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Changing Social Needs and Innovative Ways to Meet Them - Dr Geoff Mulgan

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Transcript

Dr Geoff Mulgan, Director of The Young Foundation, is one of the world's leading experts on social and organisational innovation. On 4 February 2010, he gave a mid afternoon seminar for Grattan Institute, sharing his knowledge about social and organisational innovation, what it is and how to it can be applied in Australian cities. He discussed his current research on the changing social needs of society.

Speaker: Geoff Mulgan (GM)

Moderator: Jane-Frances Kelly (JFK), Program Director – Cities, Grattan Institute

JFK: So I'd like to start by acknowledging and showing my respect to the traditional custodians of the land on which this meeting is taking place. Welcome and thank you for coming. I'm Jane-Frances Kelly, Director of Grattan Institute's Cities Program. And I'll also say just now if you could switch off your mobiles or put them on silent or whatever it is that does for you. It's a great pleasure to welcome Geoff Mulgan to this Grattan seminar, as well as being a former boss of mine, which I imagine is the top thing in his CV, Geoff is Director of the Young Foundation, one of the world's leading centres for social integration, social enterprise and public policy. The Foundation has a 50 year history of creating new organisations in the public, private and non-profit sectors as well as pioneering ideas in fields as varied as ageing, education, health care and poverty reduction.

After 1997, Geoff spent seven years in the British government during which time he had roles including Director of the Government Strategy Unit and Head of Policy at 10 Downing Street. Before that he was the Founder and Director of the think tank Demos. He's also been Chief Advisor to Gordon Brown MP, a lecturer in telecommunications, an investment executive and a reporter on BBC radio. He's a visiting professor at LSE, UCL, Melbourne University and the China Executive Leadership Academy, and a board member of the Work Foundation among other organisations. He's worked with many governments around the world ranging from China and New Zealand to Australia, Canada, France and Denmark, and has lectured in over 40 countries. He's in Australia this week to work with an ANZSOG program retreat for senior executives. His most recent book is *The Art of Public Strategy* and previous publications include *Good and Bad Power*, *The Ideals and Betrayals of Government*. Geoff, welcome.

(Applause)

JFK: Geoff, we don't usually get applause at that, but you should take that as a compliment. We're going to do this seminar in a Q&A format, aiming for a discussion up here on stage of around 40 minutes leaving 20 minutes or so for questions. I'll also mention at this time that we are recording the event and that you will be able to access the recording on Grattan's website. Okay, so later this year Grattan Institute will be kicking off a piece of work on cities and social interaction. And we realise there's a large body of evidence that humans need social interaction to flourish, not least through working for Geoff earlier this decade, I had long noticed that such psychological needs were not given as much attention by policy makers as material needs, and that our economic selves are far better served by government than our psychological selves. In cities, one consequence of this is that at all spatial levels from housing through street design and neighbourhoods, right up to city structure at the highest level, these needs are often not taken into account. And some kinds of urban design may actually be building in isolation with consequences for the quality of our living experience and our mental health. And so we're going to be taking a look at those issues later on this year at Grattan.

At a time when the largest growing household type are single person households, our population is ageing, and members of society continue to experience disadvantage, it doesn't seem good enough. So when the opportunity arose to talk to Geoff about the work that the Young Foundation has been doing in the area of unmet needs, we jumped at it and I will now gracefully transfer myself from here to there.

JFK: So Geoff, the Young Foundation recently published a report called 'Sinking and Swimming, Understanding Britain's Unmet Needs', to a great deal of coverage. And as I noticed when you put it down just outside, it's also got a real thud factor to it. And indeed one major newspaper editorial was headlined in praise of the Young Foundation in reaction to the report. Can you tell us about the genesis of the research and the methodology that you used?

GM: Well thanks for the introduction and I'm glad to have brought some rain to your city.

JFK: That's why we have the Brits over.

GM: This book is called 'Sinking and Swimming', so there's a water theme here this afternoon. What lay behind this piece of work which came out in December, really began with our bookshelves of the Young Foundation. On one whole shelf is a collection of volumes which contain a remarkable study done at the end of the 19th Century by a man called Charles Booth who was a businessman who was convinced that claims about poverty in Victorian London were really overblown. And so he set out to research poverty to prove that in fact people were doing pretty well, and fairly quickly discovered this was not the case at all. And in an extraordinary series of studies, house by house, studying peoples' conditions, their income, whether they had enough food to eat, how much they were drinking, he essentially documented an appalling picture of abject need, amidst the prosperity of a great city then, the richest city on earth.

And about 50 years later Michael Young, who's the origins of the Young Foundation, began a number of studies which attempted to look at poverty in mid-20th Century with a man called Peter Townsend who died last year, who was this great founder of poverty studies in Britain. And out of that came all sorts of things like measures of how much food you needed to survive in one society, what income you needed, and that led to setting levels of income support, for example.

