

S A N CONFERENCE 2015
John Pearce and Mike Swain
Memorial Lecture

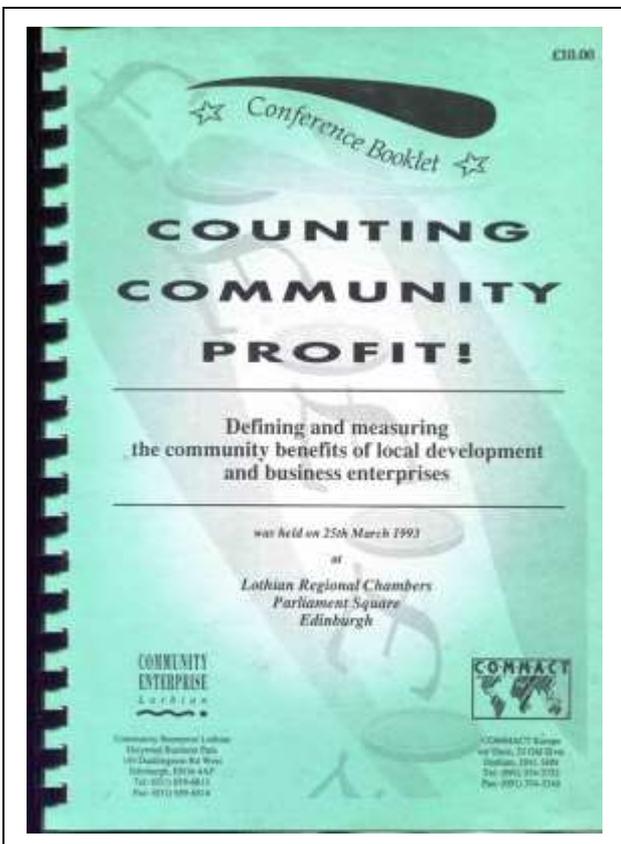
RECOUNTING COMMUNITY PROFIT

Alan Tuffs
Community Futures
Small Town and Rural Development Group

INTRODUCTION

Good afternoon. I am aware that this series of Memorial Lectures at the Annual SAN Conference celebrates the work and influence of two founder members of the network - Mike Swain and John Pearce. I met Mike on just a couple of occasions so my sense of him is very limited. I have, however, had the great good fortune to share a friendship with John Pearce for over 45 years and so our conversation today will focus on John - John and the ideas and values that he took up and around which he made such an influential contribution to civil society - here in the UK and widely across the world.

Those of you that met John or who have been inspired and informed by his writing will know at least some of his story - given the people gathering here today this will likely have been his work in shaping the practice and principles of social audit and accounting. Perhaps I will be able to round that out a bit with some milestones from John's life.



My working title for the presentation today is **Recounting Community Profit**. Some of you will remember that one of the foundation events for Social Accounting and Audit was a conference in Edinburgh in 1993. That conference was called "Counting Community Profit" and it seems to me that today is a telling of a story - that story, but set into the context of where John came from and the different destinations he has taken us all towards. This is by no means an exhaustive biography; John's life was far too wide ranging for that and here we are at the end of the conference - the world is about to crash in again on us all.

Because I needed something to hang this story on, I have shaped this around three Ws - working, writing and walking. I am particularly pleased about the middle W.

WORKING

Both John and I were born during World War 2 - before D Day, before Hiroshima, before the NHS, before the internet even, into a very different world, although that time shares with ours the urgent need for the re-establishment of community democratic values over powerful world forces, then predominantly expressed as military, now global capital and the world of the super rich - and still of course military.

