From Publics to Congregations?
GDP and its Others

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Abstract

In this working paper we explore the issue of economic framings and publics by talking about GDP, the narratives that go with this, and the location of its publics. We consider the necessarily arbitrary framing of statistics and narratives. Next we reflect on the public work done by GDP, and in particular the realities it renders difficult or impossible. Then we turn to possible alternatives, ask how dominant framings might be undone to generate substitute narratives which attend to economic inequalities, and discuss how different framings, issues and publics might be created around two-nation narratives. Finally we turn to praxis, and explore how these alternative framings might be used to move from publics to activist congregations in disadvantaged locations, and so to influence policy in those locations.

¹ Free download is available from http://www.cresc.ac.uk/publications/from-publics-to-congregations-gdp-and-its-others
Framing the Argument

There is good news for the British economy. In May 2014, as we write these words, the UK’s GDP is growing. Indeed, the statistics tell us that the country is getting back to where it was before the 2007 crisis began. ‘Growth revives pre-crisis hopes’, that was the headline in the Financial Times.2 At the same time, the IMF is predicting ‘that Britain [will] … grow faster than any other rich economy this year’.3 This is a turn-up for the books: a year earlier the IMF was predicting a growth figure of 1.5%, and now it is predicting 2.9%. So if the Coalition government is pleased – and it is – then this is not without some reason. But on what basis does it feel cheerful?

The story we tell in this Working Paper is about the contemporary grip of GDP on the national imagination and how this attracts a large public. It is also about the way in which GDP is a statistic that in contemporary circumstances fosters an implicit narrative about the UK’s economy: the idea that ‘we are all in this together’. One consequence of this is that GDP marginalises other statistics, stories and possible publics. But, to be sure, there are alternative indicators, narratives and putative publics – for instance to do with economic and regional inequalities – which tell very different ‘two nation’ stories. The question we are concerned with is how these might gather alternative publics in a context where GDP is so very powerful. The suggestion we explore at the end of the paper is that it is important to work with locally or regionally disadvantaged publics including governments, NGOs and industries, to create and implement alternative policies. We instance this for the case of the so-called ‘Enfield Experiment’ where new local policies are being explored with the object of undoing some of the multiple disadvantages suffered by that borough.

So how to frame this argument? Our suggestion is that it is helpful to think of how it is that publics might be turned into congregations. Like those who sit in pews on a Sunday, congregations gather together in particular (though not always geographical) locations because they believe, correctly or otherwise, that they share commitments, enthusiasms, or sets of concerns. However, in the way we use the term, congregations (religious and secular) in addition share the desire and the potential ability to act individually and collectively to make a better world in specific locations and conjunctures. And it is the potential to change the world that interests us most. For publics experience, and are generated by, common issues and concerns.4 Indeed, as the pragmatists have noted, without a matter of concern or an issue, there is no such thing as a public.5 But congregations, or so we suggest below, are particular kinds of activist publics which both desire change and have the putative ability to work towards it in specific places. Thus the Lutheran argument about salvation by faith may be relevant to many publics but not to congregations which perform James 2.24 and seek salvation by works.

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2 Cadman (2014a)
3 Giles and Parker (2014).
4 Publics, like communities, are imagined, but none the performative for that. Anderson (1991).
Our argument, then, is that in the context of economic policy we need strong congregations in local and disadvantaged contexts.

Recent work in Science, Technology and Society (STS) suggests that there are at least three moves that need to be teased apart if this is to be achieved.

• The first has to do with **framing**. The general point is that framings cut across the flux of a complex reality. They render that flux definite in some combination of narrative, numerical or pictorial form. Socially-relevant examples include: public opinion surveys; electoral systems; maps; exhibitions; censuses; documentaries; and economic statistics. So that is what GDP statistics are doing: they are framing. An issue can only become an issue because it has been framed and (as it were) ‘issued’.

• The second has to do with the **gathering** of people, subjects, or collectivities. For STS a gathering is materially heterogeneous, but if we confine ourselves to people or other social collectivities it is obvious that there are many unsuccessful framings, and a framing is nothing unless it has followers. It needs to be turned into, or related to, an issue. But (and this is the subtlety) the traffic is two-way. A framing cannot work alone, but the appropriate framing helps in the creation of a gathering of people. The issue is simultaneously embedded in the frame and it is also integral to the public. It is this double move that we need to investigate if we are to understand how different kinds of publics – and public subjectivities – get made. It is also integral to the creation of activist **congregations**.

• But then a third move is needed. We need to hold on to the fact that publics (including congregations) have a spatial reality. Issues and activisms do not float around. They are always found in particular places. They are **located**, indeed like the Sermon on the Mount or the GDP story (which latter crops up in the British press in newspapers such as the Financial Times and the Guardian.) The focus on location is important because it holds the promise of (probably) geographical and therefore conceptual and political difference. As radical geographers have long noted, spatial multiplicities represent a potentially powerful resource for resisting teleological and unilinear narratives of progress in which one shape is alleged to fit all.