And we felt the time was right to do something a bit similar, to stand back and look at the patterns of needs across the country, partly because there had been a dozen years or so of quite intensive public policy on poverty and social exclusion, which I and others have been involved in. And we felt there was something new going on. So the method we used in this was really two or three things. One was quite statistically intensive and there's a man called Klaus Moser who was involved right from the start who is an extraordinary 86 year old who was chief statistician in Britain in the 1960s and a slightly iconic figure who's been chairman of every institution there is from the British Museum to the Opera House, to this, that and the other. And he was really passionate about getting to understand who was right at the bottom of society now, who was not being reached by government policy. So we did quite a lot of re-analysis of statistics, new surveys and so on, and also tried to design how in the future statistical officers should be trying to get under the surface of need. And that work coincided a bit with work which has been underway at the OECD for the last five years on trying to get the world's statistical officers better measuring what matters now, in terms of societal progress, escaping from often misleading measures of GDP.

The second element was a series of case studies not just around us in East London but looking at the daily lives of people in the north-east of England, South Wales, middle England and doing classic ethnographic studies of life, to see what came out through that lens. And then in a way we tried to pool those together to see what were the patterns emerging. And then finally we did quite a lot of the most classic focus group work seeing how did the public think about needs. Which needs made a claim on the community or on society now, which ones mattered and which ones didn't. It's all in there, and as you say, there's a lot of, in a sense, complexity and detail. In some ways it's quite a positive story of material needs being much better met now than even 10 years ago, let alone a century ago. Most people have enough to eat, most people have enough heating and light, most people have enough cash to get by, mobility and so on. But it paints a picture of, if anything, seriously worsening levels of psychological need, needs for care, for comfort, for love, all the things which are really hard for policy makers to think about.

JFK: And so it's very striking that you differentiated between material and psychological needs in the report. Can you tell us a little bit more in particular about what you found out about psychological needs, what they are and how they're being met?

GM: There are two pictures which begin the report and although I don't have PowerPoint here, I'll just use my hands to describe them because they sum the whole thing up. If you can close your eyes and imagine: the first is we did a picture of essentially economics and income with women on one side, men on the other side, the richest at the top, the poor at the bottom and the shape of society is like an onion or garlic, with the top stretching away with the very rich becoming much, much richer, the poor stuck at the bottom and the middle group steadily rising up in terms of income. The picture of psychological wellbeing is almost a mirror of that. It's an inverted onion with most people, relatively, are happy with life, but as in the case of the lengthening spike of the very rich, a thickening and lengthening spike of the unhappy, the stressed, the anxious, the depressed. And obviously, it's a fascinating question of how these two stretchings relate to each other, how a more unequal society, more atomised, more perhaps market driven society perhaps produces greater stress and insecurity.

And then in terms of the analysis we did, we're quite lucky in having long time series data in Britain which does measure things like feelings of autonomy, feelings of competence, feelings of relatedness. And out of that you can match both the material and the psychological against each other and in a very crude way what we were trying to find out was to divide the population into four groups: the happy-wealthy; the unhappy-wealthy; the happy-poor; and the unhappy poor, to put it very, very crudely. And partly to raise the issue, material poverty does tend to correlate with being less happy in life, mental illness and so on, but there are significant groups who are materially quite poor but doing pretty well in life, usually because they have strong family support, strong communities, strong networks and so on.

There's a smallish but large number of really miserable rich people, living in vast houses out in the suburbs, no-one to talk to and so on. And so the question which was raised by all of this is what are the different claims to be made of those people against the happy-poor and so on and how might we as a society respond to each of those claims. And just to give a couple of numbers, one of the other prompts for this was data in the US which shows that between 1984 and 2005, the proportion of Americans who say they have no-one to talk to about important things has gone up from about 10% to about 25%. A quarter of the whole country, no-one to talk to. An extraordinary change coinciding, interestingly, with the spread of the internet and so on. And we found in Britain a slightly different picture but about a million people who on with every measure had no-one to turn to, no-one to support them, no-one who appreciated them. And other measures which came out in the detail, things like half a million pensioners spending Christmas Day on their own. About seven million people feeling a significant deficit of social support. Anyway, in this you'll see all sorts of different ways of trying to get into the lived experience of psychological wellbeing and psychological need.

JFK: I read something recently, it was actually written by Tom Steinberg, where he was flabbergasted when he found that in Kenya they did some research and that among the lowest income Kenyans they were spending up to 75% of their disposable income on mobile phone telecommunications. And that reminded me, you look in the report about how needs have changed over time, and again focusing on the psychological needs, but what did you find there?

GM: Well, mobile phones is an interesting one. We have a team doing this work but I did quite a few interviews myself, particularly with refugees and undocumented migrants in London Birmingham, and also with children in care, teenagers, there were two groups who are pretty much at the bottom. And whenever you do these two hour interviews about someone's life, they're all complicated and fascinating. But with both groups, one thing became very clear, which was the single most important item of spending was the mobile phone. If you come from the Congo let's say, and were living in Britain, you'd be stuck in a small flat or a room on the edge of the city, this was the way you kept in touch with everyone else who could be useful to you. And they were willing to forgo meals, to forgo going on the bus in order to pay for that mobile phone. It was the biggest item of spending and also the most important one. And the teenagers as well, again with almost no cash, were willing to go, at least they said, and we then

did actual real deep down ethnography where our researchers would spend the whole week living with teenage mums and other teenagers and definitely vindicated this and going without everything again for this source of connection to other human beings which the mobile phone has become.

