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## **A study of the relationship between local authorities and community activists, on local economic projects**

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Being a dissertation submitted to the faculty of the Built Environment as part of the requirements for the award of the Msc International Planning at University College London:

I declare that this dissertation is entirely my own work and that ideas, data and images, as well as direct quotations, drawn from elsewhere are identified and referenced.

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## Abstract

The government's agenda of promoting the "big society", that is, the involvement of communities into the delivery of public services, is researched in this essay in relation to sustainability: The focus is on community groups that deliver projects enhancing sustainability, by offering economic alternatives such as local currencies or LETS schemes. Their analysis shows that they are already beneficial to the public, and could be a lot more with appropriate support ; yet, despite the government's call for cooperation between local authorities and community groups on such projects, the cooperation has remained insufficient and challenging. This dissertation explores this relationship between local authorities and community groups, and tries to understand the challenges to its success: The research shows that there is a lack of incentives for local councils to support or create partnerships with local activists. It does not mean that cooperation is impossible, as there are examples of successful relationships between activists and council officers. Yet, until there is an appropriate legal framework and directives from the government to enable all councils to work with local organisations ; these examples of true partnerships will remain exceptions.

## I- Introduction

*“Community action for sustainable development is an important element of most countries’ policies for sustainable development. Appeals to ‘big society’ from the new UK coalition government imply an enlarged role and responsibility for civil society in achieving policy objectives around climate change and sustainability, among other things.”*

(Seyfang, Smith, Longhurst 2010:67)

As Seyfang, Smith and Longhurst point out, sustainability plays a big role in today’s politics and community life: The government tries to promote it, yet it is at the local, grassroots level that a lot is taking place. Community groups play an important role in promoting sustainability. This should be acclaimed, especially because community action has been requested by the ‘big society’ agenda of the government: The recent ‘big society’ discourse plans to decentralise power, and give some of this power to community groups to act for their community ; and to local councils to support them. Indeed, community groups cannot do it all by themselves, they do need support from local authorities (not only in terms of funding but in terms of expertise, legal help, credibility, etc...) (Fyfe 2005:540 ; Smith, Seyfang and Longhurst 2010:70 ; Croall 1997). A relationship, or better, a partnership needs to be built between local governments, and community groups, so both can fulfil their role in the framework of the big society.

### **Context**

This dissertation focuses on two case studies: First, the Lewes Pound, a local currency in the English town of Lewes; and the borough of Haringey in London, in which relationship with the local LETS and Transition Towns groups are examined.

### *Local Exchanges Trading Scheme*

There are over 300 LETS operating in the UK, with an average membership of 72 people, or 21 600 members in the whole of the UK (Williams et al 2004:596).<sup>1</sup>

LETS is a scheme which provides a community with a complementary currency, which enables members to trade goods and services without needing sterling pounds. This currency is virtual (Seyfang 2006:786), and can be created at will (it is not backed by the sterling). This scheme was created to enable “poor” citizens (that is, citizens with no money to spend) to trade between each others, which promotes poverty-alleviation and social inclusion. It is based on the idea that it is not because there is no money or jobs available that there is no wealth or no one willing to do the job (Boyle 2000:1). The LETS scheme merely enables individuals to provide goods and services for each other, that they couldn’t provide themselves otherwise (as they would have no means to exchange them). It makes barter and mutual aid easier.

### *Local currencies*

They are paper currencies that can be used in one locality to spend amongst individual, and in local businesses. There are four in the UK (Totnes, Lewes, Stroud, Brixton), and exist abroad as well (for instance the Ithaca Hours in the US, or various forms of Green Dollar in New Zealand).

They are complementary to the sterling pound: This means that trade occurring in the local currency *replaces* trade in sterling pounds, rather than adding to it. The value of the local currency is fixed to the sterling, and both currencies are interchangeable (which explains that businesses can get involved).

### **Critical questions and outline**

This dissertation will attempt to answer the following questions, by focusing on these two local economic projects:

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<sup>1</sup> The most recent surveys (for instance [www.letslinkuk.net](http://www.letslinkuk.net) 2006) confirm these figures.

- **What has been the relationship between local authorities and community groups, in relation to the creation and management of local economic projects?**
- **What have been the challenges in this relationship?**

First, a policy review will be conducted, to understand what the government's current objectives are, especially concerning collaborative planning. A literature review will then be conducted to understand the debates in the literature, in reference to the policy review and case studies. The methodology will explain the way primary research has been conducted and why. Then, the research, consisting of interviews, will be explained, and the results will be analysed.

The final objective of this dissertation is to investigate the relationship between planners and community groups. The aim is not to present an exhaustive description of all the ways to achieve collaborative planning, as it focuses on two case studies. Yet, these two cases have been chosen because they are contrasting ones, and their comparison does give an insight on what challenges do exist in collaboration, and how to overcome them.

## II- Policy Review

A review of the current and upcoming policies relevant to the topic discussed has been conducted. It focuses on national policies (yet takes global policies into account as well). Three themes emerged: Sustainability, the economic growth discourse, and the localism framework.

### **Sustainability**

*Human beings are at the centre of concerns for sustainable development.*

(Rio Declaration, UN Conference on the Human Environment, 1992)

Sustainability has been more and more present in political discourses. It is now seen as an objective to be achieved both at the national and at the global level: At the global level, the UN produced the paper Agenda 21 in 1992, stating that national governments had a responsibility to further sustainable patterns of production and consumption (UN Division for Sustainable Development 2009).

The Department for Communities and Local Development (DCLG) has acknowledged that sustainability is “the core principle underpinning planning” (DCLG 2005:2). It states that planning needs to integrate concerns of sustainability (minimizing use of resources, protection of the environment, social progress) in its decisions and developments (DCLG 2005 ; 2009).

There is also a willingness from the government to have sustainability delivered at the local level (the last paragraph of this review will develop this further). As a result some local councils have designed their own Local Agenda 21, to get a start on sustainability issues (London Borough of Hammersmith and Fulham 2011). At the city wide level, London is also an example of a city that has its own climate change policy, based on EU standards (see Greater London Authority 2011).

Yet it is not only the environment which should be the concern, but also communities: Planners should ensure social progress, employment, or crime reduction are actively enhanced by new developments (DCLG 2005:2-3). They also encourage community involvement, as much as a consultation process than as a proactive one (communities should be able to suggest ideas and projects, and help manage them) (DCLG 2005:6).

The DCLG states that planning should attempt to create “sustainable communities” ; what is interesting is their definition of it: “Communities *that will stand the test of time*, where people want to live, and which will enable people to meet their aspirations and potential” (DCLG 2005:3 emphasis added). More than a definition of sustainability, this is a definition of resilience. The literature review will show that sustainability and resilience are indeed local currencies’ main objectives.

