

Institution: University of York		
Unit of Assessment: 30 - Philosophy		
Title of case study: Social Egalitarianism: Influencing Insurance Regulation, Policy Approaches to Economic Justice, and Community Wealth Building		
Period when the underpinning research was undertaken: 2010 - 2020		
Details of staff conducting the underpinning research from the submitting unit:		
Name(s):	Role(s) (e.g. job title):	Period(s) employed by submitting HEI:
Martin O'Neill	Senior Lecturer	Jan 2010 - present
Period when the claimed impact occurred: Aug 2013 - 2020		
Is this case study continued from a case study submitted in 2014? N		
<p>1. Summary of the impact (indicative maximum 100 words)</p> <p>Martin O'Neill's research on justice, social equality and economic institutions has had significant impacts in three areas, influencing government, policymakers, and local authorities:</p> <p>Flood Insurance Regulation: O'Neill's work on social justice and flood insurance has had a significant influence on the development of the UK government's <i>Flood Re</i> flood reinsurance scheme, directly benefitting over 300,000 households through reduced premiums.</p> <p>Policy Approaches to Economic Justice: O'Neill's work has had a global influence on the approach that think tanks, policymakers, and political parties take to social and economic justice.</p> <p>Community Wealth Building and Local Economic Development: O'Neill's work has had a crucial influence on the development and implementation of 'community wealth building' policies by local authorities on two continents, including Islington, Liverpool, Newham, North Ayrshire, Preston, and Wirral in the UK, and the city of Richmond, Virginia, in the US.</p>		
<p>2. Underpinning research (indicative maximum 500 words)</p> <p>O'Neill's work at the intersection of political philosophy and political economy advances an approach to questions of social justice that emphasises the place of values of social equality and solidarity, going beyond an approach which sees the value of equality only in terms of an idea of distributive fairness. O'Neill has developed a more expansive, and practically orientated, relational account of the value of equality, and, in joint work with both academic and non-academic co-authors, has applied this 'social egalitarian' approach to issues relating to concrete economic institutions. This research agenda advances from the central idea that, if economic institutions and policies are to be justifiable to those affected by them, they need to be concerned not only with distributive fairness, but also with treating all citizens <i>as equals</i>, embedding an idea of social equality into both institutional design and the implementation of policy. This new approach to 'social egalitarian' public policy has four key elements:</p> <ul style="list-style-type: none"> (i) an understanding of the value of equality which incorporates a commitment to the advancement of egalitarian social relations of reciprocity and solidarity (all of [3.1]-[3.6]); (ii) a rejection of overly 'redistributive' models of social justice, in favour of an understanding of the role of policies and institutions in creating background conditions for democratic citizens to live together as equals (esp. [3.1], [3.2], [3.6]); (iii) a consequent focus on 'predistribution' in institutional design, in preference to 'compensatory' economic policies (esp. [3.3], [3.4], [3.5], [3.6]); and (iv) advocacy of an "institutional turn" in both philosophical and practical approaches to public policy, which pays close attention to the ways in which issues of social power, control, voice and status play out within institutional structures in the economy (esp. [3.3],[3.4],[3.5]) <p>In [3.1] O'Neill and his co-author John O'Neill apply this social egalitarian ideal to the question of how governments should regulate flood insurance, arguing for an approach that implements a 'solidaristic' conception of social justice, rejecting both an economic idea of 'pure actuarial fairness' and a luck egalitarian conception of 'choice-sensitive fairness'. Given the role of insurance in protecting vulnerable people from the risk of catastrophic and destabilising economic shocks, flood insurance should be seen as a 'gateway social good', such that there should be a responsibility on government to create conditions for its broad availability. [3.2] develops a conception of social justice that emphasises the ways in which the background institutional structure of society should be reconfigured in order to empower citizens in the economic domain, creating the preconditions for a flourishing democracy, and for realising social equality. [3.3] develops this approach further in light of recent empirical findings on the dynamics</p>		

of extreme economic inequality in the work of Thomas Piketty and others, delineating and examining a range of institutional strategies that can be used for addressing economic injustice. [3.4] and [3.5] are co-produced with a non-academic co-author, Joe Guinan of *The Democracy Collaborative* (TDC), a US think tank focussed on issues of economic democracy. Both outputs use this underlying research on justice and social equality to address practical institutional questions of policy design for a more equal and democratic society. [3.4] develops the idea of an ‘institutional turn’ in egalitarian public policy, exploring the case for alternative models of economic ownership and control. [3.5] deals with questions of equality and democracy at the local level, providing the first book-length treatment of ‘Community Wealth Building’ (CWB), exploring both foundational normative questions and connected questions of policy design. [3.6] develops a philosophical account of the idea of ‘predistribution’, relating that idea to questions of social relations of power, and connecting those issues to questions of policy design, and to the approach that should be taken by progressive policymakers looking to address inequality.

