

# Owning the Future

**Reimagining property to  
refound the foundational**

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The Foundational Economy Conference

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# An outline

- **How is the foundational economy owned:** Why do particular property arrangements matter? What is the dominant – and socially antagonistic – form of ownership?
- **Britain as what not to do:** evidence from a unique experiment and the roots of chronic unliveability.
- **Commoning the foundations:** agendas, coalitions, and inspirations for democratic control of production and provision.

# CW and the foundational

- We analyse ownership models (Refinitiv, PreQin) and design alternatives for a just and sustainable society.
- Reimagine, not just redistribute.
- Three pillars: Democratise. Decommodyfy. Decarbonise.

# Laying the foundation

- The shared material and social infrastructures of everyday life - ensuring access to life's essentials.
- Collective by design: in how funded, accessed, delivered and consumed. Systemic potential. Non-tradeable character?
- A recognition of the economy's social construction, a focus on nurturing and welfare through public and not-for profit provision.

# Cracks in the foundation

- Eroded by a combination of austerity, outsourcing, privatisation, financialisation.
- Fundamental to this erosion is a reliance on market coordination and entitlements: premised on private investment, market-based governance, and private profitability.
- Residual incomes squeezed; provision stretched; insecurity magnified; ecological stresses → erosion stresses existing gendered, classed, and racialised inequalities.

# Property as extractive power

- Dominance of a particular property arrangement - private, financialised, concentrated - underpins market coordination.
- PE vehicles, public MNCs, asset manager giants, internationalised and wealthy beneficiaries → a web of extractive ownership cracked foundation.
- A political project of predation transformed FE into sites of rentier extraction. Active assetisation: not just privatisation, but law, regulation, tax, macro, all assist.

# The UK: a unique experiment?

- **Brecht's finger:** Between 1979 and 2000 over 40% of the value of privatised assets in the OECD occurred in the UK.
- **A crisis of unliveability:** revealed and extended; reflection of how FE has been transformed. Market provision exposed.
- **Distributional conflict intensified:** FTSE100 profits up one-third; rent and profits expanding at social cost.

# Adult social care

→ Subject to privatisation, financialisation, and austerity.

→ e.g. As of 2019, 84% of care home beds were in the for-profit private sector, a complete inversion.

→ PE key, embedding complex financial engineering, debt-funded growth, and the worsening of conditions. Covid underscored consequences. Real estate > care providers.



# Housing: a multiplying crisis

- **Asset economy epicentre:** Shelter - the most fundamental need - has been transformed by logics of the asset economy.
- **A forty-year project:** The retreat of public provision and spatial development, the market-led delivery of housing, and financialisation have created a multi-dimensional crisis.

# Housing: an intensifying crisis

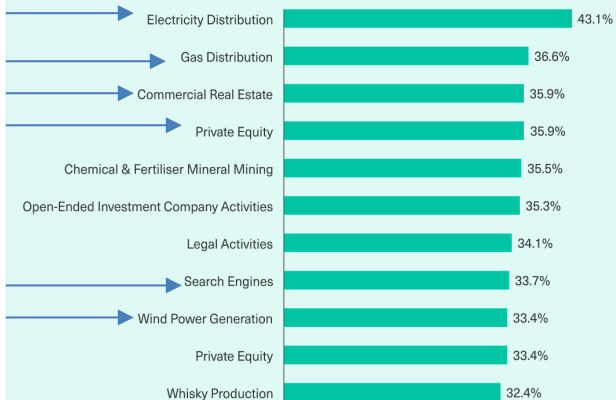
- **Many losers:** Since 1980, 2 million social homes have been sold in England with only 4 per cent replaced. As a result, in 2022, 1.2 million households in England were on social housing waiting lists, while one in every five households in England will live in unaffordable housing by 2030.
- **Yet some are winning:** UK now largest Blackstone holdings; margins on developers gone up; the average net margin of residential company landlords listed on the LSE is almost ten times the FTSE average. And home-owners?

# Energy: a double extraction

- **Energetic basis key:** Energy is the foundational input of any society. In the UK, energy is organised by a double extraction.
- **Rentiers' paradise:** Energy system privatisation is more pervasive than any other OECD economy.
- **Fossil capital:** BP and Shell distributed £176bn in the last decade (and how used windfall); National Grid almost £30bn since 2003; network operators have highest margins.

## Electricity Distribution is the Most Profitable UK Industry

Profit margin by industry (%)



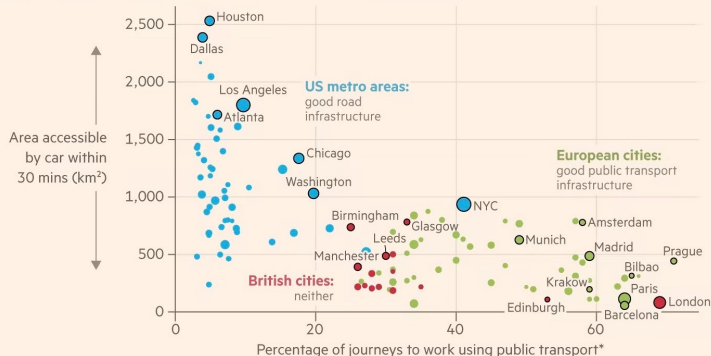
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# Mobility

Outside London, **British cities** have the worst of both worlds: poor public transport and poor road infrastructure

Public transport usage vs car accessibility in major cities, by region



\*Includes walking and cycling

Sources: Conwell, Eckert, and Mobarak (2022), ONS; Eurostat; European Metropolitan Transport Authorities; Dutch national statistics agency

FT graphic: John Burn-Murdoch / @jburnmurdoch, inspired by prior work from Stansbury, Turner and Balls (2023)

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**From public to private:**  
The real cost of taking the bus has doubled since 1987 while the real cost of driving has fallen by 12 percent.

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# Water



**Rip-off Britain:** The sector has debts over £60 billion, even though debts of £15 billion were paid off by the UK government during privatisation. Yet sector failing and falling over.

Scotland and Wales as counter.

# Commoning the foundations

- Wherever private ownership and market coordination dominates organisation of the FE, **we see same pattern:** underinvestment vs payouts; fragility + offloading responsibilities; inadequate and costly provision; insecurity for workers and users; residual income stagnant.
- **This is not a malfunction:** system is operating as designed. FE transformed into a rentier site for upward extraction and concentration of wealth.
- **Address the property question:** A needs-centred economy will depend on displacing market coordination with democratic ownership and provision.

# Commoning the foundations

- **Rethinking property:** FE not reducible to a financial asset or revenue stream. Not really property at all but rather a set of rights and obligations, collective and public in nature. Property is liquid, politically ordered, myriad possibilities to experiment.
- **An alternative mosaic:** bounded markets; enabling state; resilient households; revived commons. The three Ds?
- **A liveability agenda:** Living Income; UBS (mobility and care justice); public housing and regulation of PRS; energy democracy with minimum guarantee; an active asset-taxing fiscal state; new modes of economic coordination; democratic firms and embedded social purpose; time as non-fungible benefit. But a challenge...



# Vienna as inspiration

- **Dislodging the rentiers:** Difficult terrain to advance given fragmentation. But city as inspiration and incubator?
- **New imaginaries for infrastructural transformation:** Collective resources and infrastructures to expand freedom. Communal luxury over private consumption. Access to life's essentials – to thrive - no longer contingent on market. From private to public, extractive to generative, growth-focused to living oriented.
- **A challenge of politics?:** refounding the foundational will require a reimagining the political.