I'm not quite sure what follows from that, should you provide free mobile phones for everyone? But it was a very striking message about, again going back to where you started, the human need for connectedness really outweighing almost everything else. And some of you will be familiar with the Abraham Maslow theory of a hierarchy of needs which was fashionable in the 1950s. It was debunked in the '60s but nevertheless as often happens with these ideas, it carried on.

JFK: I was just writing about this bit.

GM: Anyway, our research proved, as many have before, but perhaps even more starkly, that idea of a hierarchy of needs and the claim was you first of all meet your needs for sustenance and housing and food and then you rise up the hierarchy towards self-actualisation, is not in fact how human beings work, at all. And some of our most basic need is our need for other people.

JFK: So have you come up with a framework of needs that came out of this work that you moved to that place where you say, well, Maslow didn't get it right, it looks like it's more like this?

GM: Not really, because we found it was quite different for different people, different stages of life, different situations and so we were wary of generalising. But the other thing which we did try and emphasise which the follow on work from this is really about, is trying to make sense of the relationship between needs, which are a deficit, a thing you don't have, and strengths and capacities. And in a way this whole project draws in part on the work of Amartya Sen and others, trying to look at peoples' capabilities and capacities rather than just that, deficiencies which someone else, a state or a philanthropist fills up.

And quite a lot of the report is looking at differential strengths, differential resilience to cope with shocks and setbacks. And we argue and the analysis seems to show that, everyone faces setbacks, things go wrong, your relationship falls apart, you lose your job, you go bankrupt, you get beaten up in the street. It matters hugely how you cope with those shocks. And that's partly a matter of disposition and psychology and character, some of which can be learned, can be trained. And there's a fascinating program under way which we're a little bit involved in, in the American army at the moment, trying to teach psychological fitness to a million American troops. A lot of it, though, is about social support. You're much more likely to be resilient if you have close friends and family who are there for you, just to share the setback, to help you find your way out of it.

And some of this as well, in the studies we did in middle England, Bedford in particular within London, we were really struck by the difference between the teenagers who were getting on with life and succeeding, and the ones who were failing. It boiled down quite a lot to what we call help-seeking behaviour. The successful ones were really good at just seeking out help for anything they needed. Often helped by their parents, they would find someone to advise on what university to go to, how to get an internship somewhere, where to travel. Whereas the, horrible phrase, NEETs, the not in education, employment and training teenagers, particularly ones with a mental health problem, found it very hard even to identify what they needed help with let alone to ask for it, let alone to go through the doors of a public agency which was officially there to help them. And therefore, their lives were dramatically stunted by this absence of help-seeking behaviour. So we do have in here a number of essentially models of need, but they're models which focus in particular on resilience, help-seeking and how you really orchestrate the resources to help you deal with your needs rather than the need itself which is quite fluid and variable between people.

JFK: We'll come back to what you found out about what works in addressing these situations. But first I want to explore a bit more about what you found about unmet needs. So, Grattan's

Cities Program, the clue is in the title, is focusing on cities. And the report covers both urban and non-urban areas, but if you don't mind focusing on cities for a second, what groups of people did you find to be most vulnerable in cities and what kinds of vulnerability did they have?

GM: Well, cities are weird and complex places and the institution I now work in really began its life doing work on, as it were, the social needs of cities in the 1950s when Michael Young and a man called Peter Wilmott did a, again, sociological study on family and kinship in East London, and their first book is still in print as a Penguin Classic. And essentially that said that the city had, in the 19th Century, been really bad at meeting people's needs, 19th Century British cities were pretty close to hell, very high crime, very high disease, very, very poor, absolutely no trust, no reason to trust anyone else 'cause they might stab you down a dark alley way. And then learned over a period of 50 or 60 years how to create pretty strong communities, often in the working class and middle class areas, strong networks with mutual support in the working class areas, mainly organised by women looking out for each other, children playing together in the streets.

And then in the '40s and '50s, wise governments built tower blocks to decamp people from these terrible slums and in the tower blocks they basically destroyed all the social networks which made life bearable, leaving people isolated, fearful and so on. So our institution began in trying to understand the relationship between physical design and psychological wellbeing and social support. In some ways the picture of cities which comes out from here is a pretty complicated one. So in some ways for young people coming in to a big city, the city is giving them opportunities, networks, fun, excitement, anonymity, good aspect for anonymity which they love. Many of the refugees coming from all over the world, we would see them as incredibly needy, and yet they would actually present themselves as pretty lucky to be in the city where they weren't at risk of torture, abuse, civil war, etc., and it was a reasonably benign environment for them.