## **Importance of economics as fostering sustainability and resilience**

*“Green growth can cut emissions, help insulate against oil price shocks and bolster the fast-growing market for green goods and services – providing jobs, growth and prosperity”.*

Chris Huhne, Energy and Climate Change Secretary (DECC 2011)

Green growth is economic growth which does not impede on our natural capital (OECD 2011:4). It is seen by the government as the best strategy to succeed with its sustainability agenda: The Deputy Prime Minister, Nick Clegg, explains that there is “both an ethical and economic dimension to action on climate change” (DPM 2011). This is because green growth will not only save the planet, it will also be very beneficial in economic terms, as there is a new market for “green” or cleaner products. This means that for the government, sustainability and economic growth go hand in hand, and fostering green growth is the most efficient way to achieve a sustainable lifestyle (OECD 2011:5), as well as provide jobs and prosperity.

Green growth leads a country to becoming resilient to climate change (DEFRA 2011a), as long as it “can be sustained and is within environmental limits, but also enhances environmental and social welfare and avoids greater extremes in future economic cycles” (DCLG 2009:3). By using new technologies, adopting different ways of living and working, and investing in infrastructure, we achieve continued growth and enterprise without undermining the capacity of the environment to support our quality of life in the long term (DEFRA 2011a).

An illustration of this concept of green growth is the Localism Bill, which is growth oriented: “Localism is about liberating the natural desire of local communities to become more prosperous. [...] Evidence from the UK and overseas shows that local communities need the right mixture of powers, incentives and accountability to maximise their prosperity” (DCLG 2011c). The idea behind the Localism Bill is to boost growth by inciting communities to grow at the community level. This will be efficient because communities want to grow, and because they have the local knowledge necessary to do so.

There have been academic debates challenging this idea of green growth ; they will be developed in the literature review.

## **Big society/Localism**

*“We are helping to create a free, fair and responsible Big Society by putting power in the hands of citizens, neighbourhoods and councils...”*

(DCLG 2011a)

The last focus of this policy review is on the localism discourse of the government. Ideas of localism and decentralisation originated in the New Labour government (Williams et al 2001), and have grown in scope since (DCLG 2011a); but their influence will be much more prominent when the Localism Bill passes in parliament. The aim of this bill is to decentralise power, by giving more power to local authorities. In turn, local authorities are to delegate their powers, by encouraging citizen action. As explained in the previous point, this is based on the idea that there is a strong willingness at the local level, to commit and act to make one’s neighbourhood better. Therefore, the plan of the government is to simply ‘unleash’ this willingness, by encouraging local community groups, charities and such to work toward creating a better community for themselves (DCLG 2010). They will do so by suppressing barriers to community actions.

The government argues that the aim is to create “a free, fair and responsible Big Society” (DCLG 2011b); yet there have been debates about the real motives. For instance, the Localism Bill has been criticised because it is seen as merely a budget cut, and an attempt to have communities delivering public services (that the government should provide). However, this debate is not relevant in the context of this dissertation. The Localism Bill is reviewed to understand how the relationship between city councils and community groups *should* work, especially when these community groups are delivering services of public interest.

### III- Literature Review

#### **What are the objectives of LETS and local currencies?**

LETS schemes are a tool to rebuild local economies through cashless exchanges. First, LETS boosts local self-reliance (Seyfang 2006:788). It enables residents to rely on each other, and to gain confidence in their own skills. On top of this community-building objective, it also provides informal unemployment, which improves prosperity and social inclusion of the members. But LETS cannot only be seen as a social scheme. As Seyfang explains, it also is a grassroots response to globalization and capitalism, by providing an alternative economic space (Seyfang 2006:783). In terms of the environment, LETS reduces waste and transport in an area (by discouraging consumption). Finally, LETS can be seen as an experiment for future legislation, as it is a quite radical bottom up project.

Local currencies (at least in the UK) emerge from Transition Town initiatives: These are organisations which aim is to go beyond sustainability, by building community resilience - “the ability of a system [...] to hold together and maintain their ability to function in the face of change and shocks from the outside”. The aim is to enable communities to survive and thrive despite ineluctable shocks such as peak oil or a global financial crisis (Hopkins 2009:12,14). They do so by trying to re-localise production and consumption, but also by building reliable relationships and networks within communities. Ryan-Collins, director of the Brixton Pound, points out that these are also the objectives of the local currencies (Ryan-Collins 2011:62).

More specifically, “the aim of these currency systems is to keep a greater proportion of local spend circulating within a ‘local area’, support the diversity of the high street and ultimately to help re-localise production and consumption patterns”. Positive externalities are the strengthened community network, renewed community pride and media coverage (Ryan-Collins 2010:59).

## **Do they work efficiently?**

### *LETS*

A LETS scheme is usually made up of volunteer administrators, which play the role of accountants, and members, who trade goods and services using a symbolic currency. When a trade occurs, members simply write a check that they send to the accountant. The accountant then adjusts the balance of all members accordingly. Each LETS group creates a directory, in which each member states what goods or services he offers. Members then look at this directory and start to trade with each other.

LETS credits are not backed up by the sterling pound: In the case of local currencies, every local pound in circulation corresponds to a sterling pound, kept in a vault. Each local pound can therefore be exchanged back into sterling. LETS are different, as they can be created at will (without having the same amount in sterling). The aim is to provide more money, to enable more exchanges to take place in the community. In some groups, each member is credited with 10 LETS when joining, to encourage trading. As LETS are not exchangeable in pounds, it does not matter how much is in circulation. Yet this means that businesses cannot be a part of the LETS scheme, because the LETS they could earn do not have any monetary value. Some businesses have become involved (in Stroud or Hackney for instance) (Croall 1997:64), yet it has been on a very small scale, with various legal obstacles. The aim of this scheme is therefore to enhance mutual aid between members, not to promote local trade.

There have been some criticisms of LETS schemes: First, they are seen by many as inefficient, because they remain marginal and have too few members: For instance, there might be a lack of volunteers to maintain the scheme, which makes it difficult to match offers and requests (Williams 1996:323). Others have deplored that the involvement in LETS remains limited to certain social categories (Seyfang 2006:786).

Croall explains that there are many reasons why LETS will remain small and limited to certain social categories: First, there is suspicion about the idea of barter. This suspicion prevents people from joining, but Croall notices that even members can be reluctant to start trading (Croall 1997:48). Some are indeed members because they support the idea, but do not trade, because of lack of time for instance.

