. Liverpool's problems are now those of any Northern English city – austerity. Objective One governance arrangements did provide an antidote to the wilful destruction of the County Council, but from May 2017 Merseyside will have a city region mayor with a brief for strategic thinking. Pathways did not significantly affect the problem of persistent disadvantage – we cannot expect a four-year programme to do so. What Pathways *did* show is that CBED takes time. Pathways left the city region with, in some places at least, a legacy of rooted, time-served, resilient CBED agencies and social enterprises that are now, by and large, delivering small business training. There is some ILM and customised training activity, but not on scale necessary, and too focused on 'chasing the money'. Might the time now be to try something new? To ask different questions?

Gibson-Graham and Roelvink, (2010) argue that we need to go beyond an uncritical commitment to growth to develop an 'economic ethics for the Anthropocene', and ask ourselves:

- How do we live well?
- How shall we produce what we need?
- What will we do with any surplus?
- How shall we share with others?
- What should we consume?
- How do we create a world worth living in, and invest in the future?

While, at the end of the day, the CDPs of the 1970s argued for structural approaches to fighting poverty, and structural changes like the decision to join or leave the EU are obviously of significance, they do not 'determine' what has happened. I argue that a more productive set of engagements with the project developing positive post-Brexit futures is through the more hopeful poststructural ontologies of the diverse economies perspective of JK Gibson-Graham and their colleagues in the Community Economies Collective. Working from feminist accounts of the economy JK Gibson-Graham (2006a,b; 2008; Gibson-Graham, Cameron et al 2013) argue for a conceptualisation of the economy as a diverse space comprised not only of jobs and businesses, but `heterospace' of profit-orientated and political, ideological, emotional and affective (rather than strictly economic) forms of economic motivation. They argue that a "language of the diverse economy can be used to explore the multi-dimensional nature of economic existence and the possibilities this creates for political acts of economic transformation" (2006b:77) and that economies are "contingent outcomes of ethical decisions, political projects and sedimented localised practices, continually pushed and pulled by other determinations" (2006a:3).

Gibson-Graham (2008) and the Community Economies Collective explore diverse performances and practices for a better world to examine the conditions of, rather than the fundamental limits of, what *could* be. They see themselves as “dancing, participating in creating a reality in which we are implicated and involved”, disrupting “the great clanking gears of capital” (Gibson-Graham 2003: 35). Their work has focused on (i) developing a richer language of economic possibility where none was thought to exist, (ii) cultivating new economic subjects able to engage in debates about how we want to live, rather than being the passive reproducers of exploitative practices (for example, a zero hours contract in a warehouse) and (iii) exploring actually existing and possible alternative and diverse economic practices. In particular, they echo Eve Sedgewick’s (2003) call for ‘non paranoid’ ontologies that do not assume a world of oppression, exploitation and the inevitable victory of structural forces over all challenges, preferring to focus on more hopeful stories about what ‘could be’, but which is ‘not yet’, and on a reparative reading of how we can make things better than they are. That is not to argue that we should not be interested in learning from past struggles, avoiding past failings and learning lessons: but it does not mean assuming that structural forces will always determine what will happen – the paranoid stance.

This would require time and effort not focused on asking communities what projects designed by others they want to fund, or designing ways to get residents of excluded communities into jobs (the deficit package); but to understand that economies of cities are comprised of more than just jobs and businesses, which residents of excluded communities struggle to access. Utilising diverse economies perspectives, Cameron and Gibson, (2005a, b) developed action research projects through which community-based action researchers worked with formally ‘unemployed’ members of the community in places subject to deindustrialisation (the Pioneer Valley, Massachusetts, the Latrobe Valley, Victoria, Australia) to talk about how their community had changed, what practical knowledge community members had about how they wanted to live, acknowledging positive and negative perceptions of their area, generating new visions of what could be if the community’s resources and assets were mobilised, documenting inspiring examples of alternatives from elsewhere, and beginning to develop these alternatives. The action research uncovered rich networks of sharing, producing food on allotments, repairing and reusing unwanted goods, barter, use of local currencies, informal co-operative networks and the like that suggest that formally 'workless' communities are anything but (Gibson-Graham, 2006:132). Later, they developed a workbook to enable communities elsewhere to use this process themselves (Gibson-Graham, Cameron and Healy 2013).

To be critical, the concrete alternatives developed through this process have been less than extensive: but imagine what might have been achieved, and could be achieved, had a fraction of the money put into Pathways been used on ABCD approaches, working on assets, not deficits? What local production could be developed, in SMEs or co-operatives? What food could be grown, power generated locally? How could a group of mothers with hairdressing skills be supported in developing a cooperative so they could use their skills, earn money, in convivial ways that worked with how they wanted to bring up their children? How could local money, locally-owned banks or patient capital finance these? Lessons can also be learned from UK experiences and perspectives such as work to develop the 'foundational economy', that section of the economy that provides everyday goods and services and which cannot be mechanised or moved to places where labour costs are lower (Bentham et al. 2013), exploring the benefits of local procurement and spending (for example work in Preston – see Boyle 2016:135-152), and new models of municipal ownership and enterprise (Cumbers 2012). The Cleveland Model looks to link CBED organisations with key local anchor institutions that can provide jobs and commission goods and services from local suppliers[1]. All these models, to some extent, involve a conscious preference for supporting local businesses and community-organisations supporting those left out of the economy for ethical reasons – a choice more easily made outside the EU than in an environment where continental integration is the policy choice of neoliberalised officials. The measures of success are not people into work but people economically supported, with surpluses distributed democratically to those who have created them. Could we see a new wave of solidarity economy incubators, supporting the creation of CBED organisations?