3. References to the research (indicative maximum of six references)

3.1 O’Neill, J. and O’Neill, M. (2012), *Social Justice and the Future of Flood Insurance*. York: Joseph Rowntree Foundation [URL](#) [^]

3.2 O’Neill, M. and Williamson, T. (2012), eds. *Property-Owning Democracy: Rawls and Beyond*. Boston: Wiley-Blackwell

3.3 O’Neill, M. (2017), “Philosophy and Public Policy after Piketty,” *Journal of Political Philosophy*, 25 (3), 343-75 [DOI](#) ^{*^+}

3.4 Guinan, J. and O’Neill, M. (2018), “The Institutional Turn,” *Renewal: a Journal of Social Democracy*, 26 (2), 5-16 [URL](#) ^{*^}

3.5 Guinan, J. and O’Neill, M. (2019), *The Case for Community Wealth Building*. Cambridge: Polity Press [^]

3.6 O’Neill, M. (2020), “Power, Predistribution, and Social Justice,” *Philosophy*, 95, 63-91 [DOI](#) ^{*^+}

*=peer-reviewed publication; ^=produced with peer-reviewed funding; +=returned to REF2021

Research Grants: [3.1] was funded by a Joseph Rowntree Foundation (JRF) grant.

Work towards [3.3, 3.4, 3.5 & 3.6] was supported by two peer-reviewed fellowship grants from the Independent Social Research Foundation (ISRF). 2014-15: £45,000; 2017-18: £49,700.

4. Details of the impact (indicative maximum 750 words)

The impact of this research has been to advance a ‘social egalitarian’ approach to economic policy, which addresses the design and functioning of particular economic institutions, and the way in which they might instantiate and express social egalitarian and democratic values.

4.1 Influencing Policy for the New UK Flood Insurance Regime, Flood Re:

The flood reinsurance scheme *Flood Re*, introduced in 2016, is the result of a joint initiative between the UK government and the Association of British Insurers (ABI), and replaces the previous informal ‘Statement of Principles’ that had been in place since the 1960s, and which expired in 2013. *Flood Re* was designed to ensure affordable home insurance for high flood-risk residential property. [3.1] was critical in persuading the government and the ABI of the case for introducing *Flood Re*. Between March 2012 and June 2013, following publication of [3.1], O’Neill and O’Neill were involved in discussions about the future of flood insurance policy with the Department for the Environment, Food and Rural Affairs (Defra), HM Treasury (HMT), JRF and other stakeholders, including the ABI and the National Flood Forum (NFF), as part of the process of policy development. The Chief Executive of the NFF stated in 2013 that [3.1] “supported us in developing criteria to allow us to judge the different models proposed”, which in turn were “used endlessly” by the NFF in media interviews and parliamentary briefings in NFF’s work to “seek a solution to the flood risk insurance problem” [5.1a]. Relating O’Neill and O’Neill’s work directly to the creation of *Flood Re* itself, the former Assistant Director and Head of Strategy, Data and Analytics for the ABI says: “relatively little research had previously been done on the issue of fairness in insurance, and none at all in the specific context of UK flood insurance – where the issue is especially pressing given the wide variation in risk and the relative lack of informed choice that homeowners face when it comes to exposure to risk. The JRF report [3.1], [...] in presenting intellectually robust arguments in favour of ‘fairness as social justice’, was important in convincing stakeholders on both sides of the ABI’s view that *Flood Re* was the best possible replacement for the Statement of Principles. While *Flood Re* has of course been the work of very many people, making very different kinds of contribution, as explained above O’Neill’s and O’Neill’s work constitutes a significant and substantial contribution to its existence”

[5.1b]. The impact claimed here is therefore the onward impact on UK households of the *Flood Re* scheme since its inception in 2016, as detailed below.

