

Impact case study (REF3)

Institution: University of Glasgow (UofG)		
Unit of Assessment: UoA 17 Business and Management Studies		
Title of case study: Informing policy and debate on democratic public ownership		
Period when the underpinning research was undertaken: 2010–2019		
Details of staff conducting the underpinning research from the submitting unit:		
Name(s): (1) Andrew Cumbers	Role(s) (e.g. job title): (1) Professor in Regional Political Economy	Period(s) employed by submitting HEI: (1) 2001–present
Period when the claimed impact occurred: 2013–2020		
Is this case study continued from a case study submitted in 2014? No		
<p>1. Summary of the impact</p> <p>There is increasing evidence of the inability of the private sector to deliver affordable, effective and sustainable public services (e.g. mail, rail and utilities). Cumbers' research has developed alternative models of public ownership; these are more transparent, democratic and encourage greater multi-stakeholder involvement than either privatisation or top-down state ownership. From September 2013 onwards, through embedded engagement with policy communities, Cumbers' research has (i) shaped policy and debate in Scotland, and (ii) at UK-level by underpinning Labour Party policy on public ownership. Through media engagement, the research has (iii) changed the terms of national debate within the UK, and (iv) informed the strategic approach of the influential US-based think tank The Democracy Collaborative.</p>		
<p>2. Underpinning research</p> <p>Public policy debates about privatised industries have expressed concerns about their conduct and performance since their creation in the 1980s (in the UK and later elsewhere around the world). Against this backdrop, Cumbers' research has developed new models of democratic public ownership as an important contribution to debates about the governance and organisation of public services, utilities and the economy more generally.</p> <p>The research is ongoing and began with the production of a monograph [3.1] in 2010 (published in 2012). It synthesises findings from a range of countries and existing practice at national and local levels to develop new frameworks for public ownership as a way of extending economic democracy. This is particularly critical at this time because of wider dissatisfaction with the experience of privatisation. Poor customer experiences, rising prices and underperformance in service delivery and promised investment (e.g. across rail, water and energy in particular) have driven the search for new—more efficient and cost effective—models of public utility and services governance.</p> <p>Drawing upon historical and comparative international research on public ownership, the research critiques both privatisation and earlier forms of public ownership (e.g. 1940s top-down Morrisonian nationalisation and the 1970s arguments for democratic worker control). In response, Cumbers' research synthesises a range of empirical evidence (e.g. from Norway, Denmark, France, Germany and more recently Latin America) that shows that more democratic ownership and public participation can greatly enhance service delivery and public policy outcomes. This approach involves giving people a direct say in the running of public enterprises (e.g. in decisions about working hours, wages, investment and new technology).</p> <p>The research [3.1] then develops theoretical arguments to advocate more diverse and multi-stakeholder forms of public ownership that broaden public participation, particularly by user, consumer and community groups. Cumbers sets out different ways in which this can be achieved, depending on the technical requirements and needs of different sectors and services. This ranges from broadening geographical and social mix in representation in national state ownership (e.g. in the energy grid and national rail network); incorporating employee and user representation in regional and local public enterprises (e.g. in water, rail franchises, regional and municipal electricity supplies); hybrid public-cooperative enterprises (e.g. where residents can own shareholdings alongside local authority ownership), and rural community ownership in new renewable forms of energy. The research draws upon positive experiences in Denmark, Germany, Norway and France [3.1, 3.5, 3.6] to develop new arguments about the potential for more diverse forms of public ownership (e.g. which harness collective learning and tacit</p>		

knowledge to improve the effectiveness and delivery of public utility sectors such as energy and water).

The research [3.2, 3.4] is particularly novel in engaging substantively with critiques by proponents of privatisation (e.g. such as Hayek). It argues for more diverse and de-centred public and state models that can utilise grassroots and tacit knowledge more effectively in the performance and delivery of different sectors. It then sets out a framework for how democratic forms of public ownership can be deployed in variegated ways across different sectors of the economy. Cumbers' research proposes a range of new and hybrid forms of public ownership, which include public-cooperative models, where the state partners with other stakeholders (e.g. such as local state-employee cooperatives in the case of Buenos Aires' regional water company, or state-resident cooperatives in German renewable energy companies). These proposals are a way of democratising public governance and avoiding the tendencies towards centralisation and the capture of public services by vested interests [3.3].