In what follows we first explore the issue of economic framings and publics by talking about GDP, the narratives that go with this, and the location of its publics. We consider the necessarily arbitrary framing done by statistics and narratives. Next we reflect on the public work done by GDP, and in particular the realities it renders difficult or impossible. Then we turn to possible alternatives, ask how dominant framings might be undone to generate alternative narratives, and discuss how different economic framings, issues, publics might be created. Finally we turn to praxis, and ask how activist congregations might be grown in disadvantaged locations such as Enfield.

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7 Latour (2005)

8 Massey (2005).
GDP as Frame

Somewhat coincidentally, in the week that the good news about the UK’s growth hit the newspapers, the Financial Times ran a series of stories on the shaping of GDP. The headlines were: ‘Kenya review to boost size of economy by a fifth’\(^9\); ‘Nigeria almost doubles GDP in recalculation’\(^10\) (the actual figure was 89%); and ‘Shake-up to portray a nation of savers’. The last of these articles reported that the UK’s GDP is to be re-estimated and that the reported figure will rise by between 2.5% and 5% in autumn 2014 as a result. So what is going on?\(^11\)

The answer is that every so often GDP figures are rebased. At present Kenya, Nigeria and the UK are playing catch-up with the US and Canada. To put the point abstractly, rebasing happens because economies are unknowably complex and heterogeneous. Economies (or populations, or public health, or opinions, or any other attributes of the social) only become knowable and tractable in simplificatory frames. The implication is that particular figures and modes of calculation are ‘conventional and subjective’\(^12\), resting unavoidably on routines and judgements that are themselves embedded in institutions and technical forms.

To say this is not, in itself, a complaint. It could be no other way. But it necessarily means that the judgements are contestable. So, for instance: one, GDP does not allow for depreciation. Two, the UK’s Office for National Statistics (ONS) is about to turn R&D from a cost into a contribution to GDP. Indeed this is one of the reasons why the UK’s GDP is being revised up. Three, and more generally, GDP works with difficulty for intangibles and out-of-market services: the value of production has to be imputed. Four, and as an important aspect of this, how financial services are measured is wildly counter-intuitive – and highly consequential for national growth figures.\(^13\) Indeed it is often suggested that the role of financial services in the UK’s economy is overestimated.\(^14\) In addition, (and this is the counterintuitive bit though it links to that likely overestimate) it has been widely noted that the measured contribution of financial services rose substantially during the financial crisis because the calculated size of its contribution effectively depends on the level of risk that it is taking.\(^15\) Four, international comparisons depend on a further set of conventions called Purchasing Power Parity (PPP). Changes to the way these are calculated have quite dramatic effects on country rankings. So, for instance, China’s GDP bumped down 40% when PPPs were changed in 2007 (the figure was for 2005)\(^16\), and as we were drafting this paper it bumped up again: indeed on these figures China is currently set to become the world’s largest national economy, though not without a

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\(^9\) Manson (2014, 10)
\(^10\) Blas and Wallis (2014, 8)
\(^11\) Giles (2014c).
\(^12\) Kay (2014)
\(^13\) Kay (2014). How these are measured is strongly dependent on the difference between the interest rates for banks of borrowing and lending. For a larger popular account see Coyle (2014).
\(^14\) For the EU as a whole this overestimate might be in the region of 24-40%. See Colangelo and Inklaar (2010).
\(^15\) Haldane, Brennan and Madouros (2010).
\(^16\) Bhalla (2007).
lot of kicking and screaming on the part of its statisticians. And then five, initially released national GDP figures in the UK (as elsewhere) are often subsequently revised in a way that substantially changes the story. Figure 1 is a graphical representation of the UK’s quarterly growth rates of Household Final Consumption Expenditure (HHFCE) between 1996 and 2010—and the revisions to these figures. At first sight the error rates in the initial figures seem small. But if we think of these in percentage terms the story is quite different. So, for instance, in the second quarter of 2010 the initial estimated rate of HHFCE growth was 0.70% but three years later it had bumped up to 1.4%—a difference of 100%. Using ONS quarterly data from 1996 to 2010, that is 60 quarters, and comparing the initial 3-month estimate against the revision 3 years later, we find the ONS made no revision to its initial estimate in just 6 quarters. In 18 quarters it made changes in the range of 20%-50%. Then in a further 14 quarters, it revised this by between 50%-100%.

**Figure 1: HHFCE Quarterly growth rates and revisions**

And here is the sting in the tail. In the calculations for 2012, *HHFCE accounted for 65% of GDP*, up from 61% in 1991. Given the political attention paid to the initial uncorrected quarterly figures, these corrections—discussed much more rarely and never headline news—become significant.

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17 Giles (2014a); Anderlini and Pilling (2014).
18 Redrawn from data from the Office for National Statistics (2014b),
19 Office for National Statistics (2012),
There are obvious problems in some of the conventions which generate GDP (and we have simply skimmed the surface here). Nevertheless, as we noted above, to say that GDP is constructed does not count as a complaint, *per se*. That said, this means not only that it is contestable, but also that if anyone (a congregation, a gathering of people, a public) is caught up within this or any other framing it becomes consequential or *performative*. Here is the ONS:

‘In the UK, the National Accounts, and Gross Domestic Product (GDP) in particular, currently have the highest profile in regard to changes in the economy and the measurement of economic progress. In its own terms, this prominence is fully warranted.’