Yet the main challenge for a stronger membership is the position of the UK government toward the benefits questions. (Croall 1997:110): government regulations

deter benefit-recipients from participating by considering LETS earnings as equivalent to cash income (Seyfang 2006:786). They effectively threaten members to lose their benefits if they participate in LETS. It is interesting to notice that these three challenges (suspicion, lack of varied offers, and threat to lose benefits) could be overcome more easily with the help of the council. Whether this has been done or not will be discussed in the research part of this dissertation.

### *Local Currencies*

Local currencies differ from LETS in the way that local currencies can be exchanged back to sterling. Because they are backed by sterling, currencies cannot be created at will, and therefore their aim is not to develop mutual aid between the unemployed. Rather, it is to strengthen community networks, local pride, and environmental and economic benefits for the neighbourhood (Ryan-Collins 2011:63).

The main challenge for local currencies to expand is that they cannot be used to pay local taxes. When businesses earn local pounds, they cannot use them to pay their due to the council. This greatly threatens the success of the local currencies, because it prevents many businesses from accepting local pounds. However, paying taxes in the local currency would ensure that local taxes are indeed spent within the community. David Boyle, who argues for a local currency for London, explains that if the tax could be paid in local currency, this “tax should be hypothecated to London - which would give an added reason for Londoners to use it.” (Boyle 2000:16).

There is no record of academic criticism of local currencies (probably because most authors writing on this topic are founders or at least proponents of local currencies) ; there is however a lot of spoken criticism, and this will be illustrated in the following research.

### **Sustainability of LETS and Local currencies**

*“It’s not because there is no money or jobs available that there is no wealth or no one willing to do the job.”*

(Boyle 2000:1)

We have seen in the policy review that sustainability is something to be achieved, we will see now how LETS and local currencies can fulfil this objective.

### *Social sustainability*

The objective of a LETS scheme is primarily social, as it is to enable the unemployed and poor people (in terms of sterling pounds) to take part in the economic activity by exchanging goods and services between themselves. This helps raising their prosperity and well-being. LETS aims to reconnect people between themselves, and to encourage them to use their skills to help each other. LETS will work on employment and social inclusion. It has been recognized in academia that local job loss is “a disaster”. (Blakely 1989:24). It is necessary to create jobs because employment gives citizens a sense of purpose, social links, and a sense of power over their economic destiny (Blakely 1989:17).

Beside, both LETS and local currency have a role in local pride and identity. They reassert the importance of the local as an entity (Lee 1999:224) and help build a community network. LETS and local currencies are very effective in “recreating community feeling, building social capital and strengthening social cohesion” (Seyfang 2000:228).

### *Economic sustainability*

LETS will promote employment by reskilling and giving confidence to the unemployed, and by stimulating the local economy (Williams 1996:321-322). Besides, it creates wealth: LETS provides a “continually available source of local liquidities” (Lee 1999:209), encouraging activities and exchanges to take place.

Blakely explains that national governments are helpless in the face of mass unemployment (Blakely 1989:24,32). National policies cannot sustain local economic development, which means that communities “must put themselves in a position to market their resources intelligently [...] to create new firms and maintain their existing economic base” (Blakely 1989:57). The solution to local unemployment has to be found at the local level (Blakely 1989:37). The unemployed are a huge resource ; their skills have to be exploited. Local governments must encourage and promote community initiatives (Blakely 1989:213). Local currencies can be one of them.

### *Environmental sustainability*

Local currencies emerge in organisations that are conscious of peak oil, and which prepare themselves to be resilient to the loss of petrol. The objective behind a local currency is mainly environmental: It is to voluntarily reduce consumption (by consuming local, avoiding waste, repairing things instead of throwing them away, etc), and to build local resilience to the future lack of petrol. Therefore, it reduces international trade and hence the polluting transport of goods.

The objective is to render consumption sustainable. This is done by promoting localization, as seen above, but there is also a willingness to build new social institutions (Seyfang 2006:784). “Sustainable consumption is gaining currency as an environmental policy objective, requiring widespread changes in behaviour at all levels of society to reduce the environmental impacts of consumption” (DEFRA 2011b). To consume in a more sustainable way, we need a better socio-economic framework, as well as a more adequate institutional framework (Seyfang 2006:783).

Sustainability is linked to resilience: “The new local currency will provide a lifeblood of money and connection - bringing together people with time and skills with the work that badly needs doing, and which even in the richest places still seems undone. By staying circulating in London's local economy, without being siphoned off into the international economy, the London currency will provide more work for people and business on the margins.” (Boyle 2000:16).

To sum up, both LETS and local currencies do enhance sustainability. Their approach is complete, by taking into account the three pillars of sustainability (Campbell 1999:251): LETS schemes have been formed to “regenerate the local economy, to develop a greater community spirit, to use skills and knowledge that might otherwise be wasted” (Croall 1997:14). And as Croall puts it, if nothing else, LETS encourages people to think globally, and act locally (Croall 1997:112).

### **What has been the role of the council up to now?**

The relationship between local councils and community groups has been studied by academics: It has been recognised even before the emergence of the Big Society discourse, that communities have a role to play in enhancing social cohesion and

economic growth (Fyfe 2005:537). Already the New Labour government encouraged communities to help themselves, thanks to community activism and voluntary work (Fyfe 2005:539). This should be done by creating partnerships between the council and the community groups, the former working to empower the latter (Edwards 2001:289). Measures have also been taken to encourage communities to provide public services, the final objective being to build social capital as well as active, committed citizens (Fyfe 2005:541-542).

The policy review has shown how this strategy has been developed to encourage councils to promote community involvement. Yet some issues arise with this strategy: First, local grassroots groups are unlikely to provide services of a professional quality (Fyfe 2005:552). Another problem with councils promoting activism is that community activism is valuable because of its independence from the state, and as such it should remain independent, and avoid bending to achieve the government's objectives (Amin, Cameron and Hudson 2002:125). Besides, activists work for free arguably because of their ideological commitments. Hence, compromising the independence and freedom of the groups, is jeopardizing their commitment as well. Guaranteeing their independence from the state secures their commitment to their cause, as well as their essential role as an opposition in a democratic society.

