

EXPANDED ABSTRACT

The Economy for the Common Good at a Local Level

This paper aims to generate debate among researchers and people involved in the practice of municipal government regarding the applicability and real possibilities to implement the municipal version of the Economy for the Common Good (ECG) model.

This underlying aim has resulted in two fundamental objectives. Firstly, to describe how the Economy for the Common Good adapts its theoretical framework to the local level and to present the five strategies proposed by the ECG to become a Common Good Municipality (CGM). Secondly, to reflect on the possible development of these strategies at a practical level.

To achieve these objectives, this paper briefly presents the theoretical model of the ECG. It then goes on to set out the five strategies proposed to implement the ECG at a local or municipal level: 1) establish a Local Economic Convention; 2) implement a Common Good Balance Sheet for local authority administration and economics departments, and for public corporations and organizations; 3) Promote Common Good Companies; 4) Introduce a Local Common Good Index; and 5) Create a Common Good Region. This article focuses particularly on describing the indicators used by the Common Good Balance Sheet and the extent to which they are related to other existing indicators.

The methodology used is descriptive: having compiled and reviewed the existing bibliography, a series of qualitative interviews were conducted with members of the Association for the Promotion of ECG. The research identifies the main sources to determine the conceptual framework, indicating the origin, definitions and component elements thereof. Existing specific legislation was also reviewed, in particular pertaining to the EU, but also national legislation. Similarly, reports from eminent public and private organizations were consulted, along with best practice and good governance guidelines, especially in the public sector.

The Economy for the Common Good aims to create incentives to steer economic activity toward the common good. This common good refers to the promotion of human values such as human dignity, solidarity, sustainability, social justice, democracy and transparency. To achieve this objective, it proposes to assess the common good through the Common Good Balance Sheet and to modify legal norms so that companies and other organizations can cooperate for the common good rather than compete for maximization of profits.

At a municipal level, the proposal of the ECG aims to foster an understanding of politics as an instrument that increases the common good of all and which contributes to enriching those values that the ECG considers positive and favorable to quality of life. The ECG offers an alternative theoretical discourse to the maximization of production and competition and, above all, it offers a practical tool to bring about change over to this new way of thinking. The model strives to effect real transformation in the entire economic system, basing its construction on democracy and starting with local networks.

This model challenges citizens to reflect on the basic values for leading a shared good life in common. This approach is based on the idea that people can dialogue and build common spaces, creating common interests, not just 'exchanging' individual interests. These common interests can be sought in human values, the five values proposed by the ECG as a starting point to build a 'constitutional' framework of coexistence.

Another key contribution made by the economic and social model of the ECG is the index proposed to measure the common good. It is a metric of what people want in terms of coexistence, since the Local Common Good Index can serve as a true compass for evaluating local policies. In addition, the Common Good Balance Sheet offers a new public management tool. Both the Local Common Good Index and the Common Good Balance Sheet for local authority administration and economics departments, and for public corporations and organizations, are thus shown to be effective tools of real transformation.

Regarding this measure of the impact of public activity, there are four differentiating elements between the proposals set out to measure the economic, social and environmental impact of public administration activities (and specifically in the municipal area) and the proposal of the Economy for the Common Good. The first differentiating element is the object of evaluation: the common good. Although the ECG shares with public social responsibility the basic principles of participation, transparency and sustainability, in the ECG model, this common good articulates and gives prominence to the values of dignity (in a broad sense and not only restricted to the field of labor relations), social justice and solidarity, elements that do not have the same relevance in the other evaluations, or are not even present.

The second differentiating element is the methodology used to define the local common good, since, in the paradigm of the Economy for the Common Good, the construction of that common good is a non-aprioristic participatory process and can vary from one territory to another. Therefore, under no circumstances is the common good considered an objective determined by the local public administration, but rather an objective chosen and defined by the members of the municipality.

The third differentiating element is that public social responsibility enters into an arbitrary logic. That is, this public social responsibility appears as an 'added value' to compliance with legal norms. However, the reflection of the ECG is that any organization, including public administration, has to consider how

it aims to contribute to the common good as an organization, and therefore that contribution becomes the fundamental organizational motivation.

Finally, the last element differentiating the proposals of public administration social responsibility and ECG proposal rests on the idea of development based on competitiveness, an enduring notion in approaches to public administration social responsibility. Faced with this idea of competition for the acquisition and use of resources, ECG argues that the driving force of society is cooperation.

The ECG proposal does not advocate a larger public sector, but instead 'another public sector'. A public administration that gives way to civil society, through greater democratic participation and the facilitation of spaces for the development of collective projects. This public administration also has other basic tools such as regulations, public spending and taxation to create incentives that favor the promotion of the common good.

The proposal presented here requires further and more in-depth development in certain aspects: forms of democratic participation, participatory construction of the index, modification of public management culture, citizen awareness, creation of business and social networks based on cooperation and not competition, etc. In this task, the ECG can be supported by a wide variety of other theoretical and practical proposals in the field of economics: social and solidarity economy, circular economy, collaborative economy, economy of the commons, economics of care, ecofeminism, etc.; and of politics: participatory budgets, liquid democracy, etc. In addition, this task needs and connects with law, anthropology, education, sociology, etc. The ECG is presented in its nature as a holistic model, because it asks how a person can live better within society, and the answer, therefore, must be sought in all fields of knowledge.

The research outlined here aims to generate a framework for analysis, debate and discussion around the elaboration of effective development strategies at a municipal level. For this reason, the main contribution of this research is to synthesize for the first time information related to the application of the ECG model at a municipal level. In addition, in this process of synthesis, it reflects on the theoretical foundations of the strategies and on the relations established with other theoretical models of local development or social economy. The novelty of the ECG applied to the municipal sphere is based on its theoretical and practical contribution to the definition of a common good for the municipality, its measurement and the strategies to promote it.

This work has presented for the first time the Economy for the Common Good applied at a municipal level, detailing the strategies a municipality must follow to become a Common Good Municipality. This presentation has described the indicators used by the Common Good Balance Sheet. This is a new evaluation tool for its object of evaluation, the common good, for its subject, public administration, and for its vocation of transforming society. Future research might compare the indicators of the Municipal/Local Common Good Balance Sheet to others that are already being used at a municipal

level to try to improve these indicators and reflect on their suitability. Therefore, this work is presented as an initial contribution to reflection and debate regarding the proposal of the Common Good Economy in relation to other critical contributions that consider the social, economic and environmental dimensions of the municipality. It is also hoped that this article will provide a working document so that the scientific community from diverse and specific fields of knowledge and, above all, companies, social entities and public bodies can contribute to the creation of a social and economic space that truly promotes the Common good from the municipal level for all citizens.

KEYWORDS: Economy for the common good, local development, local common good index, local common good balance sheet, social enterprises.