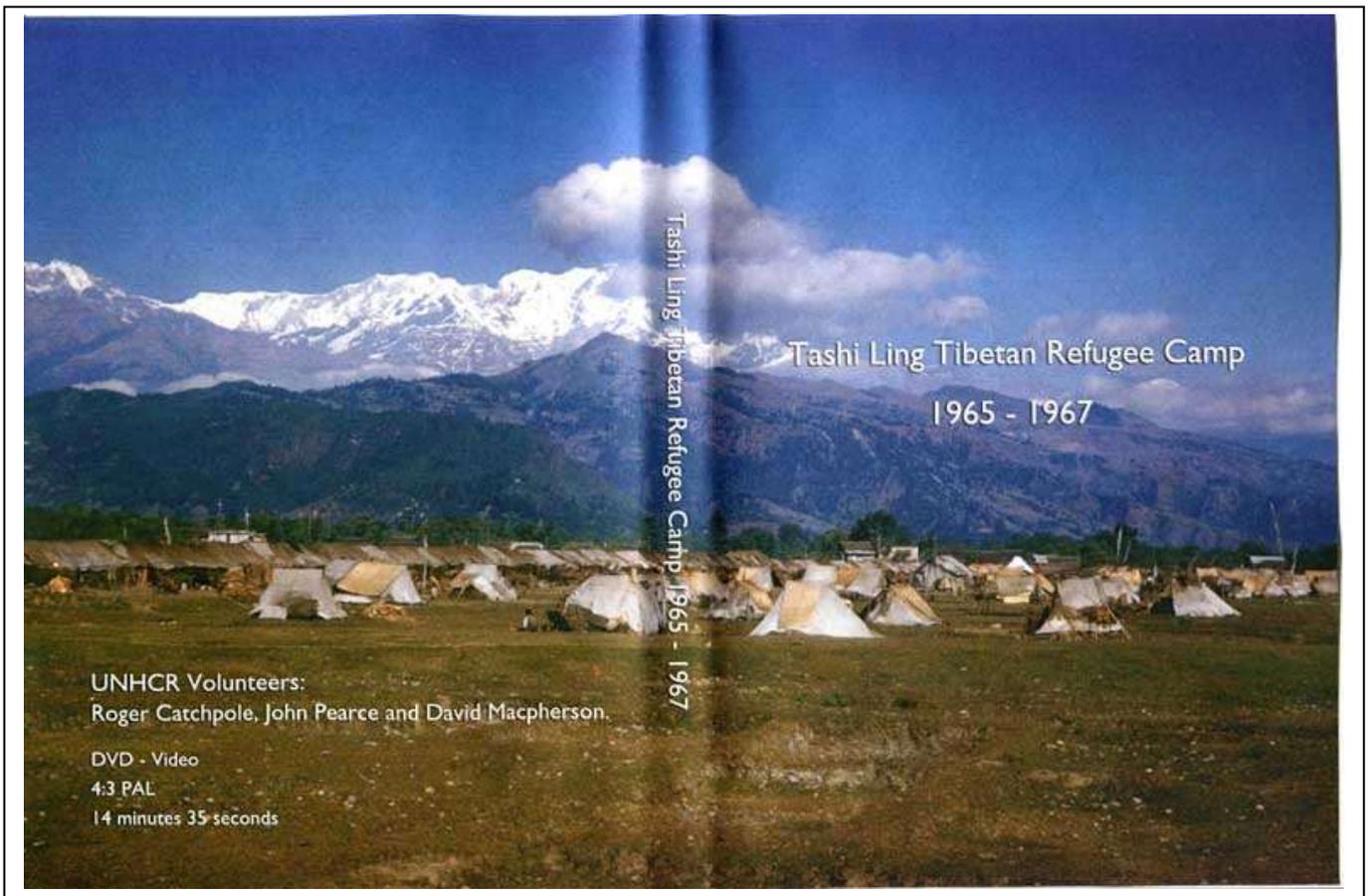
John was fiercely proud of his roots in Truro, Cornwall - then as now an important local city - certainly not metropolitan and some might say small and therefore unimportant - they could not be more wrong - this was at that time a neighbourhood as a city. Because he passed the 11+ he was able to go as a non fee-paying pupil to Truro School, played rugby, and then on to Cambridge where, curiously, he studied mediaeval French and played rugby.

John (middle row, extreme right) St Catherine's Cambridge around about 1960



Something about the meetings with people there had a radical influence on his life and he got involved; with stateless people in Europe, with the story of Tibetan refugees. He and two friends from Cambridge - known in one breath as johnrogerdavid - were able to persuade the United Nations High Commission for Refugees (UNHCR) to support a venture that would help with the resettlement of Tibetan refugees just outside the regional centre of Pokhara in western Nepal.