As far as LETS and local currencies are concerned, councils have been of little support (the council sometimes provides equipment or meeting rooms, help with publicity, or printing services. Small grants can also be given (Croall 1997:88-89)). Apart from a few isolated cases, councils have not had an active role in promoting LETS schemes, despite this help being welcome (Lang 1994:102). Two possible reasons have emerged in academia to explain this:

One reason is that councils refuse to help. Seyfang explains that councils fail to understand that the "benefits delivered by participation in community currencies [are] being valuable for local economies, communities and environments" (Seyfang 2006:789). This explains why they refuse to grant unemployment benefits to active members in LETS systems (for fear that using LETS is just a means to cheat the system). Yet this is not the case elsewhere ; in New Zealand for instance, the Green Dollars earned by members are not deductible from unemployment benefits (Williams 1996:327). Seyfang argues that governments should follow this example and adapt the policies and funding applicable to LETS, so that the unemployed and socially excluded

can benefit from it fully, without fear of losing their benefits. Croall agrees, and explains that rather than simply turning the blind eye to benefits issues, councils ought to promote LETS by integrating it to their poverty alleviation strategy (Croall 1997:16). David Boyle is even more ambitious, and argues that councils should play a proactive role in promoting local currencies: He argues that councils “should accept it as a proportion of council tax, fines and other charges [...]. That means that they must also spend it – perhaps as part of payments to contractors and maybe even staff, but certainly in grants to local charities and in zero interest loans - for a fee in pounds – to small business” (Boyle 2000:16). There are a lot of ideas in how the council could get involved, but the lack of understanding of the scheme, and the lack of interest in it, has meant that involvement did not happen (this will be analysed in the research part of this dissertation).

The other reason for a lack of council involvement could be that LETS systems do not want help: As Peter Lang reminds us, LETS is a “system [that] can stand on its own” (Lang 1994:102). It requires neither funding, nor an authorisation from the authorities. This might explain why in 1997, 6% of LETS systems were formally opposed to help from the council (Croall 1997:88). And one can assume that many more systems did not actively seek help for the same reasons: for fear of “unwelcome interference in what they regard as an explicitly resistant activity” (North 2000:1265). LETS and local currencies, being grassroots organisations, might lose their independence or freedom of decision by becoming partners with local authorities. As explained in the previous paragraph, their strength is their independence. Councillors and LETS officials have argued that “council support, despite its potential benefits, could threaten the autonomy of LETS, disempower people who belong to them, and produce an over-reliance on funding which may turn out to be only short-term” (Croall 1997:88).

This part has shown that local authorities ought to get involved in LETS and local currencies, because it is a community action that is beneficial to all, for alternative and informal employment, but also to promote mutual aid and community building (Williams et al 2001a, 2001b). Yet this involvement has remained limited. If, as Peter North (2000:1267) argues, the involvement of councils in LETS is a test of their commitment to the socially excluded, and their ability to perform collaborative planning, then according to that literature review they have failed that test on both

accounts. The following research will attempt to understand the failure of collaboration between the community groups and their local authorities, but before that, the last part of this literature review will analyse the underlying values of both actors, and explain how incompatible they are.

## **Growth and Degrowth in Academia**

There is a debate in academia, which questions growth as the best way to foster prosperity and sustainability. This debate is the one that opposes the government (proponent of green growth) and the community projects researched in this dissertation (exploring alternative economic systems, not-growth oriented). This debate is the continuation of the one between Malthus and Boserup (although new arguments and ideas have emerged): Some academics argue that there will be technological fixes to ecological limits to growth (Boserup argued herself that “necessity is the mother of invention”) (Boserup 1965). Others on the contrary argue, like Malthus (1992), that there are ecologic limits to growth.

Globally, the dominant paradigm is that growth is the best (if not only) means to further prosperity. As a matter of fact, the prosperity of a nation is usually measured by the increase in its GDP. One could point out to ecological limits to challenge this idea, yet many academics have argued that there will be no ecological limits to growth, which can therefore go on forever. In a book called *The Ultimate Resource* (1981), Julian Simon argues that innovations and inventiveness exist thanks to growth: More human beings, with more resources, lead to more innovation and human progress. This is called technological optimism: The idea that we do not yet know how we will provide resources for future growth, but human intelligence will find out when it will become necessary (incidentally this is the same argument as Boserup’s). This means that, for Simon, human intelligence will find new resources to adapt both to climate change and to peak oil.

There is a group of academics and thinkers that strongly disagrees with Simon’s view: They argue that there are ecological limits to growth, which cannot be overcome by technology. This has been first acknowledged by Malthus, who explained that agricultural productivity would regulate population growth. This idea has been

developed in the report *Limits to Growth* (1972) by Dennis and Donna Meadows: They argue that the earth has a carrying capacity, which is finite. Growth of the economy and population will only be sustainable if they remain within the earth's carrying capacity.

To prove their point, they use a world model, which is made up of five variables, which are all interconnected: Industrial production, food production, population (the positive feedback loops), and depletion of resources and pollution (the negative feedback loops). The growth of the positive variables is limited by the negative ones. For instance, a fast growth of population (which leads to an increase in food production as well), or of industrial output, will lead to pollution and a lack of resources, which in turn will limit this growth in time (because of an environmental crisis, which can lead to a war or famine) (Meadows et al 1972). Unlike Julian Simon, Meadows et al therefore think that the earth's resources are not infinite, and even if they were, ecological sinks could not absorb pollution indefinitely. This is why economic growth is seen as unsustainable by them and their followers (Jackson 200:33,104).

Academics have explored alternatives to this unsustainable growth: There have been proponents of degrowth, steady-state economics, or even a capitalism without growth: James Gustave Speth argues in favour of a new, humanized capitalism. A capitalism that would be dissociated from economic growth, and that would be a lot more localised (Speth recommends localisation of production and political action) (Hobson 2011) ; this has been criticized by many, such as David Travis, who argues that capitalism is inherently growth-oriented: Capitalism is based on accumulation, and, as he puts it, "without profit or growth, there would *be no* capitalists" (Travis 2008).

Others agree, suggesting anti-capitalist alternatives. Schneider for instance, presents the concept of degrowth: a reduction of the "collective capacity to acquire and use physical resources" (Schneider 2010:512). Tim Jackson (2009:195) also promotes ideas of a less productivity-based, consumption-oriented economy. Interestingly, Serge Latouche explains that degrowth is about challenging globalisation, and localising both production and governance. Such a localisation would solve environmental problems of pollution and depletion of resources, but perhaps more importantly it would strengthen communities. A more localised production would reduce competition, and would create more resilience and prosperity (Latouche 2003;2008:3 ; Baycan 2007:514 ; Douthwaite 1996:6).

The policy review has shown that both at the national and local levels, the

government sees green growth as a key tenet of sustainability. Yet most of the LETS and local currencies founders believe that growth is unsustainable by definition. This is a major disagreement between the community groups and the government: The latter's policies are all oriented towards growth (which is more important than sustainability to them), which might explain their lack of interest for the projects of the former (intending to reduce consumption and international trade).