This is why it ends up on the front pages of the newspapers – and why alternative framings get pressed to the margins.

Note that performativity comes in various forms. Sometimes it is very straightforward. No doubt the Coalition hopes that a narrative about British national prosperity (based on newly released quarterly GDP estimates) will help to swing the election due in May 2015. It will be taken as a sign of the success of the government’s economic policy. And the Chinese do not wish to appear to be the largest economy in the world not only because they do not believe it (and GDP per capita is in any case much lower than most ‘northern’ countries) but also because they believe that this will have consequences for their freedom to conduct future economic policy.22 But many of the performativities of framing are less obvious. In particular, much is *implied* within the apparatuses of statistical production rather than being made explicit.23 Such ‘collateral realities’ are performativities or effects that get done along the way, as it were incidentally while no-one is attending to them. Indeed their incidental character contributes to their power, because they are embedded in unthinking routines and narrative forms so they are not subject to debate or discussion.24 So, for instance, GDP projections coincidentally help to perform that patch of territory we call the UK as a social and economic reality. Rolled into a narrative (the hinge between stories and statistics is crucial) ‘the UK’ becomes something that we can relate to and retell. Alternative ways of aggregating economic activities get displaced, and it is predominately ‘national’ stories that end up on the front pages of (mostly London-edited) newspapers in the context of economic performance. So, for instance, the (whole of) the UK sometimes becomes a narrative patient that is enjoying a ‘strong recovery’.25 In short, when GDP figures are projected round the nation, publics are gathering around (a version of) *nationhood* whilst alternative ways of framing collectives are left out in the cold. But why do we take GDP seriously?

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20 Khan and Calver (2014, 1)
21 Mackenzie (2006)
22 Wolf (2014b).
24 The argument is developed in the context of opinion polls in Law (2009).
25 Giles (2014b, 2)
The historical story is long and it cannot be explored in this paper. However, it is useful to note that regular, up-to-date, national income calculations were first attempted in the UK (and the US) during World War Two. The problem of wartime management was how to avoid a re-run of the inflation that overtook the UK during the First World War when excess consumption demand at full employment boosted commodity prices rather than output. The GDP calculation was necessary so that the Treasury (the UK’s finance ministry) could reduce consumption by a specific amount through higher taxes in order to curb the ‘inflationary gap’. From the early 1940s until the mid-1970s national income accounting was then used in peace time fiscal economic management with the economy close to full employment. The practice was always messy because, as critics argued, fiscal policy changes were determined not by fine economic calculations but by political responses to 500,000 unemployed in the downturns and balance of payments crises on the upswings. Complications aside, until the mid-1970s national income accounting was therefore an ever-present policy background to debates about levels of employment and unemployment, indicative planning, prices and income policy. This changed after 1979. Demand management through fiscal adjustment – so called ‘Keynesianism’ – was discredited, and the economy was managed for a short while with monetarist money-supply tools. But though management practice changed, GDP itself survived because it had become the crucial measure of success: if GDP was growing (steadily) then this meant either that policy was working or the conjuncture had changed. Within this frame, before the unexpected financial crisis of 2008, economists such as Stock and Watson wrote of ‘the great moderation’ in the USA. Such was the framing around which large publics continued to gather. Thus through more than 50 years of changes, GDP consolidated its status as the major proxy for national welfare. Though other statistics were variably important (rates of unemployment, inflation, the balance of payments, the PSBR and average wage settlements), GDP measured something that was taken to be important to all. The implication was (and remains) that the country was ‘all in it together’. Throughout the whole postwar period, what we might think of as a powerful GDP public has therefore included mainstream economists, policymakers, politicians and the commentariat.

Such is the backdrop to our story: the power of GDP, its framing and its public or publics. The issue is: can this be dislodged? And if so how? And how, in particular, can we create alternative economically activist congregations?

Doubts and Reservations

Needless to say there are always questions and doubts, even about GDP. Here are two ONS researchers:

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26 For a popular account of that history see Coyle (2014).
27 Brittan (1964).
28 This was complicated because fiscal adjustments were politically influenced by rising unemployment and payments crisis which both lagged behind demand.
‘Movements of GDP cannot be expected to be good indicators of changes in total welfare unless all the other factors influencing welfare happen to remain constant, which history shows is never the case.’

The ONS knows perfectly well that GDP is not necessarily the same thing as ‘total welfare’. But what should be done about this? Its answer has been to create, a ‘dashboard’ of seven indicators to put alongside GDP. These are: GDP per capita; net domestic product (NDP) per capita; real net national disposable income (RNNDI); wealth; real adjusted household disposable income (RAHDI) per capita; median real household income; and household wealth. We do not need to explore all of these, though their differences are instructive so here is a sample. Consider, for instance, GDP per capita. The figures here look less good than GDP because more of us are now living in the UK than in the recent past. As Larry Elliott, the Guardian’s economics editor notes:

‘the lion’s share of the growth since the trough reached in 2009 has been the result of a rising population.’