And then, though, for older people, we found large numbers of older people in a city like London whose whole world had disappeared around them. They'd been perhaps living in the same street, perhaps the same tower block for 30 or 40 years, but all of their friends, all of their neighbours who they'd known, had gone. And in their place were people from all over the world who'd moved in but who never talked to them. And so they didn't go out at all. They didn't talk to people, to anyone else from week to week and they had this feeling of it being a battle and cut off, while life had gone off into the future.

There were other groups of teenagers, the teenage mums in south-east London for whom, some of the most striking message from them was fear, fear of a new geography of violence, which meant if they, a bit like New York and Chicago, if they walk one street wrong, they would be at risk of attack by a gang, a knife-wielding gang. So for them the city was this place of a geography, invisible largely to adults or the state, of some safe zones and lots of very dangerous zones. So, someone else was saying one shouldn't generalise, the answers to your questions turn out to be really very, very diverse in the different groups living in a city.

That said, one of the things we are now doing in the wake of this study, the British, the UK is building, perhaps unwisely, a number of new towns. Rather like Australia, we expect our population to go up quite sharply in the next 10 or 20 years, and indeed Britain's the only European country which expects significant population growth in the near future and therefore is building these new estates and new towns all over the place. We found, about a year or two ago we did some work with the developers, the planners, the architects of these new towns, and we found they'd forgotten, or never known, almost all the lessons of social design. How do you make places ones which are liveable. They were very good on physical structures, very good on ecological design, they can do a low carbon, low water use community easily. But social design had been forgotten, there was no sociology there, no lessons.

So we are now working with a group of them in sense to answer the question how do you build a new development of 5,000, 10,000, 20,000 homes in a way which will make it a really good place where people want to live, and not to repeat the normal experience across Europe and North America that these new developments, unless they're very upmarket, drift into being sinks and are often scarred by crime, or in France there where the riots take place and so on, and

we're just beginning that. And it gets you into the real detail of how do you organise lines of sight and public spaces and walkways and so on.

JFK: Your work is focused on the UK, but you have worked in Australia over a number of years including advising the current Prime Minister here. What do you think, or whereas you don't know in detail, but how do you think that this research might be relevant here in Australia?

GM: Well obviously, you mentioned rural areas and Australia has many much more remote communities than anywhere in the UK. And undoubtedly there is a different pattern which I could have talked about, of rural need has changed in nature over time, for all sorts of reasons, and that will be the case here. I should say that there's a parallel study to this done in Portugal using the same methodology. We have a branch office of the Young Foundation in Portugal. Portugal has the slightly unfortunate attribute of being the most unequal country in Europe alongside Britain. And their study came up with very similar sets of issues about trust and psychological need and so on.

My sense is that Australia has been much better at talking about some of these things than the UK or the US; equally it's more at ease talking about mental health, mental illness and about psycho-social need and its implications on public policy and spending, than the UK. But in a way what I'd hope someone might perhaps do is a version of this because everywhere is different, and part of what we've done here is we try to distil methodologies for how do you make sense of a place, and it's actually on the website, not in the report, we set out a number of methods for looking at a community or a place and mapping. So that's two sets of things. One, how is it doing now, what's its current wellbeing, its income level, its health and so on. But also how well placed is it for the future. What are its strengths and what are its weaknesses? And those assets and strengths will partly be individual ones, about the personal characteristics, social supports and structures, and the weaknesses will usually be the absence of those. And we would like to see many more people doing this sort of work 'cause most local indicator sets around the world don't really get into this fine grain of strengths and weaknesses and resilience. It's probably what one most needs to know about any town or city or suburb.

JFK: So we talked a little bit earlier about one group of people with unmet needs are teenagers who are struggling as opposed to those who are doing well. What have you found out, both in that specific area and then in with other groups as well, what innovative approaches seem to make a difference? And is there any part of society that is best placed to help? Is there something government is well placed to do or is it better off in non-governmental organisations?

GM: The other starting point for this project was in fact a group of foundations, and we kicked the project off at the annual gathering of foundations in Britain. There are 8,000 of them. And we said to them, you spend about 3.5 billion pounds a year, you're meant to be philanthropy, which means meeting needs, how do you know where to spend your money? And wouldn't it be a good idea if some of you actually pooled together to find out where you could achieve the most impact with your billions. We didn't get 8,000 signed up, but a dozen of the quite big ones did join together to fund this project and to actually really get involved in the project as it went along. Partly on the assumption that as we discovered emerging needs, there will probably be a need to fund innovation, more experimental approaches, which naturally government wouldn't be so good at doing, and partly a knowledge that we were about to hit an era of public spending squeeze when there would just be more pressure on the community philanthropy as government basically retrenched, and that is indeed beginning in the UK and I'm glad to say not really here.