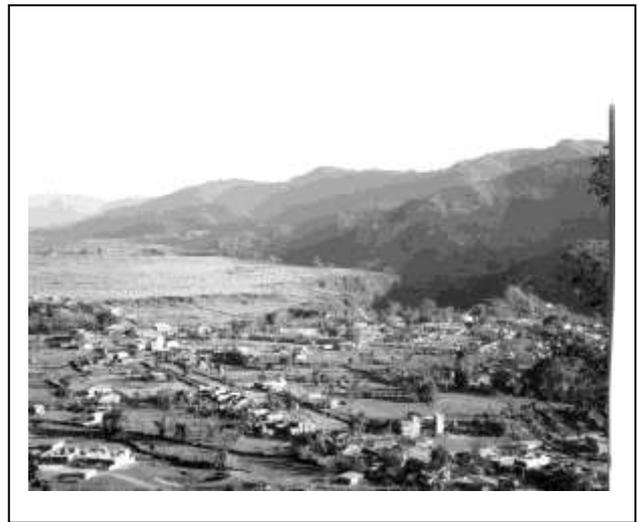
Pardi, the tented camp where johnrogerdavid lived with the Tibetan refugees for the first year



The document that sealed the opportunity was known as the “Yellow Sheet” - I imagine a foolscap sheet with the key points of their intended approach clearly mapped out - albeit in John’s beautiful but impenetrable handwriting. These days we would call the approach “people-centred” with its foundation for action shaped around the needs of the Tibetan people and the skills of the Nepali builders who would earn a crust and help to build the village that would replace Pardi - the tented camp. In 1964, His Holiness the Dalai Lama secured agreement that the refugees could occupy an area of land for the village to be built - it came to be called Tashi Ling, which means “Happy Place”.

Before this near three-year engagement in Nepal, John had attended a course in Social Administration at the London School of Economics and this seems to have provided him with skills and a deeper understanding of the importance of keeping a record, you might say “bearing witness”. John’s colleague Roger told me that John (and only he) was recognised as the one who could organise. Their first winter period was spent, like the Tibetans there, in tents and John carried out a full survey of the camp’s residents - it was described as “mainly listening - and writing it down” - to build a picture of the current situation and the hopes and aspirations of the people. They did not invent this way of working; just employed its logical sense well.

*Overlooks of Tashi Ling (the square of buildings righthand side in each image)
1965 and 1995 showing the growth of the surrounding area*



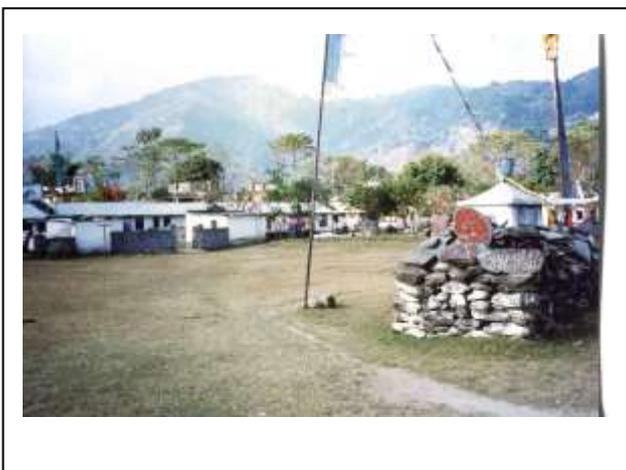
Towards the end of John's life, he and Roger combed through all the documents that had been stashed away in their lofts for nearly half a century. Roger said - "He took the trouble to do that." The archive of the community building project in Nepal - containing lists, documents, drawings and photographs - is now on deposit in Dharamsala in the Central Administration of the Tibetan Government in Exile in India - taken there in advance of the fifty year anniversary of the founding of Tashi Ling. I believe the archive includes the "Yellow Sheet".

Views of Tashi Ling as it is now:

Left - the centre of the Square with the prayer stones and flags

Right - the local road that passes alongside the Square with Tibetan homes on each side.

This road was in place from before the construction so that the siting of the village would be deliberately "knitted into" the local Nepali fabric



Soon after he returned to the UK, John met Joanna, a friend of my wife Jennie and me. With a few breaks, we four lived within a mile or so of each other since then.