Is this debate on growth the main challenge in the collaboration between local authorities and community groups? The following research will start to answer to this question, but first, the research methodology will be explained.

#### IV- Methodology

To answer the critical questions articulated in the introduction, primary research has been conducted. The method chosen has been to select two case studies, and conduct interviews with key actors in each of them.

##### **Case studies**

There are four working local currencies in the UK, hundreds of LETS, and many more of both schemes abroad. The decision to research two case studies was informed by Yin's book on case study research (2009): It seemed the most appropriate method of research because case studies illuminate "decisions: Why they were taken, how they were implemented, and with what result" (Yin 2009:17). Focusing on only two cases meant that the research could be more in-depth, and less generic. Beside, a certain level of commitment had to be shown to gain the trust of interviewees: In the case of Lewes, it was travel to Lewes and take the time to visit the village and see the Lewes Pound and how it works. In the case of Haringey, it was to become a member both of the local LETS and Transition Town scheme, going to meetings, meeting the members, etc. With hindsight, this was necessary to build the relationship of trust which made the interviews more worthwhile.

Case studies were chosen mainly because of their accessibility: Set in the UK, and with key actors willing to answer interviews (Following Yin's advice (2009:26)). Once contacts were made with a few potential case studies, the cases of Lewes and Haringey were picked as the most interesting ones, because contrasting results could be predicted. Indeed, Yin (2009:54,60) explains that contrasting case studies can make the research findings more complete.

Four interviews were conducted in Lewes, and four in Haringey, in each case with two council officers, and two local activists. Lastly, two interviewees were chosen as informants rather than respondents (see Yin 2009:107). This means that they were interviewed not because of their role in a particular project, but rather because of their expertise in the field. Indeed, rather than explaining the workings of their case (they were both founders of local currencies), they provided insights both on the topic and on the shape and content of the dissertation.

## **Interviews**

Interviews have been chosen as the method of research because they are the most appropriate means to answer the critical questions: Yin explains that interviews enable to learn about human affairs and behavioural events (Yin 2009:108) ; indeed, the interviews conducted were much about the understandings and feelings of individuals, as well as their prejudices and values. All these "human affairs" were relevant in answering the critical questions.

Two of the interviews were semi-structured: They were conducted by email, because the questions were quite straightforward and did not need further conversation or clarification. These were Sue's and Andrew's interview, and was mostly about their absence of contact, than about what contact they had. Apart from Sophie's (who joined up the interview with Robert, over the phone, for ten minutes), all other interviews were unstructured. This format was chosen to allow interviewees to talk freely, to take their time and reflect on their work ; and to explain challenges or successes in the relationship that had not been foreseen before the interview (this was suggested by Fielding's and Thomas' work on qualitative interviewing, 1995:124). However, most interviewees asked to be informed on the topic and general questions of the interview beforehand, which was done.

Ann's interview was done on the phone at her request. Yet this was not a problem as she was interviewed as an informant (the project she is involved in is not a case-study). On the other hand, all key interviewees in the case studies were interviewed face-to-face. The visit to Lewes enabled me to see the Lewes Pound for myself, buy it, and actually use it in the village. But most importantly (for the validity of the research), it created trust on the part of the interviewees: Sarah and Stephanie felt confident that I was interested in helping their cause as local activists, which made them more inclined to spare time for me and help me the best they could. Robert on the other hand, felt my coming to Lewes meant I could see the failure of the Lewes Pound for myself, which proved his point, and might have made him talk more freely about his doubts about the benefits of the scheme.

Interviews were anonymous. On the list of interviewees (on the next page), pseudonyms have been used to guarantee their anonymity to the reader.

## **Findings**

The data was analysed using what Fielding and Thomas call "coding" (Fielding and Thomas 1995:137): The data collected in the interviews was divided in themes, which were recurrent in some or all interviews. The themes were chosen either because they were a reason for success, or a reason for failure, of the relationship between the interviewees. By comparing the information in the different interviews (especially cross-comparing interviews of two actors who know each other) ; the themes emerging did increase understanding of the complex relationship between councils and community activists. They are represented in this dissertation, as the sub-headings in the fifth section, as answers to the initial critical questions.

It needs to be pointed out that the data that was collected is not enough on its own to have a complete understanding of the topic. More research needs to be done, and even this research is imperfect: Yin highlights the lack of rigor, lack of representativeness, or lack of clarity of interview data (Yin 2009:14-16). He also deplores that interviewees too often say what the investigator wants to hear (Yin 2009:102), and this possibility cannot be excluded, especially in some interviews with local activists. Yet, with an awareness of these shortcomings, the analysis of the data did reveal interesting and useable information that did create the basis to answer this

dissertation's critical questions.

### Table of interviewees

Name	Case Study	Role in the project	Type of interview	Length	Date
Sarah	Lewes Pound	Co-founder	Unstructured	One hour	18-07-11
Mary	Lewes Pound	Co-founder and local councillor	Unstructured	Half an hour	18-07-11
Robert	Lewes Pound	Senior official in the Lewes Town Council	Unstructured	One hour	18-07-11
Sophie	Lewes Pound	Senior officer for economic development and tourism in the district council	On the phone during Robert's interview	Ten minutes	18-07-11
Stephanie	Borough of Haringey	Founder of a local Transition Town initiative	Unstructured	Half an hour	23-06-11
Paul	Borough of Haringey	Environmental Resources Officer	Unstructured	45 minutes	29-06-11
Andrew	Borough of Haringey	Economic Development Manager	Semi-structured	By email	19-07-11
Sue	Borough of Haringey	Active member of the local LETS initiative	Semi-structured	By email	27-07-11
Ann	-	Co-founder of the Stroud Pound, local councillor, green economist and senior member of the UK Green Party	Unstructured. Over the phone.	One hour	07-07-11
Mark	-	Co-founder of the Brixton Pound, researcher at the NEF	Unstructured	45 minutes	26-07-11

## V- Research and Analysis

This part of the dissertation will use the interviews conducted by the author, to answer the two critical questions, asked in the introduction. All this data comes from personal research.

### **What is the relationship between the community groups and the councils?**

LETSlink UK made a report to the government to explain the interest of LETS in anti-poverty and regeneration initiatives (North 2000:1270). The report argued that government support could be useful, first to reach out to traditionally excluded communities, and second to settle the benefits issue. Both would make the LETS scheme more successful (North 2000:1271). In any case, because LETS is a community-led organisation, and is skills- and community- building, it should be supported by the government for its own sake. (North 2000:1271). The government looked at the report, but refused to change the way benefits are granted (North 2000:1273). This shows that at the national level, it is extremely difficult for local activists to be heard and influence decision making. There has been no governmental pressure for local councils to help foster LETS and local currency schemes either. What do the case studies teach us about what happens at the local level, that is, the day to day relationship between activists and council officers?