And so, as a result, a lot of what's come out of this is a focus on what are the projects and styles of approach which maybe most effective at dealing with these needs. And I need to be careful not to rabbit on for hours but to summarise two sets of streams which have come out of this. The first is for the biggest funder of all which is the lottery fund, which spends about 600 million a year and it's much the biggest funder. Out of our work with them they've developed a series of funding streams around teenage life and resilience. And some of these are really about ensuring clearer pathways, routes to the future from 13 into the workforce. Some of them are about fairly traditional things, how to design new kinds of apprenticeship, new kinds of out of school activity, new kinds of schools which fit the lives of disaffected teenagers. Some of them

are about how do you tie in the support of other kinds of adults as coaches and mentors. And some of them are about how do you build psychological strength, resilience, so that if you are in a chaotic family or household or community, you'll more likely get through reasonably intact.

We're also trialling this year quite radical ideas on finance, social impact bonds where we actually raise money from commercial markets and foundations to invest in the life chance of a group of young people and government pays back according to how successful we are in meeting milestones, keeping them out of prison or getting them jobs and so on. And rather luckily, both the government and the opposition have become very strongly committed to at least testing out this idea. And it's a way of philanthropy getting much more involved in real impact on outcomes than anything in the past.

And at the other end of the age spectrum, the other thing this big lottery fund has done is open up a series of programs focused on isolation of old people. I mean this clearly is the epidemic problem of ageing urbanised societies that many, many people will live into old age with their spouses having died, their friends having gone away. And what can we do, not just in terms of traditional befriending and visiting services, but also more imaginative ways of linking together, informal supports and visits, help with meals and shopping and gardening with the support provided by statutory professional services. How do we get the young elderly supporting the older elderly, drawing on Japanese time bank models and using social networks? And there's lot of very exciting things happening in that space, pretty low cost, but it seems quite high impact in terms of changing the daily life of this very large number of people who are vulnerable, elderly, and often alone.

JFK: Thanks. So we're going to open it up to the audience for questions in a second, but just before we do that I wanted to ask you about a specific case study that you did as part of the report on meeting needs in cities at night. Can you tell us about that?

GM: Yeah, this was really just an enthusiasm of one of my colleagues who decided he wanted to stay up every night. And so he thought it would be interesting. We wanted to take different slices of looking at needs. So one slice is to look at a place, another slice was to look at a group like, say, teenage parents, or older people, and then the other slice was to look at time. And our premise there was that the night is when all sorts of other needs come in to visibility. And partly they're the needs of night workers, 24 hour cities have many more people in retail, or the police, or the ambulances, having to work at night, and lots of evidence on the damage that does to their physical health, to their social relationships and so on.

But also, the emergency services are seeing the people who literally come onto the streets when everyone else is asleep in bed, who often are the ones with the most severe problems of drugs and alcohol and mental health. And every city is another world at night than in the day, and not just the drunken teenagers in Melbourne streets on a Friday night. And I'm talking about actually another series of things. So what Will, my colleague, did was essentially spending quite a lot of nights out in an ethnographic style, charting what was happening, what the needs were. And it's quite a small case study but in fact we're doing a much bigger project on nights and needs throughout this year which will result in a book, photographic exhibition, film and so on, because it is literally, it's the invisible underbelly of every city like this, and I would urge any of you, if there's a way you can literally spend the night out in the city streets with an ambulance crew, a police force, a homeless shelter, you see your own place in a completely different way.

JFK: Yeah. There's two things that are remarkable about that to me. I spent a year working with Victoria Police a few years ago, and I did spend several nights out on a night shift. And Melbourne was just a completely different place. I was just so incredibly struck by this was just a different map of the Melbourne that I thought that I knew and I clearly didn't. And then the second thing is there's the ethnographic approach, when data doesn't exist, it doesn't mean there's nothing happening out there and so actually you just have to go and find out what's happening 'cause otherwise you miss it completely. We're going to open up to the audience for questions now. Can I just say a couple of things, can you say who you are and if you feel comfortable doing that, where you're from, just before you start and can you wait before you ask for Liz to get the microphone to you because we're recording, and that's really important. So I'll ask for our first question.

Audience: Ian Winter from the Australian Housing and Urban Research Institute. I've enjoyed reading recently Wilkinson Pickett's, *The Spirit Level*, and their focus on relative inequality and the impacts of that on all sorts of corrosive impacts. How do you interpret your focus on needs and absolute needs, or relative needs, I'm not sure which phrase you'd use, within that sort of a framework which is saying that perhaps and far more importantly, relative income inequalities, rather than selling poverty per se.

GM: Well, for those of you who haven't read it, *The Spirit Level* by Wilkinson Pickett is a brilliant book looking at the very high level data on inequality cross-correlating with 101 other things which are undesirables. And Richard Wilkinson was involved in this a little bit in the early stages. In a way we were trying to get much below the surface of the questions which aren't answered in that research in that book about the causal chains between inequality and other things which I think they still haven't quite got to understanding, they suppose it has something to do with stress, for example, of more competitive environments but they don't really know. And as I say, to relate it more to real life and qualities of life where the income data, for the same reason that I'm quite sceptical of GDP as a very good measure of prosperity. I'm actually also fairly sceptical about how much income distributional data really is the most powerful explanation of what's happening in societies. I think they've done a brilliant job in pulling it as far as you can, but it does leave so many questions unanswered, especially in terms of what you would then do.

