

create a more sustainable society, economy and environment

## Economics is for Everyone!

**Graham Smith** 

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**Provocation** 

Graham Smith is Chair of FDSD, Professor of Politics and Director of the Centre for the Study of Democracy at the University of Westminster

## **Overview**

The economy is an area of decision-making fiercely protected by experts and politicians from public participation. But public confidence in this closed policy community is waning and arguments for democratic participation in an area that so profoundly shapes all our lives are growing. Against this backdrop, the Royal Society of Arts (RSA) has launched an exciting new project: the Citizens' Economic Council (CEC). The CEC is the latest 'deliberative mini-public' that brings together a randomly selected group of citizens to deliberate and come to recommendations on complex areas of policy. Experience from other policy areas suggests that citizens will be willing and able to come to sound judgements. The pressing question is how participatory institutions such as the CEC can be used more widely to effectively democratise resistant policy communities.

So much of our lives are shaped by the nature of the economy. Yet this area of policy-making is arguably the most protected area of expertise. While governments have (often reluctantly) opened up some areas of policy to public engagement, economic policy has remained firmly closed. Yes, there are some exciting developments such as participatory budgeting. In Latin American this approach has led to the progressive redistribution of significant chunks of municipal budgets. But even this does not involve public participation in the shaping of economic *policy*. If you are not familiar with the relevant technical language, and have the wrong ideological leaning, then there is no place for you.

Yet the economists and politicians who have access to the levers of economic decision-making are some of the least trusted actors in our political system. The way they were vilified during the EU Referendum indicates the lack of confidence in their judgements; their privileged judgements undermined by their incapacity to recognise and respond to the financial crisis. You do not need to be an expert in neo-classical economics to know that there is something deeply wrong with contemporary economic policy: the widening inequalities across class and regions, the ecological unsustainability of current patterns of production and consumption; the sense that policy is being driven by the interests of the few rather than the many.

It is against this background that the RSA has launched the <u>Citizens Economic Council</u> (CEC) as a pilot project to demonstrate how citizens could be at the heart of economic decision-making. The CEC has been carefully designed to ensure the engagement of diverse citizens and build their confidence to question and contribute to the future direction of economic policy.

The CEC is the latest experiment with 'deliberative mini-publics': participatory institutions designed to take a group of randomly selected citizens through a process of learning, consultation, deliberation and decision-making. Diversity in experience is critical, as is the facilitated deliberative process that ensures that all participants are able to learn from each other and from expert witnesses. While experts offer competing perspectives on the issues at hand, and are questioned by participants, it is citizens alone who deliberate and come to recommendations. 'Experts on tap rather than on top' as the saying goes.

Evidence from the application of mini-publics across the world indicates the extent to which citizens are willing and able to deliberate and come to sound judgements on complex areas of policy. Examples include the <u>British Columbia Citizens' Assembly</u> that met over a period of months to recommend a new electoral system for the province; the <u>Oregon Citizens' Initiative Review</u> that is legally constituted to provide guidance to the electorate on ballot measures; and the work of <u>Mass LPB</u> and <u>newDemocracy</u> that have been active in integrating the model into decision-making in Canada and Australia respectively. In the UK, we have recently seen similar experiments with <u>citizens' assemblies</u> on devolution policy. Aside from the desire of leading economists and politicians to keep the doors of their policy community tightly shut, there is no democratic reason why mini-publics cannot be integrated effectively into economic decision-making. The RSA is to be applauded for showing how this might be done.

The CEC is only a pilot. Even if it is successful in showing how well citizens can navigate this complex policy field, the longer term challenge will be institutionalising mini-publics and other participatory processes. The defenders of the existing arrangements are unlikely to give up their privileged position easily.

FDSD is delighted to be represented on the advisory board of CEC and is committed to work with the RSA and others to think through how public participation in economic decision-making can become the norm, rather than just an interesting experiment.

Foundation for Democracy and Sustainable Development, Floor One, 51 Southwark St, London, SE1 1RU

Email: info@fdsd.org Web: www.fdsd.org

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