Protecting Households and Ensuring Access to Insurance: *Flood Re* rules out a fully risk-sensitive market in insurance, working with a 25-year time horizon. The scheme imposes a levy on participating insurance companies (now 94% of the home insurance market) – raising £180,000,000 per year – in return for which those companies have the option of selling on the flood risk to *Flood Re* for a fixed cost. The result for eligible customers (that is, all those insuring residential property in the UK built before 2009) is that they can access subsidised premiums that are independent of flood risk. *Flood Re* offers customers flood insurance, for both buildings and contents, priced according to Council Tax band with a low, fixed excess of £250. Thus, the biggest beneficiaries of the scheme are customers who live in low Council Tax band properties with a high risk of flooding, who have benefitted significantly from a reduction in both their insurance premiums and the excess payable if they claim. *Flood Re* has had a very significant effect on the affordability and availability of household insurance for eligible homes. As *comparethemarket* put it: “Without *Flood Re*, insurance providers may have decided they simply couldn’t afford to insure people living in flood zones. This would have left many people without protection” [5.2a]. As shown in *Flood Re’s Quinquennial Review*, covering impact between 2014 and 2019 [5.2b], and its 2019/20 Annual Report [5.2c]: 80% of households with prior flood claims have seen a price reduction of more than 50% in their home insurance premiums [5.2b]; 98% of households with prior flood claims can now receive home insurance quotes from five or more insurers [5.2c], whereas prior to the launch of the scheme, only 9% could get two or more quotes and none could get five quotes [5.2b]. Overall, more than 300,000 properties have benefitted from the scheme – and hence from the underpinning research – since the launch of the scheme in 2016, with 196,638 households benefitting from *Flood Re* in 2019/20 [5.2c].

4.2 Influencing Approaches to Economic Justice – Policymakers, Parties, Public:

(i) Impact on Think Tanks and Policymakers: O’Neill’s research has influenced the work of a range of think tanks and policymakers around the world, including **NESTA** [5.3a], the **Centre for Local Economic Strategies (CLES)** [5.3a], the **Institute for Public Policy Research (IPPR)** [5.3b], and **Common Wealth** [5.3b] in the UK, **The Democracy Collaborative (TDC)** [5.3c] in the US, and **Per Capita** [5.3d] in Australia. Joe Guinan, TDC’s Vice President of Theory, Research, and Policy, writes: “My work with Martin O’Neill [3.4, 3.5] has developed an intellectual foundation for TDC’s work on social justice, economic institutions, democratic participation and community wealth building, and gives us a direction of travel, to accelerate our practical work on new forms of local economic development, creating and implementing policies that realise egalitarian and democratic aims” [5.3c]. Mathew Lawrence, one of the main authors of the *IPPR’s* Commission on Economic Justice (2016-18) writes that “key parts of our work - including reports on corporate governance, ownership, and automation - drew on both O’Neill’s academic and non-academic writing, including the case for ‘property-owning democracy’ [3.2], which was cited and undergirded the argumentation of the reports. Without it, the Commission - and certainly those reports - would have been framed on different lines, drawing different conclusions, with different policy outcomes. Given the Shadow Chancellor at the time called it ‘a modern Beveridge Report’, the undergirding role Martin’s writing played was vital to wider public and political debate” [5.3b]. Lawrence established the *Common Wealth* think tank in 2019, and reports that “Guinan and O’Neill’s work on “the institutional turn” [3.4] helped concretely shape how *Common Wealth* framed its analytical focus and policy outputs, through its stress on the role of institutional design in shaping the distribution of wealth and power in our economy. Indeed, it isn’t a stretch to say without Martin’s careful, compelling interventions, *Common Wealth* would not exist, as those pieces were critical to carving open an intellectual and political space to discuss questions of redistribution. His work was and remains critical to providing a substantive political philosophy underpinning for *Common Wealth’s* work” [5.3b]. *Common Wealth* has made a rapid impact in reshaping a number of policy debates on issues of economic justice, and won the “One to Watch” category in the 2020 *Prospect* Think Tank Awards.