And the big weakness, I'm afraid, so Richard Wilkinson is someone I admire hugely, but if you simply conclude everything is explained by income inequality, you are essentially paralysed, especially if you're in a political climate as in Britain, where the public has moved quite strongly against greater redistribution. So it leads to, as I say, a politically immobilising set of conclusions at this moment. But where it starts connecting is in what we show in this report about how large numbers of people, in more atomised, more competitive societies are feeling acute levels of stress, lack of opportunity and how that is translating into psychological ill-being and illnesses of different kinds. And I think that's the thing to then explore, what exactly is happening there in a country like Britain, which is unequal and has quite a few pathologies, a country like Singapore which comes out very badly in the Wilkinson Pickett analysis but is a very, very different society, or indeed across the US states as they do.

We do have a definition of need, and so on, getting to the other part of your question. We drew our definition brief from the work of Ian Goff and Len Doyle, who have quite a simple but quite a subtle definition. They describe need in terms of being those things without which you suffer socially recognisable harm. Now that is a definition which is neither classic absolute need or relative need. It certainly encompasses your need for enough food to eat and warmth and so on, but it acknowledges that over time what counts as socially recognisable harm will change. And is therefore I think a much more dynamic, much more useful definition than the very stale argument between absolute and relative poverty. Interesting that when we then did focus groups with people from all ages and class backgrounds, almost without prompting, when we asked them what do you think of as need, they came up with variants of pretty much that same definition. You need the things which help you avoid socially recognisable harms, which may be loneliness, may be mental illness, may be not enough to eat, may be not having a job, and that's another socially recognisable harm. And so we went round and round in circles on definitions but in fact we kept coming back to something around that. I would encourage that even though it's a slightly circular definition, because obviously part of what anyone wants to do in society is change the definitions of socially recognisable harm.

M: Maria Katsonis with the Department of Premier and Cabinet. Geoff, my question is around cultural innovation. In Victoria we've got the beginnings of an innovation agenda within the Victorian public service, very internally focused about building capability. I've been looking at the work that you did when you were a Thinker In Residence in South Australia which led to the establishment of the first Australian Centre for Social Innovation. I guess my question is around what do you see as the precursors, if you like, of the development of a social innovation agenda and what capabilities are needed towards that?

GM: Well, for us as an organisation, the other prompt for trying to do this work is we were doing quite a bit of practical work on social innovation but we felt we needed an intellectual underpinning which would tell us where innovation was going to be most useful, and that, in principle, should be where are their needs most acute, not being met, growing and so on. So for us this was the underpinnings of where should we direct innovation activity, whether it's creating new kinds of schools or health care and so on. Alongside this work, a parallel stream of work has been trying to build up the self-knowledge, the tool kit of people doing social innovation around the world. And we gather together now to about 700 people in organisations in a network worldwide, working in this space, and have just completed an attempt to pool together what is known about the methods being used everywhere from Bangladesh to Chicago to Japan, by people trying to innovate new solutions to things like elder isolation, teenage unemployment and so on. And we've gathered together about 528 methods.

JFK: About 528?

GM: Maybe 529, since I left.

(Laughter)

GM: It keeps changing. Which range from research methods, ethnography methods, methods of finance, how do you run funds renovation, how do you use design, how do you do commissioning, how do you scale things, grow them and so on. It's full of case studies, essentially. And that will go online as a new website at the beginning of March, and as a shared resource for this community across the world which now includes very big programs like the Education Innovation Fund in the States, $650m fund. In the UK we are setting up over 200 million pound health innovation funds. The European Union is about to credit several billion Euro innovation fund. But each of the people running these are all now linked into this network, trying to raise the skills and capabilities of how you do innovation as seriously and systematically as public services for the last 20 years have done, performance management and improvement and other things.

And our fear was that innovation was being bandied around as a word, lots of rhetoric about it, but people just didn't have a grounding in the methods and the tools, and it was fairly random which method happened to be used in different circumstances without anyone knowing what works for what task. And we couldn't find this done anywhere at all in the world. So we essentially created a collaboration to build it up. And we're hoping this year to build off the back of this what we're calling a distributed virtual academy of innovation where a number of big foundations across the world are funding it and where we will have a centre in New York, one in Beijing, one in London, and probably two others, providing both some of the laboratories for testing out some of the methods but also training up people in NGOs, governments, etc. on how to do this stuff better. In a way that happens in other fields like medicine, in medical innovation there are lots of institutions, lots of funding streams, lots of evaluation methods, the social field needs to catch up and it'd be great if Melbourne was part of it.

JFK: Now we were just all thinking that. The gentleman with the moustache.