Most of the research is single authored, although two relevant academic publications have been joint authored (with Robert McMaster also at UofG [3.2] and Sören Becker of the University of Bonn [3.5]). Cumbers has also collaborated with others on policy and consultation papers for the Labour Party's Shadow Economics team (as detailed in section 4).

3. References to the research

3.1. Cumbers A (2012). [Reclaiming Public Ownership: Making Space for Economic Democracy](#). Zed: London, UK. ISBN 9781780320076. [Available on request from HEI]

3.2. Cumbers, A. and McMaster, R. (2012). [Revisiting public ownership: knowledge, democracy and participation in economic decision making](#). *Review of Radical Political Economics*, Vol. 44(3), pp. 358-73. (doi:[10.1177/0486613412440238](#)) [Available on request from HEI]

3.3. Cumbers, A. (2016) [Rethinking Public Ownership as Economic Democracy](#). In: Jones, B., and O'Donnell, M. (eds) *Alternatives to Neo-Liberalism: towards Equality and Democracy*. Policy Press: Bristol, pp. 209-226. [Available on request from HEI]

3.4. Cumbers, A. (2014) [Responding to Hayek from the left: beyond market socialism on the path to radical economic democracy](#). In: Nell, G. L. (ed.) *Austrian Theory and Economic Organization: Reaching Beyond Free Market Boundaries*. Palgrave Macmillan, New York. pp. 177-196. (doi:[10.1057/9781137368805_8](#))

3.5. Cumbers, A. and Becker, S. (2018). [Making sense of remunicipalisation: theoretical reflections on and political possibilities from Germany's Rekommunalisierung process](#). *Cambridge Journal of Regions, Economy and Society*, 11 (3), pp. 503–517. (doi:[10.1093/cjres/rsy025](#))

3.6. Cumbers, A. (2019) [A tale of two nationalisations: experiences of post 1945 public ownership in the UK and France compared](#). *International Journal of Public Policy*, 15 (1/2), pp. 5-20 (doi:[10.1504/IJPP.2019.099047](#)).

Grants within the REF2021 Period:

1. European Research Council Advanced Grant (2019–2023) GBP1,573,048, 'Global Remunicipalisation and The Post - Neoliberal Turn' (Cumbers Principal Investigator).

2. EU Horizon 2020 (2018–2022) GBP1,779,542, 'Municipal Action, Public Engagement and Routes Towards Energy Transition' (Cumbers Principal Investigator).

This body of work meets the 2* quality threshold because output [3.1] is a book which won the 2015 Gunnar Myrdal Prize for outstanding contribution to evolutionary political economy by the European Association of Evolutionary Political Economy. Outputs [3.2], [3.5] and [3.6] are published in international double-blind peer-reviewed political economy journals. Outputs [3.3] and [3.4] are edited chapters in peer-reviewed books from high-reputation academic publishers.

4. Details of the impact

4.1. Pathway to impact

Following the publication of the monograph *Reclaiming Public Ownership: Making Space for Economic Democracy* [3.1], Cumbers' research came to the attention of various think tanks and political parties within the UK and the United States. Through these channels, the work has shaped public and political debate in arguing for new democratic and diverse forms of public ownership as a viable alternative to both privatisation and top-down nationalisation, as outlined below:

4.2. Shaping policy and debate within Scotland

Based upon the underpinning research, Cumbers was invited to co-write a [report](#) as lead author for the [Jimmy Reid Foundation](#) to inform Scottish public policy debates on energy policy. The report [5A], published in September 2013, was launched at the Scottish Green's annual conference and endorsed as Party policy (confirmed by article [5B]). Although the Scottish Minister for Energy refused to endorse the proposals at the time, the Scottish Government subsequently [committed](#) to setting up a public energy company. Cumbers' contribution to the public consultation exercise was cited on three occasions by the resultant Economy, Energy and Fair Work Committee Report (2018) [5C].

