Empowering Working People: A Natural Evolution from Top-Down Control to Bottom-Up Power

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The United Kingdom's economy is changing.

It is changing from a fossil fuel-based mixed industrial and consumer economy to a hybrid system of:

- A financial economy of top-down commercial and government-based organisations;
- A real economy of goods and services, family-based localism.

Thinking about the future.

- The current response to what seems to be low economic growth is to borrow to spend on so-called capital products, which traditionally produce growth. In reality, the economy is inflecting from growth into contraction.
- It is now understood that dividing markets, human activities, and employment into discretionary and essential sectors is helpful.

The economic shrinkage is not a deliberate ideological campaign but a natural evolution - a response to an economy that has long favoured top-down mechanisms, concentrating wealth at the top while suppressing the potential of the grassroots. Attempts to produce growth in a naturally shrinking economy are wasteful, frustrating and self-defeating.

We must recognise that the limits of endless expansion are being reached, and a new economic system is emerging.

Localism, a bottom-up approach that empowers communities and working people, is beginning to replace the outdated economic growth model that entrenched elite power.

The Impact of a Shrinking Real Economy

The "real" economy of products and services has to be seen separately from the "financial" economy of money, transactions and credit.

For decades, our economy has been structured in a way that privileges a select few.

The traditional financial growth-based model, defined by large-scale investments and centralised decision-making, has led to disproportionate wealth accumulation. This system has not only widened the gap between the wealthy and the rest but has also stifled working people's creative and productive capacities.

This growth–based approach has delivered vast wealth to those at the pinnacle of the economic hierarchy. It has done so at the expense of grassroots innovation, community development and working people.

The social imbalance created by this model is the natural outcome of a hierarchical economic system with top-to-bottom centralised control and cheap energy.

Localism: A Bottom-Up Response

Localism represents a rebalancing of power. A transition from a model where a few at the top of the hierarchies dictate economic outcomes - to local networks of extended families and individuals.

It is a natural, not ideologically driven, evolution. A logical evolution that responds to the current system's limitations and increasing energy costs.

As the economy shrinks, resources for top-down discretionary activities become unaffordable, prosperity declines, environmental and social challenges intensify and unemployment increases.

Maintenance of the infrastructure created to serve the growth-based has become unaffordable. Our roads, sewage systems, public transport, rivers, schools and public buildings are all degrading with no prospect of retrieval. In the countryside, hillsides are becoming scrubby because farmers cannot find profitable uses for them.

As the economy shrinks, the large growth-based mechanised farms will naturally evolve into smaller holdings more dependent on human power. Smaller machines and more workers will replace large, expensive machinery with fewer workers, opening opportubities for family-based small-scale farming and smallholdings.

Empowering Working People

At its core, localism enables working people to take charge of their destinies:

- **Redistribution of Influence:** Rather than allowing wealth and power to remain concentrated at the top, localism naturally encourages the redistribution of decision-making. By fostering community-led initiatives, local voices drive innovation, address local needs, and contribute to a more balanced economic landscape.
- **Spending on Community Assets:** Redirecting spending from top-heavy, growth-oriented projects to spending on local community services, such as schools, healthcare, and local transport. Empowering local communities to build resilient, self-sustaining economies.
- **Harnessing Local Innovation:** Working people – people who have to work to survive – will be best placed to understand and solve the unique challenges of the shrinking economy. Supporting bottom-up innovation means nurturing small businesses, cooperatives, and family projects that reduce reliance on centralised economic powers. Especially businesses which focus on food.

This shift is not about attacking one group or favouring another; it is the natural evolutionary consequence of the end of growth.

Unemployment

Localism will naturally deal with top-down unemployment in discretionary work.

The decline of top-down discretionary markets and employment, happening now and for the foreseeable future, will catalyse a profound economic and social transformation. When individuals lose employment in these sectors, they will be compelled to seek more secure, resilient forms of livelihood in essential food-based work.

This transition of individuals to bottom-up essential activities, with inherent stability, will positively impact community well-being.

People will learn how to harness local resources, skills, and networks. Gradually building family and individual economic activities around the basics of sustenance - growing, processing, and marketing food and related support services.

The shift toward essential food-related activities will nurture community resilience and sustainability. As formerly displaced workers engage in urban and rural farming, food processing, and sales, they will contribute to local economies prioritising self-reliance.

Some urban-based working people will commute daily to essential work in rural areas as a first step to moving away from urban life.

This shift to food-producing will involve gaining new knowledge and skills – with traditional farming methods learned "on the job" merged with practices learned from local farm colleges, fostering innovation within the community.

Local markets will benefit from a diversified range of products and marketing channels, such as farmers' markets. Personal networks will emerge with trusting relationships between producers and consumers, cutting out distributors and retailers. Networks of family-based domestic and small holdings will develop naturally as the owners learn how to make a living in their new circumstances.

The result will be new income streams for individuals previously vulnerable to top-down market forces and a revitalised local economy that can better withstand external shocks and contribute to long-term food security.

Not the system of landlords and tenant farmers that existed in many areas, which will be unsustainable in the shrinking economy.

Essential top-down activities will continue in urban and rural areas to live symbiotically with localism.

In time, urban areas will become more rural as allotments, small holdings, and small farms replace redundant premises no longer used by discretionary businesses.

Redundancy created by the shift of people away from discretionary occupations will be countered by individuals setting up essential businesses in the localist economy.

Family Life in a Shrinking Economy

As the economy continues its inevitable shrinkage, individuals and families moving from discretionary work to essential localist activities will live within tighter limits.