(ii) Impact on Political Parties and Broader Political Debate: Guinan and O’Neill’s work has been influential within the **UK Labour Party**, with the democratic argument for CWB developed in [3.5] cited in party policy documents on local government insourcing and democratizing local

public services [5.4, p. 20]. O'Neill has also served since 2018 as a member of the Labour Party's Community Wealth Building Unit (CWB). This body contributes to policy development, gives strategic guidance to Labour local authorities implementing CWB programmes, and has created various resources for those in local government (<http://bit.ly/LP-CWB>). John McDonnell MP in his 2018 book *Economics for the Many* approvingly references [3.4] [5.5a, p. x], while [3.5] received enthusiastic cover endorsements from politicians including McDonnell, Jeremy Corbyn MP, and Ed Miliband MP [5.5b]. O'Neill's writing has also been influential in the **Australian Labor Party**, with Jim Chalmers MP, who has served as Australia's Shadow Treasurer (i.e., Shadow Chancellor) since 2019, writing that "Martin O'Neill's research and presentation to a key conference here in Australia spurred significant policy thinking around redistribution and some of my own subsequent writing over the course of multiple parliamentary terms. Without his work, and other relevant colleagues' whose work he introduced us to, the concept of redistribution is unlikely to have featured here in Australia" [5.6a]. In Ireland, O'Neill's research has been taken up by influential figures in the **Irish Green Party**. Neasa Hourigan TD, writes: "As Chair of the Oireachtas Committee on Budgetary Oversight I found the analysis of community wealth building [in 3.5] useful in our work in the committee on the development of multi stakeholder inclusion in the budgetary process" [5.6b]. Both *The Guardian* and *The Economist* have discussed this research as a leading exemplar of new progressive approaches to political economy and public policy [5.7a], with extensive coverage also in US publications such as *Jacobin* and *NPlusOne* [5.7a]. More recently, Guinan and O'Neill have further developed ideas on policy remedies for economic inequality in the context of the Covid-19 pandemic, producing an op-ed in *The Guardian* that has been shared over 5,100 times on social media [5.7b].

4.3 Influencing Policies on 'Community Wealth Building' in the US and UK

O'Neill and his co-authors have built a detailed and widely influential intellectual case for community wealth building (CWB): an approach to local economic policy which aims to develop community resources, reduce financial extraction by predatory companies, invest in workforce skills, and give local people more control within their local communities and economies.

(i) CWB in the City of Richmond, Virginia, USA: O'Neill's co-author Williamson played the lead role in establishing the **Maggie L. Walker Office of Community Wealth Building (OCWB)** as a permanent citywide agency of **Richmond City Council** starting in 2014 (the first municipal agency of its kind in the U.S.), and then acted as its inaugural director from 2014-16. As Williamson describes the Richmond OCWB: "The research conducted by Martin and I played a critical and indispensable role in the creation of OCWB, particularly in focusing its work on wealth building. I drew upon the research to provide the theoretical foundations for the agency and to justify its establishment to Richmond's city leadership, and the focus on wealth-oriented, asset-based approaches helped generate the grassroots support that has propelled OCWB forward" [5.8a]. The OCWB made use of a variety of inter-connected strategies including workforce development, social enterprise development, and targeted investments in education, housing, and transport to benefit local citizens [5.8a]. For example, it "introduced Virginia's first ever living wage initiative and tripled the size of its workforce programme in the years since its formation, helping citizens gain access to more stable and better paid jobs. In 2018-2019 alone, that programme helped 600 enrolled participants obtain employment" [5.8a]. Thousands of other Richmond residents benefitted from its initiatives in developing social enterprises and social infrastructure, with 4,818 people per annum attending training programmes and workshops by 2019 [5.8b, p. 8]. Overall, the poverty rate in Richmond decreased from 25% in 2014 to 19% in 2019: Williamson attributes this success in large part to the work of OCWB and the principles of community wealth building that it has shared throughout the city of Richmond [5.8a].

(ii) CWB Policies and UK Local Authorities: The CWB policies of a number of UK local authorities have been shaped by O'Neill's research and writing, both directly and via its intermediate influence on the work of TDC. TDC have advised **North Ayrshire Council** on all aspects of their CWB strategy (the first in Scotland), including the creation of a charter for local anchor institutions [5.9a], following the principles of CWB outlined in [3.5]. Joe Guinan of TDC writes: "In particular, working with Martin has educated me on the importance of democratic deliberation and inclusion in community wealth building practice, something which I have in turn impressed upon public officials in North Ayrshire in Scotland, where one of the world's most

ground-breaking CWB initiatives is taking shape, leading them to build community participation into their planning and implementation and redirecting resources from their £251 million Growth Deal into participatory democratic planning exercises on housing and food security” [5.3c].