*Final bank reconciliation page from the Painted Lady account book
Three columns of figures !*

Balance		
£ 0 0	178 0 9	
<u>Expenditure</u>		
Income tax (including repay)	28 5 7	
Rent and rates	128 5 0	
Printing, Stationery and Postage	26 5 1	
Telephone	40 0 0	
Light and Gas	10 1	
Food	8 11 1	
Insurance	7 11 0	
Car fuel	2 10 0	
Interest	26 5 10	
City tax	25 0 0	
Income tax paid	600 10 0	
Interest on loan	60 10 6	
Car & C.V.	1 0 0	
£ 1 1 1	16 0 0	
£ 2 1 1	60 0 0	
Balance at the end of the year	16 13	61 13
£ 1 1 1	16 13	61 13

*Joanna Price
13/1/74*

Early on, John worked in Bideford, Devon with a young people’s volunteering project. Joanna set up a craft outlet in the town in a shop they called “The Painted Lady”. After he died three years ago, we came across the account book for the shop - John’s handwriting searching out the corners where the last ten shillings might have escaped to.

Did I mention that John’s father was an accountant - and a non-conformist lay preacher?

After Devon and London again, John was recruited to run one of the Community Development Projects (CDP projects) initiated by the Home Office under James Callaghan in 1969. The CDPs had been set up following a report - “Community Work and Social Change” - commissioned by the Gulbenkian Foundation and published in 1968. The CDPs drew inspiration in part from the North American experience of Community Organization (later to be the way in which the future President Obama would become immersed in the world of community support).

The workers in the CDP programme would change the emphasis away from the US model of engagement; moving the concept away from tackling social needs towards more community generated self reliance. Over the next five or six years this understanding of community development was to change even more as a result of the particular experience by the workers in the twelve projects. Originally intended as a research programme it shifted to being much more action based - towards enabling change on the ground.

The North American Community Organization movement has been defined as:

“primarily aimed at helping people within a local community to identify social needs, to consider the most effective ways of meeting these and to set about doing so, in so far as their available resources permit.” [Younghusband Report (1959)]

See <http://www.infed.org/community/b-comwrk.htm> for a brief overview of the UK Community Work picture at the end of the sixties/early seventies onwards.

See also “The British Community Development Project: Lessons for today”
Community Development Journal Judith Green and Ann Chapman (1992) 27 (3): 242-258

John and his family moved to West Cumbria in 1972 where the CDP project was based in Cleator Moor, formerly a mining and foundry community. This relatively remote post-industrial community was the only non-urban CDP - and yet it's hard to call those old mining communities rural. Dave Rigby - a colleague at the project - recalled when I asked him what “measuring” they undertook that they “just listened really”. It has to be said that through this listening they created the community driven argument for the establishment of the Cleator Moor Housing Action Area, which in turn became Impact Housing Association, still operating forty years on across Cumbria now with over 3,000 social rented properties. Keeping the record, again.

John maintained a long association with the Gulbenkian Foundation over a thirty year period. Amongst other things, they published “At the Heart of the Community Economy” in 1993, “Centres for Curiosity and Imagination” his book about children's museums in 1998 and “Social Enterprise in Anytown” in 2003. On his trips south he would stay with us in London; wickedly he used to refer to his meetings with them as the “Hock and Poverty” meetings.

For many years, John was a member of the Industrial Common Ownership Movement (ICOM) and was later chair of its finance and loan group ICOF Ltd (still trading and known now as Co-operative and Community Finance Ltd). There are few still around who shared that time with John - one person who joined ICOM later did remember John was referred to as “the man who had persuaded the government to give a third of its Industrial Common Ownership Act grant in 1976 to the Scottish Co-operative Development Committee (SCDC) . . . rather than to ICOM”. A precursor example of the Barnett Formula in action?

In 1976, all twelve CDP projects across the country were wound up; it's a truth readily observable that things fall out of fashion and lose that essential political and policy support. In comparison with future state-sponsored interventions, seven years was not a bad length of time for an innovative pilot such as this. I believe that the programme remains influential and that its ground-breaking practice is due for revisiting now nearly forty years on.