The days of expanding prosperity, fuelled by fossil fuel energy and consumer demand, are behind us. For most households, this means fewer paid jobs in sectors that once depended on discretionary spending for their income - restaurants, leisure, tourism, fashion, and much of retail. These jobs are already vanishing, and with them, the financial buffer they provided.

People will have to learn to make do with less, shifting their expectations from upward mobility to resilience and self-reliance.

Incomes will decline steadily as wage rates align with the contracting economy. At the same time, house prices and rentals will also drop, reflecting the unaffordability of previous prices. On the surface, this might seem like an opportunity for more affordable housing, but the reality is more complicated.

Anyone living in mortgaged property will be trapped in negative equity and unable to sell or move. Landlords may abandon properties that no longer return a profit, leading to increasing numbers of vacant or poorly maintained homes.

Anyone without a mortgage or other debts will have a physical asset - the house, related land, and property will continue to be an asset no matter how much prices fall.

Economic shrinkage will reduce the cost of living, and declining wages may then make the cost of living not feel much different except for the increasing unaffordability of discretionary goods and services.

Owning a car, a desirably but expensive discretionary purchase will eventually be limited to those who must have one for their business.

Anyone born before 1950 will remember how things were in the post-war era, before the economy grew, until the 1970s when mortgages on pre-war houses became affordable for working people. This is how things will be as discretionary activities become affordable only to the better-off.

Local businesses and self-employed people selling goods and services who reduce their prices first and continue to do so as the economy shrinks will lead the way in the new era.

In the shrinking economy, new housing construction will halt until construction cost reduction makes house purchases affordable. Short of employees, some businesses may have to provide housing for their workers. Informal, low-cost alternatives - shared homes, makeshift dwellings, and small self-built shelters - will emerge. At first, they will be outside the current planning system, which must be changed to overcome rising homelessness.

In this emerging economy of localism, informal work will become central. Families will increasingly rely on each other and their neighbours, not just emotionally but practically - growing food, repairing clothing, sharing tools, and watching each other's children. Skills once considered old-fashioned or niche - home cooking, sewing, bicycle repair - will become essential. With little or no discretionary income, the focus of work will shift from generating money to meeting needs. And most needs can only be met locally.

The greatest challenge will be caring for those who cannot care for themselves - children, older people, people with disabilities, and those with chronic illnesses.

As formal top-down State services shrink under economic pressures, care will shift towards families and community networks. At first, the burden will be heavy, but if localism is embraced, communities can develop small systems of mutual aid: shared home visits, local health volunteers, and neighbourhood-based food and housing support. These systems won't be perfect, but they will be personal, human-scale, and rooted in place. Family care will be found to be preferable to the institutional care provided by the top-down system.

Ultimately, localism offers the only viable response to the end of economic growth. It accepts that the centralised and industrial model has run its course. It puts power back into people's hands - locally, informally, and cooperatively. In such a world, well-being will come not from rising incomes but from belonging, usefulness, and care freely given and received.

Policy Implications for the UK Government

The first step must be for the government to accept that, due to natural economic forces, there will be no more growth in the national economy. Which is not a Political decision - it is how things are and will be.

As always, some localities will grow, and others will shrink. In the past, the overall effect was growth; this will no longer be possible, and the overall effect will be a shrinking economy.

This natural economic evolution to localism offers a timely opportunity to recalibrate public policy to favour working people. It chimes with the Prime Minister's mission "to rewire the State" because "the world as we knew it has gone."

Some economic activities will naturally remain essential and top-down but not based on a culture of economic growth. There may be physical growth in defence, motorways, railways, and canals, with maintenance and construction geared toward the growing localist communities.

Financial and health processes that provide national benefits, such as national taxation tax and specialist hospitals, will remain top-down.

The shrinking economy will force these hierarchical organisations to delayer and reduce management complexity.

Government departments must consciously move away from outdated growth models to systems, enabling localism to grow naturally.

Freed from government control and taxation, working people will be empowered, and local communities will be strengthened.

Key measures will include:

- **Reallocation of Public Spending:** Policies and spending must enable localism to grow. Previous growth-based policies and spending must be halted, and funding shifted to localism.
- **Enabling Localist Decision-Making:** Local authorities must be empowered to allow grassroots development to be decided locally rather than imposed from above.
- **Promotion of Local Enterprise:** Small and medium-sized enterprises, cooperatives, and other grassroots activities must be supported through favourable national and council taxes, grants, and simplified regulatory and planning processes. Encouraging local innovation will drive local growth. Direct subsidies must be avoided, and taxation must be geared toward developing local amenities.
- **Inclusive Economic Metrics:** Performance measures must prioritise indications of social well-being, environmental health, and community empowerment over traditional measures of GDP and wealth accumulation. This shift in perspective will help the prosperity of working people.

Conclusion

The transformation of our shrinking economy to localism is not a matter of class warfare but a natural, evolutionary response to increasing energy costs and the limitations of a top-down system. A system that has long favoured the wealthy while suppressing the potential of working people.

By embracing localism, the UK will shift from a centralised control model to one where working people and their communities are empowered to drive local and national progress.

For the UK government, this presents an opportunity to lead by example - redirecting public spending and policy to foster local resilience, enhance community well-being, and support a sustainable future. All at the grassroots.

Top-down spending will be gradually reduced as localism takes over.

Elected members and civil servants must restrain their natural inclination to tell locals what to do and how to do it. Instead, they will become the enablers they were elected to be.

Empowering working people through a bottom-up approach is the key to building a localist culture that reflects the reality of a shrinking economy and prioritises the collective good over the concentration of wealth.

Localism will prevail.