#### *Haringey*

There has been no formal relationship between Haringey council and the Transition Town initiative that has been studied (and neither is there with Hackney and Islington, the two other boroughs involved). Some informal contacts were made, either when councillors came to Transition Town (TT) meetings (out of personal interest), or when one TT member and one councillor previously knew each other. For instance Stephanie and Paul came to meet each other because Stephanie already knew Paul's partner on a professional basis. It is mostly through this type of personal

contacts that TT got to be known in the different councils, and that there is regular communication between councils and TT. These regular communications lead to some council officers offering support, on an on and off basis (small funding for instance, or invitations to various workshops). Interestingly, Stephanie explained that the three councils have had different interests in being in touch with TT. For instance, Hackney and Haringey council actually asked for input on borough policies and projects, which TT was happy to provide. Paul, as council officer within the sustainability team of Haringey council, explains that asking for community input is essential: He argues that inviting community groups to give their opinion is a good way to make sure both the councils and community groups are going in the same direction, and that community groups get to know and communicate with the council, but also with each other.

As far as LETS are concerned, there is no record of communication within the council. Both Andrew and Paul know about LETS, but neither recalls being approached by the North London group either to introduce themselves, or to ask for any kind of support. Sue explains that the North London LETS group has been in contact with Islington, which has agreed to provide publicity to the scheme, but as far as she is aware that is all the contact they have had.

### *Lewes*

In Lewes, the town council was contacted before the launch of the Lewes Pound. The council accepted to do two things: Becoming an issuing point, where Lewes and Sterling pounds can be exchanged ; and helping with media coverage, by taking part in interviews from the UK and abroad. Both have been greatly appreciated by the local TT group (who launched the currency), because it helped very much with adding credibility and trust in the scheme. They also provided technical help when they could (lending the town hall for the launch event for instance), but did not commit financially: Apart from the 1,000£ given to cover the initial set-up costs, they have refused either to fund, or to accept Lewes Pound as payment. Ann, from Stroud Pound, explains that the situation is the same in her town, and adds that the financial commitment (accepting payment in the local currency) is the most important one, yet the most difficult one to get (there is no record of this happening in the UK).

Yet when Ann asked for a smaller, non financial commitment from the council (she suggested modifying the existing council scheme, which used vouchers to spend at the farmers market, to use the local currencies instead) she got a negative response too: As she puts it, “they really just didn’t get the point of it at all and they didn’t even engage. That is really the extent of our involvement with the local authority so far”.

*“There is too little help...”*

All these accounts on the lack of help from the council would not be a problem, if the community groups did not need help. Yet these interviews have proven otherwise: They have shown that both the community groups, and even the councils, would benefit from more cooperation: From Stephanie who would appreciate more technical help from the council (such as helping towards publicity, printing costs, providing community notice boards, etc...) to Ann and Sarah who want the council to accept their local currencies as payment for council tax, the demand varies greatly. Yet council officers agree: Andrew feels that the LETS group could be an appropriate partner to achieve specific objectives within the council, and says that his answer would be positive, would he be approached by them. Paul adds that community groups can provide expertise on sustainability and local matters to the councils, which is a valuable input. As far as most of the interviewees are concerned (with the exception of Robert and Sophie), more cooperation between the council and community groups would be welcome.

### **What have been the challenges in the relationship?**

#### *Lack of trust*

The first challenge, which perhaps is also the first that comes to mind, is the lack of trust between the different actors. Paul explains that there is a lot of scepticism amongst local community groups towards the council. A lot of them do not trust council officers, and according to Paul this is due to a historical suspicion from activists towards government agencies. When asked why the local LETS scheme never

tried to get in touch with Haringey council, Sue replied: “why would we? We don’t need them, see? The scheme is quite successful without them!”. Paul explains that this is quite a typical reaction amongst community groups.

Yet the lack of trust goes both ways: Robert profoundly distrusts the activists in charge of the Lewes Pound. First, he sees them as unable to set up an economic project: Robert explained to me that as an economist, he realised that the project lacked technical expertise, and was too risky to commit to. He offered advice on these economic issues, yet decided that the council would not get involved financially with activists who “don’t know what they’re doing”. This, Robert explains, is the difference between support from the council (what he provided) and a partnership with the council (what he could have provided, if the activists had been trustworthy enough). But this is not the only reason Robert does not trust the activists. It became quite clear during the interview, especially while on the phone with Sophie, who offered to participate in the discussion, that both saw the Transition Town members as the “hippie mafia” of Lewes, and that they may never have taken them seriously at all.

The interviews have shown that there is also another type of trust, which is the trust from community groups that council officers do understand their objectives and needs. This type of trust has been lacking within local currency groups: Right or wrong, Ann is convinced that councillors’ main objective is to keep things the way they are. She explains that a councillor’s role is inherently conservative. This is partly because of who elects them, but also because of the weight of bureaucracy which prevents new things from getting done easily (Ann was elected as a councillor a few months ago and admits she finds it challenging to suggest or put in place new ideas). Her certitude that council employees are unlikely to offer help to the Stroud Pound, (because of the conservative background, their lack of resources, or their ideologies) might hinder her in asking for help.

In the case of Sarah, she is mistaking in believing that Robert does not understand what peak oil is. She says quite mockingly “I’d be interested to know what he knows about peak oil!” It turned out in Robert’s interview that he does know about the issue of peak oil ; yet it is just not one of his main preoccupations (this will be touched upon later in this part of the dissertation). This means that Sarah’s prejudices towards Robert hinder her trust in him, which might have a negative impact on their relationship.

*Lack of understanding of the others' objectives and values*

Arguably, the two following extract of Sarah's and Robert's interviews illustrate perfectly the main failure in their relationship:

*"They're doing a fantastic job. [Since the launch] the council has been proud, [...] supportive, and generous". Sarah.*

*"We don't pay that much attention to the Lewes Pound. [...] If the Lewes Pound died today nobody would notice except Sarah, but she would probably kill me if she heard me say that!" Robert.*

As Peter North explains in his article on collaborative planning, the most essential condition of a successful collaboration is the ability of the parties "to empathise with the others", and to see "how a decision looks from other perspectives" (North 2000:1267). The previous example clearly shows that in the case of Lewes, both parties fail to understand each other's motivations and objectives, which might explain why they fail to cooperate.