4.3. Underpinning UK Labour Party policy

Cumbers' research has, '*driven the policy development agenda on public ownership within the Labour Party*' (confirmed in statement [5D]) from the former Shadow Chancellor of the Exchequer, 2015–20). The late Michael Meacher, former Environment Minister, commissioned Cumbers to write a chapter on democratic public ownership for his book, *What the Three Main Parties are Not Telling You* (2015). Cumbers' research subsequently came to the attention of the Labour Party's Shadow Economics team. This resulted in an invitation to present to the Party's State of the Economy conference in May 2016. He was then invited to join the Party's working group on cooperatives and alternative forms of ownership. Cumbers then co-wrote the Shadow Cabinet's policy paper on Alternative Models of Ownership (2017) [5E], in which the section on national ownership draws directly upon his research.

In February 2018, Cumbers gave the plenary address at Labour's Alternative Models of Ownership Conference. In September of that year, he was commissioned to write a consultation paper [5F] on democratic public ownership (with Thomas Hanna of The Democracy Collaborative) for the Labour Party's internal policy review. This work—particularly the two policy papers—was pivotal in developing Labour Party policy (as confirmed by statement [5D]). The former Shadow Chancellor added: '*the suggestions and contributions made in these papers will hopefully form the basis of a governance model—though diverse in how it is deployed in specific areas—for a new generation of publicly owned utilities under the next Labour government*'.

4.4. Changing the terms of national debate

Cumbers' research cuts across the traditional lines of debate by critiquing both privatisation and earlier forms of top-down public ownership. His work has received national media coverage through agenda-setting journalists advocating an alternative economic approach (e.g. [Seamus Milne](#) and [Aditya Chakraborty](#)). In June 2019, the then Shadow Chancellor shared Cumbers & Hanna's exciting contribution to Labour's consultation on public ownership with over 206,500 Twitter followers. On 5 December 2019, a week before the UK's General Election, Cumbers was invited to outline Labour's bold new nationalisation plans to Business Editor Simon Jack on the BBC's flagship News at Ten (a programme watched by an average of 3.2 million viewers per day in 2019). An associated article was also published on the BBC news website, a platform that commands global reach (confirmed by collated media activity [5G]).

Cumbers' innovative approach to public ownership has stimulated engagement from all sides of the debate. Further work has been commissioned by think tanks including, e.g. policy papers for the trade union-funded Centre for Labour and Social Studies (2014 & 2017); a solicited piece for the Institute for Public Policy Research's *Juncture* magazine (2016); and an article for the Fabian Society (2017) [5G]. The research has also engaged divergent audiences and directly informed debate within the energy sector. For instance, in November 2018, Cumbers delivered a well-

Impact case study (REF3)

received lecture hosted by free-market think tank the Institute of Economic Affairs. Delegates included over 120 directors and senior managers of private utility companies and energy industry regulators (confirmed by delegate list [5H]). This breadth of engagement activity led the former Shadow Chancellor to credit Cumbers' research as helping, '*define the policy debate terrain of the present and the political-economic landscape of the future*' (confirmed by statement [5D]).

4.5. International policy influence

From 2015 onwards, Cumbers' research advanced the strategic thinking and external reputation of the Washington-based think tank The Democracy Collaborative (TDC). In 2017, TDC commissioned him to write a paper as part of the organisation's 'Next System Project', outlining a model of a publicly-owned democratic economy. Cumbers was subsequently invited to present his work in October that year to the Democratic Party's Progressive Caucus (the third largest caucus in the United States Congress). TDC's Director of Research confirms that, as a result of Cumbers' presentation, and the connections made, '*TDC has been able to significantly advance its policy work at federal level*' (confirmed by statement [5I]). TDC's bold proposals on expanding democratic ownership were subsequently endorsed by Bernie Sanders during his 2020 presidential campaign (confirmed by article [5J]).