Cllr Matthew Brown, **Leader of Preston City Council** writes: “Martin O’Neill’s work, individually and with Joe Guinan, has influenced the agenda of both Preston City Council and many local and regional authorities in the UK and abroad by helping further develop the many strategies that are implementing Community Wealth Building in local communities” [5.9b]. This influence has shaped policy approaches being taken by local authorities including **Newham Council** [5.9c] and the **Liverpool City Region** [5.3a, 5.9d]. For **Islington Council**, Cllr Asima Shaikh, Executive Member for Inclusive Economy and Jobs, writes that “the work of both Martin O’Neill and TDC have directly resulted in Islington Council developing a Democratic Economy strand to its inclusive economy and community wealth building work. My engagement with Martin O’Neill, both through his written work and the material and debates at the conferences he has organised, has been really useful in helping us think more about how we as a council can try to effect structural change in the local economy. [...] [This] work on community wealth building has helped us to think through how we leverage our council resources to develop a more democratic economy” [5.9e]. She continues: “For example, we are supporting co-operative and social enterprises through our commissioning of affordable workspaces. [...] I don’t think that we could have done this work, if it were not for the pioneering research and policy work that Martin O’Neill and Democracy Collaborative have done” [5.9e]. The Leader of **Wirral Council**, Cllr Janette Williamson, writes: “As Leader of Wirral Council I launched our CWB strategy in January 2020. It is integral to ensuring Wirral’s local economy thrives and grows and is vital in rebuilding our local communities and economy in a post-Covid landscape. It was directly influenced by reading Martin O’Neill and Joe Guinan’s work on *The Case for Community Wealth Building* [3.5], particularly the strategy’s principles around social value, community ownership of land, and fair and ethical employment and local cooperatives, which should be adopted by every Council for the economic, social and mental wellbeing of their community. We now have a social value policy in place which has benefitted local companies and care leavers. The policy scores companies higher when they tender for a council contract if they offer apprenticeships/jobs to care leavers. This wouldn’t have happened without the CWB strategy” [5.9f].

5. Sources to corroborate the impact (indicative maximum of 10 references)

- 5.1 a)** Testimonial, Chief Executive of the National Flood Forum (NFF), May 2013; **b)** Testimonial, former Assistant Director of the Association of British Insurers (ABI), October 2020.
- 5.2 a)** [comparethemarket.com](https://www.comparethemarket.com), [Guide to Flood RE](#), 21 February 2020; **b)** [Flood Re Regulation 27: The Quinquennial Review](#) (2019); **c)** [Flood Re 2019-20 Annual Report](#)
- 5.3** Testimonials from Think Tanks: **a)** Senior Researcher, CLES (formerly Senior Researcher at NESTA); **b)** Director, Common Wealth (formerly Senior Researcher at IPPR); **c)** Vice-President, The Democracy Collaborative (TDC); **d)** Senior Economist, Per Capita, Australia.
- 5.4** *Democratizing Local Public Services: A Plan for 21st Century Insourcing* (Labour Party, 2019), <http://labour.org.uk/wp-content/uploads/2019/07/Democratising-Local-Public-Services.pdf>
- 5.5 a)** John McDonnell, *Economics for the Many*, (London: Verso, 2018), p. x; **b)** Reviews and endorsements for *The Case for Community Wealth Building* <http://bit.ly/CFCWBReviews>
- 5.6** Testimonials: **a)** Jim Chalmers MP (Labor), Shadow Treasurer, Australia; **b)** Neasa Hourigan TD (Green Party), Dáil Éireann, Chair of the Oireachtas Committee on Budgetary Oversight.
- 5.7 a)** Report on Media Coverage citing Guinan and O’Neill’s work, including: Andy Beckett, “The new left economics: how a network of thinkers is transforming capitalism,” *The Guardian*, 25 June 2019; *The Economist*, “Corbynomics would change Britain – but not in the way most people think,” 17 May 2018; **b)** Coverage Book Report: Guinan and O’Neill, “Only bold state intervention will save us from a future owned by corporate giants”, *The Guardian*, 6 July 2020.
- 5.8 a)** Testimonial, Dr Thad Williamson, inaugural director of Richmond OCWB; **b)** *Office of Community Wealth Building Annual Reports, 2016-2019* (City of Richmond, Virginia).
- 5.9** Testimonials from Local Authorities: **a)** Senior Manager, Economic Policy Team, North Ayrshire Council; **b)** Leader of Preston City Council; **c)** Principal Policy Officer, Newham Council; **d)** Research Officer, Liverpool City Region Combined Authority; **e)** Executive Member for Inclusive Economy and Jobs, Islington Council; **f)** Leader of Wirral Council.