This, of course, far from where we are now. Kathy Gibson (2001) argues that talking about and acknowledging feelings of anger about processes of deindustrialisation, anger felt

[1] http://community-wealth.org/content/cleveland-model-how-evergreen-cooperatives-are-building-community-wealth

keenly on Merseyside in the 1970s and 80s, can provoke a strong desire to do something about it, rather than feelings that 'nothing works'. Might hard economic times associated with Brexit have the same effect? Or reinforce feelings that nothing changes? We don't know. The performance of the diverse economies framework in places with a more developed, if decaying, institutional local economic development support system is an area in which more (action) research is needed to uncover possibilities, and barriers. It might also identify where structural reforms beyond the capacity of local players to enact (for example, reforms of benefits systems, the need for more devolution or federalism, the need for a basic income, local banking and alternative currencies). But that does not mean, like the CDPs, that we fall back on the need for structural responses as an excuse for inaction, or that we don't continue more orthodox approaches.

5. Conclusion

To take this forward in the context of economic dislocation in the context of a (perhaps messy) hard Brexit we first understand that capitalist economies regularly go through crises, and that people suffer: but they also survive. We know this on Merseyside more than most. We need to complement approaches that focus on making growth inclusive, acknowledging that people have a wider understanding of what for them constitutes the 'good life'. This may not be full time work for an employer. We need to develop new conceptualisations of CBED, or now the social economy/social enterprise, to include economic activity based on *solidarity*: developing that sector between the public and private sectors that consists of grassroots-generated economic initiatives through which goods and services are produced by organisations that have social and environmental aims, and are guided by objectives and practices of co-operation, solidarity, ethics and democratic self-management. The SSE sector aims to replace fundamentally unjust or unequal social, economic and power relations with democratically-run institutions providing sustainable livelihoods, in order to bring about democratic, economically-just, socially-inclusive and environmentally-sustainable futures. The following conceptualisation of the sector makes sense of this diversity (for an extended discussion, see North and Cato [2017]):

First, through social enterprise and entrepreneurship, business skills and practices are deployed by a variety of voluntary and community sector organisations to address social issues. In more neoliberal economies, reflecting hegemonic elite prejudices in favour of a supposedly 'efficient' private sector with 'get up and go' contrasted with a lazy, bloated, trade union-dominated public sector, social entrepreneurs and social enterprises are lauded as the new creative force that will provide better services at a cheaper cost and in ways that meet citizens needs in ways that the centralised state never could (Norman 2010) in ways that for, critics, are an inadequate cover for austerity: the social economy cannot step up when the state fails to meet needs (North 2011). This encapsulates where the social economy sector is on Merseyside the other side of the Objective One investment.

Secondly, the social economy in Europe and Canada, especially Quebec (Mendell 2009) looks to provide forms of economic activity that include those that profit-driven economies often ignore. Examples would be intermediate labour markets (ILMs), customised training and guaranteed interview schemes that aim to ensure that socially excluded communities and individuals are included in sustainable growth. Through such support, households that are some way from the labour market can be helped to get 'good' jobs. This represents where Pathways could have been had the investment been maintained.

Thirdly, the solidarity economy in Latin America and, more recently, those southern parts of the Europe that have been suffering from the results of the Eurozone crisis (Lapavitsas 2012) focuses less 'how can we include those that the profit-driven economy ignores' (the social economy approach) than 'how can we live in inclusive ways, with dignity, safeguarding the needs of the environment and future generations, given that millions currently cannot do so'(Barkin and Lemus 2014). Elsewhere, this approach can be seen as the community (Pearce 1993, Dauncey 1988) or diverse economy (Gibson-Graham, 2008). This represents a potentially creative post-Brexit agenda.

I argue that conceptions of the social and solidarity economy, and the diverse economies perspective associated with the work of JK Gibson-Graham and the Community Economies Collective has opened up a new space for political action which has combined the search for alternative economic strategies with demands for popular participation and economic democracy and justice. This space offers work and, crucially, 'dignity' and provides people living under economic duress ways in which they can co-operatively generate new forms of economic activities that meet their livelihood needs and build social connection, co-operation and solidarity. The lessons of the Pathways experience are that it takes time and money to develop this approach, and it should not be seen as a panacea, as an alternative to encouraging inward investment – but it might be more productive if that investment is fleeing, or not arriving, post-Brexit. It will take time, commitment, and money -but we do have a share of the £350 million a week that we used to send to the EU that we can spend on our new priorities[2].

[2] Joke here.

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