The ONS agrees. A second ONS candidate is RNNDI, which is a measure of the total income of the resident population. (In an international world income is not the same as production – there are flows both in and out of the country). Again this looks less good than unadjusted GDP figures. Here is the ONS:

‘Unlike the GDP per capita measure which has been broadly flat since 2009, the RNNDI per capita measure has been continuing to fall gently to the end of 2013.’

An alternative is to measure household wealth, a calculation which reveals the importance of residential property prices both in the pre-2008 years of boom and in the crisis since (though these may currently be recovering). But the option that interests us most measures movements in median income, an indicator which two Fabian Society authors have recently proposed as the best ‘headline measure of British economic success.’ And here the ONS calculations reveal that, unlike GDP per capita which was starting to trend up, median household income was trending down at the end of the series in 2011.

The story-lines these differences suggest are thought-provoking. They suggest that between 2009 and 2011 (the end of the series) income inequalities were increasing. But our real interest in this last set of statistics is that they are the only part of the ONS dashboard that even hints at the importance of inequalities within the larger aggregate national story. Median income measures combine growth together with distribution in the one measure and therefore

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30 Khan and Calver (2014, 2); they are quoting OECD (2013, 30)
31 Khan and Calver (2014, 3)
32 Elliott (2014).
33 Khan and Calver (2014, 4)
34 Khan and Calver (2014, 6)
35 Khan and Calver (2014, 5)
36 Khan and Calver (2014, 11)
suggest a different framing. This means that they also hint at an alternative economic public – one that, like the Fabians, attends to economic differences between the rich and poor. But in the ONS version it is only a hint, in part because these median figures have to be read alongside aggregate statistics such as GDP, and in part because the extent to which the dashboard attracts a public is in any case limited. We have no hard data on this, but take it as indicative that the dashboard is discussed in the FT Data Blog, but does not make it into the paper itself.

Another Measure of Welfare?

As it stands this is, of course, too simple. It may be no more than fashion, but the broadsheet media recognise growing social concern about the consequences of rising levels of inequality. The FT has covered the best-selling book on inequality by Thomas Piketty and indeed recently ran an article by Piketty under the headline ‘Save capitalism from the capitalists by taxing wealth’. We will return to the issue of inequality and distribution shortly. But first we need to note that GDP as aggregate measure can, at least in principle, be unsettled in quite different ways. Indeed it has its others. For instance, though these have never displaced the established economic metric, alternative measures of welfare are promoted by critics of GDP. Thus, and informed by the work of Stiglitz and Sen, the OECD reviews different definitions of well-being. Noting that there is no agreement, it nonetheless distinguishes and insists on the importance of (a) material living conditions, (b) non-monetary quality of life, and (c) sustainability, and plays seriously with a series of ‘well-being indicators’ which reflects these. In this way of thinking individual well-being combines material living conditions with quality-of-life concerns that include: health, work/life balance, education, social connections, civic engagement, environmental quality, personal security and subjective well-being. GDP overlaps (but only partially) with material living conditions, because it (GDP) also includes what they call ‘regrettables’ that are either irrelevant to or detract from individual well-being. Then issues of human, social, economic and natural sustainability also become important. In short, the call is to gather around something which relates to but is also very different from GDP.

Much of this is old news. Radical critics such as feminists have long argued that national income statistics count the wrong things in the wrong way. What about unpaid domestic labour? The ONS guesses that the value of home production roughly matches GDP. The radical view is that GDP needs to be dumped. But the middle way has been to seek

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37 Cadman (2014b)
38 See, for instance, Wolf (2014a).
39 See, for instance, McDermott (2013) and Piketty (2014).
41 OECD (2013, 26)
42 These come from OECD (2011)
43 OECD (2013,28)
44 The recent report from the Fabian Society follows a similar line in addition to its focus on median household income. See Harrop and Tinker (2014).
45 Office for National Statistics (2011, 9).
supplementary ‘measures of national well-being’. Indeed, and leaving aside its dashboard, the ONS has been doing this since 2011 in a way that reflects the OECD concerns we have just discussed. It regularly reports on ten measures, ranging from ‘personal well-being’, through relationships, jobs, health, education, governance, the environment and where we live (which includes personal safety, crime and neighbourliness,) to personal finance and the economy. Indeed, if you visit its web site you are invited to play with a ‘National Well-being interactive wheel of measures’.46

This programme was launched with a fanfare in 2010 by David Cameron47. It would, said Cameron:

‘open a national debate about how together we can build a better life. It will help bring about a re-appraisal of what matters, and in time, it will lead to government policy that is more focused not just on the bottom line, but on all those things that make life worthwhile.’48

So perhaps this counts as an alternative framework and, supported by David Cameron, perhaps we are also watching the gathering of a new public. But then again, there are reasons for scepticism, at least on the latter score. Thus four years on from the launch the following web statistics suggest that that the national well-being measures have achieved only limited circulation:

<table>
<thead>
<tr>
<th>Search term</th>
<th>Financial Times (2000-2014)</th>
<th>Guardian (all dates)</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP</td>
<td>28,075</td>
<td>27,200</td>
</tr>
<tr>
<td>National well-being</td>
<td>22</td>
<td>48</td>
</tr>
</tbody>
</table>

These crude figures cannot be taken too seriously,49 but the joke, depending on how you look at it, is also on the alternative narrative of national well-being. Where are the people gathering? It makes little difference whether you search in a centre left or a centre right broadsheet. At least in the national press, publics still gather round GDP rather than any of the possible alternative measures of national well-being. Our conclusion is that, at least performatively and in terms of publics, national well-being obstinately remains linked to GDP.