This example shows that Sarah thinks Robert is doing is best, while he is actually merely doing the minimum he can. He explains earlier in the interview, that he is happy to help in any way that doesn't cost anything, because it is good for the image of Lewes, but that is the extent of his interest for the project.

Yet, illustrating North's point, they also misunderstand how the other comes to a decision and why: Sarah does not understand Robert budgetary and legal constraints (Sarah's main request to the council is that Lewes Pound could be used for payments of the council tax. Robert's reply is that he did not even consider it, because it would be illegal, unpractical, but also expensive). Sarah is also convinced that Robert does not care, or even know about, peak oil. In reality Robert is aware of the issue, yet, being elected, he explains that he has to deal with issues that *the electors* care about. Besides, he feels that it is not his place to act, but rather the role of the national government: Until the state decides peak oil is an issue that even local councils must deal with, and (in the case of local currencies), provides a legal framework to enable them to exist ; councils have no obligation to deal with these issues.

Yet, it became quite clear that Robert does not understand Sarah's objectives

either. For instance, he fails to see how Sarah the Lewes Pound can have beneficial economic impact, as well as improve the resilience of Lewes: There is a case to be made for local currencies. They do encourage local trading, and raise awareness about issues of global consumption. They also undeniably build resilience, by creating networks within the community, and knowledge (both theoretical, as well as practical skills that are taught within the community). Robert, who thinks the Lewes Pound is only good for a bit of publicity, fails to realise the potential of this project.

*Different objectives lead to lack of interest from the council*

The part of the literature review that focused on economic growth made it quite clear that green growth (the objective of the government) is not compatible with degrowth projects. In the interviews, questions were asked to try and understand whether the lack of council support to local economic projects, was due to the lack of focus of these projects on economic growth. The answers were quite clear. Paul replied:

*“Yes, the borough needs growth. There is no point debating this. The east of the borough especially is an area that needs economic development, and the teams are working on that. This is why [...] there is a project to encourage green growth, by trying to get more green businesses to settle in the east. [...] This is also why we do not focus our efforts on projects such as LETS. They are beneficial for society, yet they are anti-growth, and the council prefers to invest in projects they feel are more helpful for the borough.”*

Ann, who is a green economist, explains this quote by reminding us that local currencies are radical because they are anti-growth. Yet she argues that they are even more radical because they challenge the idea that money keeps us safe. One objective of local currencies is to create a scheme for people to exchange goods and services, even if the global financial system collapses. Yet, the idea that the global financial system *could* collapse, is not one that the government is ready to diffuse. For this reason, politicians refuse to hear about local currencies, and to give them credit, because they are afraid of its implications on how we view money. Because they

refuse to hear about it, they fail to see the social, environmental and economic potential of local currencies. According to Ann, the government is unwilling to doubt the idea that growth is the solution to problems of sustainability and poverty.

William Rees (2002) has an interesting viewpoint: He explains that growth is a myth created by governments, to make populations believe that they will become, someday, richer and more prosperous. Whether Rees is right, and governments see growth as a myth, or Ann is right, and governments do not understand the failures of the growth system ; governments' blind trust in growth can explain in any case their lack of interest for alternative projects such as a LETS system.

This analysis might be accurate in the case of Lewes, although this is not how Robert phrased it: He did not say that he would only promote pro-growth projects, but rather that the Lewes Pound cannot improve the economic state of Lewes. The council has no interest in supporting the local currency because it is, according to him, bound to fail. He makes an interesting point, explaining that because the local currency cannot be used in a closed loop system (never being exchanged back into sterling), it doesn't fulfil its objectives: What is happening in Lewes is that a few customers buy Lewes Pounds, spend them in a shop or cafe, the owner of which then goes to the town council and exchanges the local pound back into sterling. This is because what the shop owners need to buy is not available in Lewes, they need to buy them in sterling, outside of the town. Robert explains that becoming truly self-sufficient is unrealistic, and this is what the Transition Town people aspire to. Robert goes on to explain that he is confident that the Lewes Pound cannot build resilience, nor improve the economic state of Lewes, nor solve the problem of peak oil. This is why the council will not actively seek to see it prosper. Again, Ann might be right in her analysis (Robert despises the idea of self-sufficiency because he is truly convinced that growth is the solution), or Rees might be (he knows that he is perpetuating a myth) ; but in any way, his interest is not to see the Lewes Pound prosper.

Robert might not foresee, in the near future, a global economic collapse, or a lack of petrol, or a return to local self-sufficiency. Yet, proponents of local currencies see these possibilities as quite likely in the medium-term future. The initial point stands: Councils and community activists have different objectives (the former's being to ensure a prosperous present, the latter's being a sustainable future) (as Mary puts it) which explains the lack of interest of the council in supporting them.

This poses the question, of what actor has the more power collaborative planning. The localism bill foresees a collaboration between communities and councils, assuming they want to achieve the same objectives and take on the same projects. Who will, in practice, make the decision of what will be done? If this decision is made solely by councils (as it seems to be the case here), activists might lose interest in working for free in community projects where they do not have a say in decision-making.

#### *Lack of time and funding within council*

According to some authors, the lack of time and funding within the council to support communities is a problem that is inherent to the strategy of the Big Society:

“[There is a] need for policy support and public investment, [...] effective communities [...] require effective states. In short, the ‘big society’ rhetoric promises a growing role for civil society, but must not be a smokescreen for community development budget cuts.”

(Seyfang, Longhurst and Smith 2010:67)

The localism bill has not been passed yet, but the lack of resources to help communities is already a recurrent problem within councils. Paul, for instance, explains that in the last few years, there has simply been no budget dedicated to help community activism. This might also be the reason why Andrew argues that he would accept “a partnership” with the local LETS scheme, but he would not simply “support” them.

Likewise, Robert explains that getting more involved in the scheme (for instance, accepting some small payments in the local currency, to spend them on wages or benefits) is unthinkable, simply because there is only one part-time accountant in the town council, and accepting two different currencies would be too much work for her.

Even Mary, who is both a co-founder of the Lewes Pound, and a local councillor, admits that councils do not have resources to spare on such community

projects. According to her there is a need to remind the government that the localism bill must not be an excuse to allow budget cuts.

### *Building a long term relationship*

Quoted in North's article, Healey argues that collaborative governance requires, "first, *soft* processes that encourage mutual listening, understanding and respectful relationship-building, consensus identification and mutual learning to build social, political and intellectual capital; secondly, *hard* processes detail responsibilities that emerge from the right to participate, such as arbitration in case of disagreement and a duty to challenge entrenched power relations. Together, these form a public realm in which new political communities can generate new approaches and formulate an inclusive strategy whereby participants listen and learn from each other, and understand the cultural specificity of the messages and discourses produced." (Healey in North 2000:1268).