AT: Thank you. Art Trutor is my name. I'm in the Department of Planning and Community Development in the policy area. Your work seems to focus on cities. We here in Australia have cities, but we also have huge, what I would call sub-cities, or sub-urban. We are still building huge, what I also call car-burbs, car dependent suburban areas. And I was curious as to social needs and social innovation that you've come across for these sub-cities, if they are some of the likenesses, some of the areas that we already know about, and some of the areas that are quite different and unique and need a different approach.

GM: Well one of my colleagues who's a Senior Fellow at the Young Foundation brought out a book at the end of last year called *The Freedoms of Suburbia*. It's a deliberately provocative book on why suburbs are wonderful things. And we don't all share this view completely, but it's essentially to slightly caricature his position: the position is that the urbanists, the architects and planners, generally are hostile to suburbs. They want people to live in compact cities, to drink in

cafés like Spain or Italy, and walk around. And yet, most people want to live in suburbs with big gardens, a sense of space, tree-lined streets. And there's, for several decades, been a real clash between the usually quite elite urban experts and public revealed preferences.

And this book by Paul Barker essentially goes through why are suburbs in fact quite good places, why do communities in fact work quite well in suburban environments, even though the theories say they shouldn't. And isn't it better to go with the grain of that than against it. And it's particularly important for public housing, because in a country like Britain, public housing has always been designed, not by the people living in the public housing but by, again, the experts, and designed to be as different from what people would freely choose as it possibly could be, i.e., large slabs of apartments. And wouldn't it be better if we always designed public housing so that no-one could tell it was public housing, so it went with the grain of choice and looked suburban. I mean that's a slightly provocative caricature, a bit of the answer.

One of the things which is fascinating me and I know quite alive here as well, is what is happening in social innovation in suburbs in several spaces. And the one which I live a little bit, I live in a semi-suburb I guess, is urban agriculture where particularly since the downturn, the downturn you missed, two years ago, what's been quite a long, slow trend has dramatically accelerated and that's the trend to seeing every bit of land in a suburb as productive land.

I, in my back garden, keep chickens and bees and grow vegetables. All our local schools now, have allotment plots where the children grow things. The Mayor of London is trying to get every rooftop turned into a food growing space. And this is largely being driven by the suburbs, and in terms of the vision, the transition town movement you might have heard of which is trying to pave the way to low or even zero carbon living, is largely a small town and suburban phenomenon of people trying to move to much more local food sourcing, much more walking instead of car use, etc., etc.. And it's interesting to say this is a sociological phenomenon that's largely suburb-driven.

And likewise, the best examples of new social capital based care models for the elderly, mobilising volunteers or young elderly for the elderly, are all taking place in suburbs, and it's much harder to get them off the ground in urban areas. So I don't really know the answer to your question, but I think it's important not to go with the grain of the classic semi-European elite contempt for the suburb, but instead to ask what is it that still is attracting people in such large numbers to that way of living, and how do we then make it actually ecologically sustainable with less car use.

JFK: I don't know if you've heard about the Australian quarter acre block, which is a big part of the Australian dream. I've been fascinated recently to learn about where the Australian quarter acre block originally came from, Governor Arthur Philip, and very early on in settlement, said that there would be this amount of land and it was for one dwelling. And this was before there was any public infrastructure, there were no regular rubbish collections or sewerage infrastructure, and it was the amount of land you needed on average to support an average sized early settler family if you grew all the food and husbanded and ate chickens and cows and so on, on that land, and it was the amount of land that then would absorb the waste produced by that family. And the average quarter acre block now is actually about an eighth of an acre because it naturally came down in size as sewerage systems were put in and so on. So, yeah it's fascinating to see where that originally came from. Alison in the middle?

Audience: Alison McClelland, Department of Planning and Community Development. I'd like you to go back to the comment you made about mobile phone use. You talked about the great weight that people placed on their mobile phones. In your study, did you find out why that was so, what people were getting out of that? And I suppose what I'm asking you to reflect on a bit more is changing technology, and how use of change in technology and how that might impact on our interactions in cities and meeting our psychological needs. Do you have any more about that from the study?

GM: Well people are using the mobile phone for all sorts of things. I mean one is just for friendship and communion as it were. But one is for getting access to opportunities, even somewhere to sleep for the night, you're much more likely to buy the mobile phone than just

walking around without one. Access to finance and help. And a very striking thing in London now is the M-PESA if you know about M-PESA, which is a mobile banking service begun in Kenya, and a very good example of a social innovation which, in a totally corrupt country, provided very cheap banking services for people on the mobile phone network that's now in its seven million users in East Africa.

And I was told only a week or two ago, and I can't quite believe it, there are 700,000 users in London. There's certainly quite a lot who I've met, using it for remittances and so on, so in fact it would appear the European Union rules are getting in the way of that. But, and it just shows that the mobile phone can be used for all sorts of things. That said, I think the mobile phone industry has been absolutely useless in mining this extraordinary technology for social purposes. There is now 120% penetration of mobile phones in Britain, countries like India it's shot up dramatically. We've got a whole list of what could be done on mobile phones for big social impact which we can't get the industry to support. Ways of mobilising, for example, a community based emergency services, so you get someone within the cell automatically when someone has a heart attack or a crisis. Using the mobile phone linked into volunteer transport provision for elderly people. All sorts of ones using Google maps on mobile phones.