Two Nations

GDP as economic framework, public gathering, and the reality that sees off alternative collective economic framings, remains very powerful. But at the same time it is vulnerable too,

46 Office for National Statistics (2014a)
47 Office for National Statistics (2011)
48 Cameron (2010).
49 The search was conducted on within the Guardian and the Financial Times on-line sites on April 7th, 2014.
partly because it is the product of convention, and partly because it is indeed a national aggregate. Thus the picture starts to change if we disaggregate it. Indeed, if this is done in the appropriate way it is quickly possible to generate ‘two nation’ sets of statistics stories and about inequalities and uneven distributions. Socially and regionally, it is very easy to show that we are not all in it together. Look, for instance, at this.

Figure 2: Share of the growth in real original income between 1979 and 2012 in economically active households; Source: ‘The Effects of Taxes and Benefits on Household Income, Historical Data, 1977-2011/12’, ONS.50

Based on ONS data, Figure 2 is a time-series that shows changes in the incomes gains of economically active households for the period 1979 to 2012, decile by decile. The lowest income earners are on the left and the highest on the right. The message carried by these statistics is stark. They are telling us that since 1979 40% of the income gains have gone to the top decile while in the same period the bottom three have got nothing at all. ‘For he that hath, to him shall be given’51: the Gospel According to Mark describes what is happening here. These are statistics – just as well-based as any others from the ONS – that reframe the economy as a story about hugely growing income inequalities.

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50 These four exhibits are taken from Bowman et al. (2014); in an earlier version they were published in 2011. See Erturk et al. (2011)
51 The Gospel According to St. Mark, Chapter 4, verse 25.
Figure 3 shows that breaking the figures down by time period does not make much difference overall, though in the most recent 2007 and 2012 period (the bottom set of bars) they suggest that everyone has been losing out. This tells us why, as we write in 2014, the Labour opposition is busy trying to create a public gathered round the ‘cost of living crisis’ and the Fabian Society is promoting median income measures. The middle has indeed been squeezed.

But is this alternative framing attracting a new public? Is it becoming a new issue? Perhaps the answer is that to some extent it is. There is the remarkable sales success of Thomas Piketty’s recent book for a period became the fourth best-selling book on the Amazon.co.uk web site ahead of the cook books and self-help manuals. Nevertheless, as the headlines with which we started this paper suggest, GDP and its public remains remarkably resilient. So, for instance, in 2011 CRESC published statistics about regional economic inequalities within the UK. Figure 4 depicts increases in gross value added broken down by region and by period since 1987. These statistics tell us: one (and perhaps unsurprisingly) that the South East and especially London are growing much faster than the rest of the UK; and two, that the rate at which they are growing faster is growing too. So between 2007 and 2012 London and the South East

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52 Source, ONS. In 2011/12 prices and households arranged by disposable income.
53 Gross value added (GVA) is GDP plus subsidies minus VAT. Unlike central taxation, it is measured firm by firm so it’s easier to create regional figures.
mopped up 57% of national growth (that is the third set of bars in each region). Meanwhile the figures show that the old industrial regions and nations have been falling behind for over thirty years.

Figure 4: Share of GVA growth by region; Source: ‘Regional Gross Value Added (Income Approach), December 2013’, ONS

Figure 5 is another version of the same story. The figures are for sample years, expressed as percentages of London GVA increases. The trend is clear. The South East aside, the rest of the county, is progressively falling further behind London. Or, to put it the other way round, London is accelerating away.

So like the figures for household incomes, those for regional disparity are also stark. But our main reason for showing these tables and their statistics is to ask whether they have a public, and whether we are watching the growth of an alternative public. The answer, which we will explore further below, is yes, at least in some measure. Indeed the research out of which these statistics were created has been featured on the Guardian website, and it would be wrong to say that there are no national and sub-national stories – or publics – concerned with regional inequalities. But have they dislodged GDP from its hegemonic position? Has its following been diminished? The answer, we suggest, barely at all.

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54 Chakrabortty (2013)
55 This is for a variety of reasons, but one of these is that unlike GDP calculations, GVA statistics do not appear quarterly.
Gathering Publics

So here we have the basis of a putative ‘two nation’ story-public. Note that it sits uneasily with the GDP story-public because it suggests that we might not all be in it together. It reveals that different groups and regions are moving along different trajectories. So how should we think about this? The numbers do not speak for themselves, they need some narrative help. And, unsurprisingly the answer is that the story of two nations can be told in at least two ways with London figuring as either virtuous success or parasitic vampire. One of these stories (about London’s success through agglomeration) complements the GDP narrative, but there are others about London’s success through extraction which are much more challenging.