Both Stephanie and Paul emphasize the importance of a regular communication, with which there is this possibility that Healey talks about, to listen, learn from and understand each other. Stephanie and Paul seem to have found a way, by creating this one-to-one relationship, in which they have regular contacts, and update each other on their projects. Sometimes input or advice is given, but the objective is really to understand the other's project and to see if both can go in the same direction. In the Transition Town initiative, there are a few individuals who have this type of contact with one council employees. Stephanie, herself, can name a few (first) names of council wards who she knows she can get in touch with. According to Stephanie, this system is more efficient than others: For instance when council officers are contacted for the first time, and asked to come to events or to be introduced to the project, the result is rarely beneficial.

Paul concurs, and explains that because of the budget cuts, he cannot support community groups financially. Yet he argues this is a good thing, because this means that community groups now ask for practical help rather than money, which encourages more communication and cooperation with the council. Paul explains that

even groups coming to get printing or photocopying done in the council, or to ask for technical help, is a primordial step, because it is the first one in building trust. These small contacts can slowly turn into a regular, productive relationship. Stephanie agrees, and explains that as an activist, she feels that this is the easiest way for her to keep council officers updated on the group's projects. It is also a way to earn credibility and respect.

*“Collaboration is an experiment...”*

This leads us to the last interesting point raised in various interviews. The previous points have shown that there are challenges and failures in the relationship between community groups and councils, and this is partly because “there is a lack of understanding about how to best harness and support the activities that are taking place” (Smith, Seyfang and Longhurst 2010:67). As a matter of fact, there is no rule on how this relationship ought to work. Some, such as Stephanie and Paul, seem to have found a way that works for them. Others, such as Robert and Sarah, seem to struggle on how to deal with each other, making the relationship less productive or interesting.

Mary, who created the Lewes Pound with Sarah, and works in the town council along with Robert, is, interestingly, quite optimistic about this relationship: She explains that the Lewes pound has been an experiment ; and the point of an experiment is to learn from the challenges and failures that come along. She admits that the local currency is not perfect yet, and it has not had the effect of localising the production and consumption patterns of residents. Yet, it has managed to get people to work together towards creating the currency, and to get many residents to use it, because they feel involved in their community. It has also shown that Lewes is able to create a local currency, which will raise the confidence of residents that they can pull through in a time of crisis. For Mary, the community has learnt a lot about its possibilities and its abilities ; likewise, the council and the activists have learnt a lot about how they can and cannot communicate and cooperate. For Mary, the process will be long, but raising the awareness of the council to the capabilities of community groups is essential. This is why she explains that the Lewes Pound is a success, and that the relationship between the council and activists has been a successful one:

Contacts have been made, respect and trust are in the process of being gained. All in all, the local currency can be seen as being “a research tool to explore the dynamics of a local economic system and the motivations of the various participants”, as Scott-Cato and Suarez put it (2011:1).

### **What do the actors expect from the localism bill?**

This set of interviews has been the opportunity to ask questions about the localism bill, to those who will be the most directly affected by it. Their views on the localism bill, and how it will affect their work, are quite revealing:

Ann, activist, councillor, and green economist, explains that according to her, the bill is just a political move ; Ann doubts that anything will be achieved thanks to it. The bill sounds good in theory, but as she puts it, “we’ll have to wait and see” if it does end up useful for activists and councils.

Robert’s view seems the closest to Ann’s: He explains that the localism bill is unlikely to have an effect on his relationship with the Lewes Pound group. He explains that the “big society” is only a bunch of ideas. For things to actually change on the ground, the legal framework that exist in the UK needs to be changed as well, which will takes years in negotiation. According to Robert the legal framework is complex and not flexible, which is why he does not see the localism bill as having an impact in the near future.

Paul’s view is slightly more optimistic. He thinks the localism bill is a valuable step towards better collaboration, yet explains that the bill in itself will not build trust ; and without trust nothing can be done. People are sceptic about the concept of the Big Society concept, and this is especially true of activists: This is because a lot of them have been very active for years, and feel like they have been successful without the council help. The council getting involved, however, could create a patronizing sensation. Therefore, the bill will help, but needs to work in conjunction with efforts to create trust and working relationships.

Finally, Sarah’s view is a lot more optimistic: Sarah feels confident that the localism bill will have a positive impact by giving the Transition Town group an opportunity to voice opinions in the council.

This shows that despite promises for community groups to be heard, there will be obstacles: Lack of funding, inability for the council to act due to legal framework, a need to create a relationship before being able to work together...

This is what this dissertation has attempted to achieve: Analyse how the relationship can be built between local authorities and community groups, to enable them to know how to work together. This is already important today, when they would both profit from a collaboration ; yet this might become essential, if the localism bill passes in parliament and requires them to do so.

## VII- Conclusion

The literature review has shown that there is little collaboration on community projects, between local authorities and activists. Some authors started explaining this, by pointing to a lack of trust from activists, and a lack of interest from the council. This dissertation asked why this is the case. The results of the research showed that the answer is more complex than it appeared in the literature review. Activists may well be right to distrust the council, as the research shows that the council in Lewes did fail in attempting to understand the point of the local currency project. Instead, it seems that councils lack interest in community projects, if the final objective (or way to achieve it) is outside the norm. This is exacerbated by the recent lack of funds and resources within local governments.

These conclusions are only based on two case studies and as such are not representative of what is happening elsewhere in the UK or abroad. However, the challenges that these actors faced, are talked about by many others in accounts of their work with councils in various community projects, and are challenges that might face activists in the future. This research is relevant to collaborative planning ; as it does question the possibility of success of the big society: The new localism will only work if planners are (legally) allowed by the state, and encouraged, to change their methods of work, and adapt to the ways of activists.

This project shows the need for the national government to be more flexible, to enable activists to play their role in the big society. The good news is, the activists are present, creative and able to deliver the services the government requires from them.

Local authorities need to open their minds and accept that things can be done more than one way (as this has been observed in Haringey).

This project has been limited in time, and there have been many aspects that have not been researched. During the interviews with Mark and Ann, case studies were talked about, where the council has a successful relationship with local currency groups. Mark especially pointed to projects abroad, in Austria and Brazil, where local authorities encourage these types of economic projects, and where the legal framework is much less constraining than in the UK. There is also scope for deeper analysis within the UK projects, and especially on the legal aspects of some potential projects such as those in Bristol and Brixton that are creating an electronic version of the local currency.

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