The industry, one of the richest industries ever in human history has been, I think, shamefully remiss in working out how this technology could be used for social good. M-PESA's the very rare exception which did come from Vodafone, who invested all of one million pounds in it initially, reluctantly. And then it turned out to be a huge success. I hope my tirade against mobile phone industry isn't appropriate for Australia, but I think they should feel ashamed of themselves.

JFK: You know it's unlikely to be that way. Time for, John and then the lady, in fact let's do it the other way around. We've just got about four or five minutes left, so there's, right, can you put your hand up really. Brilliant. And the microphone will make its way to you.

Audience: Winsome Roberts (W), University of Melbourne. I want to get back to a big picture issue that Ian Winter raised, and it is getting back to the issue of redistribution which really is the political economy model that is more social in orientation, which does lead to a lessening of inequality, because it seems to me unless you tackle that as an issue, you're going to be focusing on small issues that teach people to adapt to a conditioned environment. So in particular I want to get to that line, why is it that you think that redistribution, politically, is dead?

GM: Well the question I'll throw back to you which comes out of this research is why privilege the material so much? Implicit in your question, you were talking about redistribution of money. You're not talking about redistribution of social support or contact, or happiness, or all these other things which matter to human beings. You're assuming that money is all important and the distribution of money is the explanation of all sorts of other things as in the Wilkinson analysis.

When you look at a whole population and analyse the mix of material psychological income needs, it turns out there isn't the straightforward correlation between them which I think underlies your question, and indeed how I was brought up to think about equality. So, in a way what we're saying is there are different kinds of inequality, all of which matter. It's not that we should be any less concerned with income distribution but if we only take this materialist lens, we're actually missing an enormous amount about human life and also this is probably the single most important thing in this, which I haven't really said here, is an argument about the political basis of settlements for social policy.

The underpinnings of the welfare state, certainly in Britain in the 1940s or the 1900s, was essentially shared risk of material harm, risk of unemployment, illness, poverty, and old age. And because that was a shared risk, people were willing to politically back a welfare state which protected them from that shared risk. Material need is no longer experienced as a shared risk in the same way. It's much more for quite a small minority of the population, whereas the psychological risks of a severe incident of mental illness, or of isolation, loneliness and so on, are the universal ones. And increasingly, we think and argue here, the basis of a new kind of social solidarity and a story of welfare. That's why my concern with the Richard Wilkinson analysis, which in many ways I back a lot, is I think it's politically going the wrong direction, and

doesn't create the conditions for, a majority coalition for social action in the way they did 30 or 40 years ago.

W: If I could respond to that.

JFK: Yes, just briefly, I've just got three or four more people to try to get to.

W: Very briefly, but I think it's a dangerous thing to separate the economic from the social, and in fact we know that in order to participate, you need money.

JFK: Can you pass the microphone forward, so John, if you could put your hand up really high, like forward. Okay, so there you go. Just trying to do social engineering here. (Laughter) Doesn't work.

Audience: Thank you. John Daley from Grattan Institute. I wondered if you could comment Geoff, on whether there are particular political institutions or particular social institutions, particularly political set ups or types of government that are more successful in the work that you were looking at, in really getting into these areas of high social need and making some kind of progress towards the problem. So are there better ways of setting up government, stronger local government, stronger central government, whatever it might be, that make a difference.

GM: Well, I suppose it goes back to the last question, if you ask around the world who's best at meeting social needs it's probably the fairly small Scandinavian countries relatively equal, income distributions, very strong public services, strong political bases for that sort of action. But part of the reason I gave the answer I did to the previous question is in Finland, Sweden and Denmark, they all know they need to evolve on to a different kind of argument for the future welfare state. It can't just be about the economic material and money. And they are all trying to work out how they reform their institutions because the ones which worked well in the last quarter of the 20th Century in doing what you're describing, may not be the ones which work well for these different kinds of task which probably require much more collaborative intervention, i.e. collaborations between the professionals and the state, and civil society and the public, than when the main issues were about, acute health, providing pensions, providing education. The sorts of things we are talking about cannot be programmatised in the same way because they are more human, more personal. And that therefore will require different styles. And I would love to be able to answer your question but I think that's one of the things that the next decade or two will answer.

JFK: So it's material needs and psychological needs and I highly recommend that people take a look at the report and you'll see that it does talk about both of those. We'll link to that on our website where this recording will also be accessible. And it just remains to say, thank you, Geoff, for joining us. It's been fascinating and a pleasure to have you, and I've actually got scribbled down here in red pen, "wine", because I knew there was a chance that I would forget. (Laughter). A wee token of appreciation. Thank you.

(Audience applause)

End of recording.