The unchallenging and GDP-linked explanation is the positive story about agglomeration told by economic geographers and repeated by many others. The argument is that economic growth demands size. Birmingham or Manchester are simply too small to get on in the modern world. That is why London is pulling ahead. You need, it is claimed, a minimum population of 3.5 million to make it in an era of globalisation. Here, then, it is not so much that the regions are falling behind. Rather it is that London is drawing away. Regional inequalities are real but inevitable. Indeed the rest of the country cannot do without London. So we are all in it together after all, because, like it or not, we all depend on London. As Boris Johnson puts it:

‘London is the flywheel that drives [the economy] ... the gateway ... [for] exports, tax and jobs ... the better London does the better the UK does.’\(^{56}\)

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\(^{56}\) Schifferes (2014)
It is not a surprise to discover that urban elites (not to mention the supporters of HS2) gather round this framing. This is a public whose story-tellers include academic Henry Overman and journalist Evan Davies.

But there is another more negative narrative possibility. Instead of saying that London is the engine of growth, this says that the regions are being held back. So (and to take a single example), the IPPR North recently published a paper on transport infrastructure investment (where there was government financial participation). ‘Londoners’, it noted, ‘[are] in receipt of more spending per head than inhabitants of all the other regions combined.’ So the per capita figure for London was almost £2,600, for the South East it was £714, and for no other region did it exceed £219. (In the north east it was a mere £5 per head). In short, almost all the investment is going to London and the South East, while the English regions are being starved. The story line here is quite unlike the agglomeration narrative. Instead the IPPR North report queries the wisdom of continued investment in London:

‘Many argue that it would be foolhardy to jeopardise [London’s] ... position in the global economy and that ongoing investment in infrastructure to manage growing levels of congestion is critical. This does, however, become a self-fulfilling prophecy, the flipside of which is the steady diminution of the contribution of other major UK cities to national economic growth, as skills and wealth are steadily sucked towards the capital.’

In this narrative London is transformed into the ‘dark star of the economy, inexorably sucking in resources, people and energy’ (the words are those of Alex Salmond).

And this is the moment when the third factor that we introduced at the beginning becomes crucial. Because, and to rehearse, we have been talking about framing and narratives, that was move number one. And then we have been talking about the publics that gather round these, such was move number two. But move number three asks us to attend to locations. These become critical because the story of inequality is a framing with the potential to create English regional and national Welsh and Scottish publics; or, more generally, to gather geographically disadvantaged publics. But how might such a public be gathered together and inspired to become a congregation? And how might this be done in a way that evades the good London/bad London opposition which is the point of difference between Overman and bodies such as the IPPR North?

There is neither a right nor a single answer. But having worked on a range of mundane activities such as food processing and railways, CRESC researchers stumbled upon a possible response when they started to ask what is distinctive about these activities. One answer is that

57 Nathan and Overman (2013).
58 BBC Media Centre (2014), Schifferes (2014).
59 Institute for Public Policy Research North (2013, 9)
61 The words are actually those of Tony Travers. Schifferes (2014).
they have not been sucked into London or offshored to China or the sweatshops of Bangladesh. This is because people’s lives up and down the country depend on local activities for services – and for jobs too. Such activities simply cannot be moved anywhere else. A second is that they make it possible to think about economic and industrial activity in a new and potentially productive way. To see this we need to think about the industries and activities involved. In many ways these turn out to be a complete ragbag. Activities include some mundane manufacturing (for instance much food processing) on the one hand, and many services (such as supermarket and petrol retailing) on the other. And then they spread across private sector activities (pipe and cable utilities, retail bank branches, and again the supermarkets), state-franchised activities (including social care, local transport, waste disposal), and directly funded state activities (including much medical care and education). So this collection is heterogeneous. But what more can we say about it?

One answer is that it possible to characterise it as a foundational economy, a term that we have coined for the following reasons.

- One, we are talking about a phenomenon that is very large; on some estimates around 40% of those in employment work in this foundational economy; so it really matters to a lot of people.
- Two, its health or otherwise is crucial to the well-being of local communities, disadvantaged and otherwise, in at least the two senses mentioned above, first by creating local employment, and second by providing the basic and essential services that are needed everywhere.
- And three, it is nationally distributed. It is important in London, but it does not focus on London alone because it follows populations wherever they happen to be, including the depressed regions and nations.

This is why we call these necessary and necessarily local activities ‘foundational’. But there are two further features of these activities that are related to policy and politics which are also crucial to our argument.

- Four, the health of the foundational economy has been neglected. This has happened for a variety of reasons. One, post-1979 government industrial policies have favoured support for generic markets in a narrative of globalised competition, rather than attending to local and relatively sheltered sectoral or local specifics. Two, most foundational activities are far removed from the favoured high-tech manufacturing sectors that are usually the focus of government industrial policy. And three, no one has previously considered framing economic production in a way that renders the foundational visible. As a result, policymakers have never thought about the latter as an object of intervention.

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62 See Bowman et al. (2013)
• And then, five and crucially, much of the foundational economy is *politically licensed*. The mechanisms vary. Parts are directly franchised (as with care, or railways). Other parts, (for instance the supermarkets) are dependent on local planning decisions which often hand out *de facto* local monopolies. Either way the implication is the same. The state both has the *ability* to exercise political leverage in how it licences foundational activities, and (we contend) has a political or ethical *right* to do so since local communities are dependent on its foundational monopoly suppliers. One argument is that in return for a stream of profit something can and should be returned to the community.