Cumbers' research has enabled TDC to forge stronger links with grassroots organisations and activist groups across the US. In 2017, he recorded an episode of their [Next System Project podcast \(Ep. 11: The Transformative Potential of Public Ownership \(W/ Andrew Cumbers\)\)](#), which has been downloaded over 2500 times (by comparison 80% of their podcasts average around 400 downloads). In 2019, he was commissioned to write a second paper on Constructing the Democratic Public Enterprise and invited to give two presentations in April that year, which were attended by hundreds of influential activists, academics and policymakers (including the then Deputy Mayor of New York). These events helped TDC develop links with local activist groups (e.g. by underpinning discussions with local activists and public officials in New York). Statement [5I] confirms this extensive list of activity and adds that: '*Professor Cumbers' research has significantly influenced the work of TDC and has been utilized to catalyze a rapidly developing public conversation about what a radically different system capable of delivering superior social, economic and ecological outcomes might look like.*'

The international reach of the research is further exemplified by an invitation to Cumbers in 2017 to give a plenary lecture on the principles of democratic public ownership at the Canadian Centre for Policy Alternatives, the largest Canadian progressive think tank (confirmed by invitation [5K]). Cumbers is currently working with Public Services International (the global union federation for public services) and the Amsterdam-based Transnational Institute to help develop their policies around local forms of democratic public ownership. His GBP1.5 million European Research Council Advanced Grant (2019–2023) involves a collaboration with Public Services International (which brings together more than 20 million workers, represented by over 700 unions in 163 countries) to map local remunicipalisation to aid their campaign to encourage the spread of local forms of democratic public ownership.

5. Sources to corroborate the impact

[5A] [Repossessing the Future: A Common Weal Strategy for Community and Democratic Ownership of Scotland's Energy Resources](#) (Jimmy Reid Foundation Report co-authored by Cumbers) (September 2013) **[PDF available]**.

[5B] Scotsman article (6 Oct 2013) (links to report [5A], co-authored by Cumbers, confirms report launch at the Scottish Greens' Conference and the adoption of policy) **[PDF available]**.

[5C] Economy, Energy and Fair Work Committee paper addressing the Scottish Government's proposal for a Publicly Owned Energy Company (Cumbers' submission is directly referred to on p.11, 12 & 16) **[PDF available]**.

[5D] Statement from the former Shadow Chancellor of the Exchequer (2015-20) (Confirms the influence of Cumbers' research on Labour Party Policy and public debate) **[PDF available]**.

[5E] [Alternative Models of Ownership](#) (2017) (co-written by Cumbers, acknowledgement on p.3; the underpinning research is cited on p. 29 & 31) **[PDF available]**.

[5F] [Labour Party Consultation Paper: Democratic Public Ownership](#) (2018) (co-written by Cumbers with the underpinning research cited in the bibliography) **[PDF available]**.

[5G] Collated evidence: (i) 'The tide is turning against the scam that is privatisation' by Seamus Milne, *The Guardian* (9 July 2014); (ii) The Alternatives: German town takes power back from energy giants – podcast, presented by Aditya Chakrabortty (28 Feb 2018); (iii) John McDonnell tweet (July 2019); (iv) 'Labour plans will 'slow' climate change fight says energy firm' by Simon Jack, BBC News article (5 December 2019); (v) Renewing Public Ownership: *Constructing a Democratic Economy in the Twenty-First Century* – Class policy paper (17 August 2017); (vi) 'In Safe Hands', Fabian Society article (18 January 2018); (vii) Audience Data from Press Gazette article (17 March 2020) **[PDFs available]**.

[5H] Institute of Economic Affairs' Beesley Lecture Series Delegate List (2018) **[PDF available]**.

[5I] Statement from the Director of Research at The Democracy Collaborative (confirms the influence of Cumbers' research on TDC policy and practice) **[PDF available]**.

[5J] *Washington Post* article: 'Bernie Sanders' plan would force country's largest corporations to share profits with workers' (confirms that Sanders' campaign worked with TDC on proposals) **[PDF available]**.

[5K] Invitation to present research at the Canadian Centre for Policy Alternatives (November 2017) (confirms invitation as a result of references in the Labour Party's *Alternative Models of Ownership* report [5E]) **[PDF available]**.