Thus, there has never been any possibility of a gathering a public around the foundational economy. The necessary framing has never been in place; but if the frame is shifted, then new possibilities of action appear.

**Congregations**

We have argued that some frames gather publics while others do not, and we have worked on the assumption that the size of a public can be proxied by various indicators of social circulation and acceptance. But gathering can additionally be understood as a form of *praxis*. This is because under certain circumstances intellectual framings come to offer a basis for political action. In the concluding sections of the paper we consider what happens when such a framing relates to a local public that is potentially sympathetic to the message that it is carrying and might begin to act on that basis. To explore this we work with the metaphor of the *congregation*.

The Lutheran reformation insisted on the primacy of faith because nobody could earn or merit salvation through works. In the protestant tradition a congregation is gathered by its faith in the word of the Lord. It is also, and as a part of this, gathered by a related moral, ethical and sometimes political sense that all is not right with the world, and that wrongs need to be put right by works (without any guarantee of salvation). It is the protestant issue of works that we are interested in here, for in the way we will use the term the word congregation implies the need for *collective action* to put right wrong (in an uncertain world). Note that we imply nothing specifically religious by the term. In our usage congregations may be entirely secular.

So there are issues, there are concerns, and there are publics: such is the vocabulary that we have drawn from STS. But in talking of congregations we want to add several further ingredients to the mix.

• **Activism.** First, in the way we use the term, congregations do not just listen. They are not simply filled with a sense that there are rights and wrongs in the world. They are also activist. To put it in the language of protestant theology, salvation is achieved not just with faith but also through works (without certainty of reward).

• **Collective Action.** Second, those works are not simply a matter of seeking individual salvation through personal conduct, important though this may be, but also and
crucially by acting collectively. In the way we use the term, in a congregation concern with morality and justice are forged into a need or duty to take shared social, political and/or economic action.

- **Location.** Third, congregations are located in places, and often though not always in geographical locations. They are defined, then, in part by the conjunctural circumstances and the ecology of advantages, disadvantages and rights or wrongs at work in that location. To put it differently, shared identity is not the issue. It is shared geographical social, economic and/or political circumstances and the problems that these throw up that help to define a congregation.

- **Local actions.** Fourth, this in turn implies that the ambitions of their actions are local too. In the way we imagine congregations, works do not imply the application of generic recipes and even less do they take the same form in every location. There is no assumption that one size fits all. Rather, in the way we use the term congregations have a commitment to *locally practical actions* to make their part of the world a better place.

- **Tools for activism.** This in turn implies that congregations have the tools to hand to do the work that they would like to do to put right wrongs. This is a condition that is easily stated, but more difficult to work out in practice in a world in which there are hegemonic discourses about realities such as GDP which work to efface alternative economic framings such as inequalities.

Such is the model of the congregation with which we are experimenting. And since our aim is to understand the relations between framings, gatherings, and political praxis, we now briefly reflect on our own attempts to promote experimental economic policies and support the growth of activist congregations in underprivileged locations.

**The Enfield Experiment**

When CRESC researchers developed the notion of the foundational economy we judged that there was little chance that national government would take its possibilities seriously. Accordingly we set out to talk with regional and local governments in economically underprivileged locations such as the depressed ex-industrial areas of Wales, the north of England, or the Scottish central lowlands. By chance it turned out that our local knowledge and contacts were strongest in Wales and the depressed areas of London where, in Enfield in North London, we found a borough which had all the economic characteristics of a deindustrialised Northern town.

In practice what happened is the Enfield councillors and officers learned of our work and contacted us. We then worked to generate local Enfield statistics and a narrative. The story – whose broad approach confirmed what was already intuitively obvious to those involved – is that in Enfield the GVA is 20% below the London average. The east of the borough around Edmonton is seriously underprivileged, with no less than eight wards with benefit claimant

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63 Johal and Williams (2013)
figures above 20% in February 2013. The narrative identified the cause as deindustrialisation. In the Upper Lea valley, a corridor of light manufacturing once crucial to the local economy has almost entirely disappeared. Journalist Aditya Chakrabortty who was brought up in the depressed part of the borough writes that:

‘Edmonton designed and made the Lee rifle and Bren gun; it gave the BBC its transmitters; and British households their first solid-state colour TVs and dishwashers. It was home to the names that defined 20th-century light industry: Belling, Ferguson, Mazda, EMI, Glover and Main, Thorn, MK Electric.’

Now these firms have gone leaving an area with poor transport links for commuting and local employment substantially dependent on the foundational economy of schools and hospitals, the local authority, utilities, retail and distribution.

In an initial meeting we presented this story to the councillors and officers who in large measure found it convincing. Then in a series of meetings and exchanges between CRESC researchers and Enfield council the conversation moved from disadvantage in general, first to the continuing and powerful presence of the foundational economy within Enfield, and then to possible local strategies for regenerating that foundational economy. This in turn led to a series of policy suggestions or resources for thinking and acting that can be can be summarised in four slogans.

1. **Think local.** The idea is that it is important to ask, for instance, what the local supermarket or British Gas is doing for Enfield; and to ask what they might be persuaded to do; and then, and alongside this, to think about how the council might make good local investments, for instance in affordable housing.

2. **Think chain.** It is important to think about how local outlets can support local or at least regional suppliers; it is also important to think about how the council goes about its procurement; and, as a part of this, it is vital to ask whether it is supporting local enterprises and jobs.

3. **Think non-profit.** The argument is that there is no in-principle problem with profit, and that different forms of economic organisation have their place. Nevertheless, it is also that a borough like Enfield needs enterprises that will create good jobs and improve local services even if these are not going to generate shareholder value.

4. **Think pro-state enterprise.** Alongside this, it may well be the case that the council itself needs to engage in economic activity. This is because, however different the circumstances, there is no reason why a borough such as Enfield cannot emulate Joseph Chamberlain’s nineteenth century municipal enterprise in one updated mode or another.

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64 Enfield Council (2013)
65 Johal and Williams (2013, 3-4)
This led to a series of continuing initiatives and experiments by Enfield Council. These have included cooperation with British Gas on a ‘think local’ approach to using Enfield contractors, labour and materials for retro-fitting insulation to social housing; and a plan to return to greenhouse market gardening using waste heat from an incinerator and employing local labour.

These small scale experiments were subsequently discussed in a Manchester conference, organised by CRESC and sympathetic Manchester organisations. This led to links with further councils such Preston which had been independently experimenting. Attempts to interest Welsh regional government have not got beyond the initial contacts and presentation with ministers and officials but have kindled interest in the third sector, think tanks and universities. The Welsh results so far include an independent report on what might be done for the foundational economy in Tredegar which was launched with another conference that attracted over 100 delegates. 66

This is work in progress. The policy experiments are so far very small scale and they are indeed local. Overall, we have done little more than to find groups of people in North London and Wales in underprivileged locations, who might become activist congregations in the sense we have discussed above. Then we have suggested ways of working out local solutions by deploying more or less novel tools for local interventions. Even so, these small scale experiments suggest the importance of combining novel forms of framing first with attempts to gather local publics around those framings, and second with possible courses of action for starting to remedy the inequalities and disadvantages in those locations. Clearly this second move – the provision of tools for local action – is crucial in any move from publics to activist congregations.

Conclusion

The publics that gather around the way in which GDP frames our economic realities are difficult to resist, difficult to unravel, and travel to many locations. And so long as this ‘one nation’ aggregate statistical framing holds in so many places, whether we like it or not there is a powerful realpolitik sense in which we are indeed all in this together. This is performativity at work. We are daily caught in this GDP public while alternatives fail to attract a following. Though it is not as if there are not alternatives. Thus the jury is out on the ONS and its worthy indices of well-being though it may be that multiple indices will always lack the appeal of a single bottom line indicator. But one thing can surely be claimed. Whatever the headlines may be saying, there are many places where the GDP story rings hollow. There is the squeezed middle, and then, and far more stressed than that middle, there are the poor, those who cannot find a job because there are no jobs where they live, or such jobs as there are are poorly paid.

Nobody is so foolish as to deny the disadvantage that leaps out of disaggregated statistics. The immediate result is the good-bad narrative conflict about the numbers (London as successful agglomeration or the vampire city state). But the point of the Enfield experiment and the insistence on location is that there are places where new kinds of publics will congregate around alternative economic narratives which might lead to innovative collective action and policies. Provided, of course, that numbers, narrative and tools for action can be properly crafted by everyone involved. But, given the uncertainties, craft is matter of experimenting both with framings and praxis itself. Our concept of the ‘foundational economy’ in the context of Enfield is one such experiment. The point is not that it is right to talk about the foundational economy. No economic tool is ever ‘right’. Instead we need to think of this category as just another somewhat novel mode of simplifying an intractably complex social reality. And the best we can ever say of our economics tools is that they work, or they do not; or that they serve this purpose or that.

Such is the power of the GDP narrative. It has framed realities and publics and focussed concerns over successive political generations and helped to (re)define what counts as ‘the national’ in successive conjunctures from the 1940s to the 2010s. But the foundational economy is a tool created to do a different job. And – this is critical – it is also a hopeful economic narrative for locations with more than their share of low income households. For the decile statistics for income increases and the bar charts of regional inequalities of GVA are devastating. They deserve the attention of passionate and compassionate congregations. Blessed, indeed, are the poor, though not in current social and economic discourse which prefers to label them as failures lacking the qualities necessary for success. But against this, the notion of the foundational economy aims to slice up sectoral economic activity in a new and unexpected way. It frames realities in novel ways and renders visible that which was previously undisclosed and beyond the possibility of discussion, debate and policymaking. Hinged together with down-to earth local policy suggestions, it also and crucially suggests possibilities for collective action in the form of remedial politics in and with disadvantaged communities. For the need is together to create narratives that afford possibilities: to imagine ways of encouraging the creation of activist congregations in underprivileged locations by offering realistic forms of hope.
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