John signed on and he and his family moved to West Lothian twenty miles or so from Edinburgh. They moved into a run-down cottage with 15 acres of land - self sufficiency was in the air at the time and pig-keeping, market gardening, car-sharing became a part of their everyday currency. I remember macramé weaving featured strongly.

John's understandable bitterness at the unnecessary redundancies - of ideas and practice as well as people - led him to build new contacts in Scotland - with the Scottish Co-operative Development Committee (SCDC) and with one or more energetic councillors from the very recently established Strathclyde Regional Council. It is a measure of the comparative longevity of that nimble CDP experiment that it lasted as long as seven years - compare this to the massive dismantling of the local authority structures of regional and district councils in Scotland after just 20 years.

At SCDC the focus was on creating and saving jobs. Not for the first time John disagreed with the CEO of the organisation that he chaired - the CEO believed that Co-ops were businesses first and that the social purpose was secondary; as you might imagine, John passionately believed the reverse.

Supported by Regional Councillor Ronald Young who lectured at what was then Paisley College in its Local Government Unit, a new project was set up in a large room at the

college - the Local Enterprise Advisory Project (LEAP). What's in an acro-name? An application for Urban Aid funding was successful and John was recruited in 1978 and was followed two or three years later by three others. LEAP's purpose was to work with disadvantaged local communities in the West of Scotland - often located in urban fringe schemes (estates, as they would be called in England) - enabling them to establish economic self reliance through social ownership. We called this Community Business. The original intended name - Community Enterprise - had been used by the Thatcher government for one of a string of short term employment measures and so was - quite simply - impossible to use.

The eighties were fruitful years for the Community Business movement - yes it was a movement. All over Scotland, communities were getting themselves together to engage with the issues of poverty, deprivation and disenfranchisement by exploring local needs, understanding local skills and developing options for they themselves to establish locally owned, democratically structured development projects.

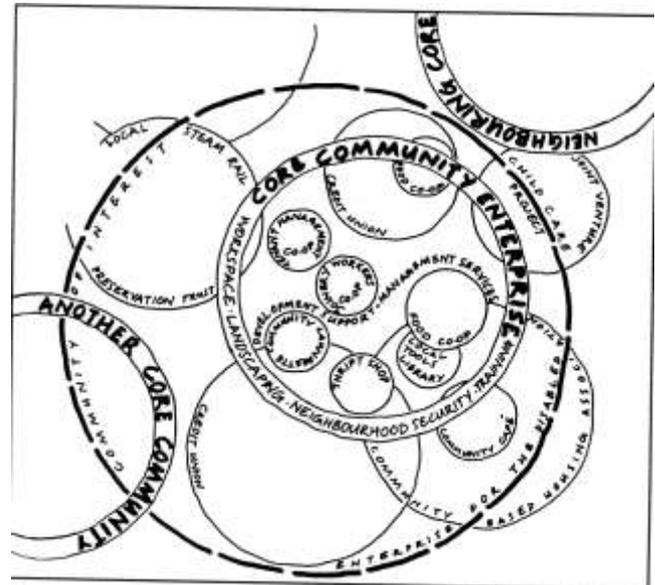
In 1981 Community Business Scotland (CBS) was set up as a lobbying and pressure group to highlight examples of best practice in this field and push at the policy makers for dedicated resources to enable communities to tackle these issues. A small group which included John had the vision and energy to establish CBS.

By 1985 LEAP had morphed into Strathclyde Community Business Ltd (SCB) and John was asked to head it up. Based in Govan Workspace a Community Business workspace in a former school in Glasgow, SCB was a world class example of a community development approach to tackling poverty and deprivation in some of the hardest hit post industrial communities in the UK.

In 1986, the second Directory of Community Businesses in Scotland was published; it listed over eighty trading Community Businesses and was published following the 1985 CBS Convention which had been held over three days in Elder Park Workspace - the second property management venture initiated by the Govan Workspace team. The Convention was attended by over 500 people, fifty Community Businesses displayed their products and services in a "Market Hall" and key note addresses were given by both Michael Ancrum MP (then a Tory Minister) and John Prescott MP (then a member of Neil Kinnock's Shadow Cabinet.) There is a story to be told about a walkout and demonstration by the Govan Workspace staff team because of Michael Ancrum's attendance - but not today.

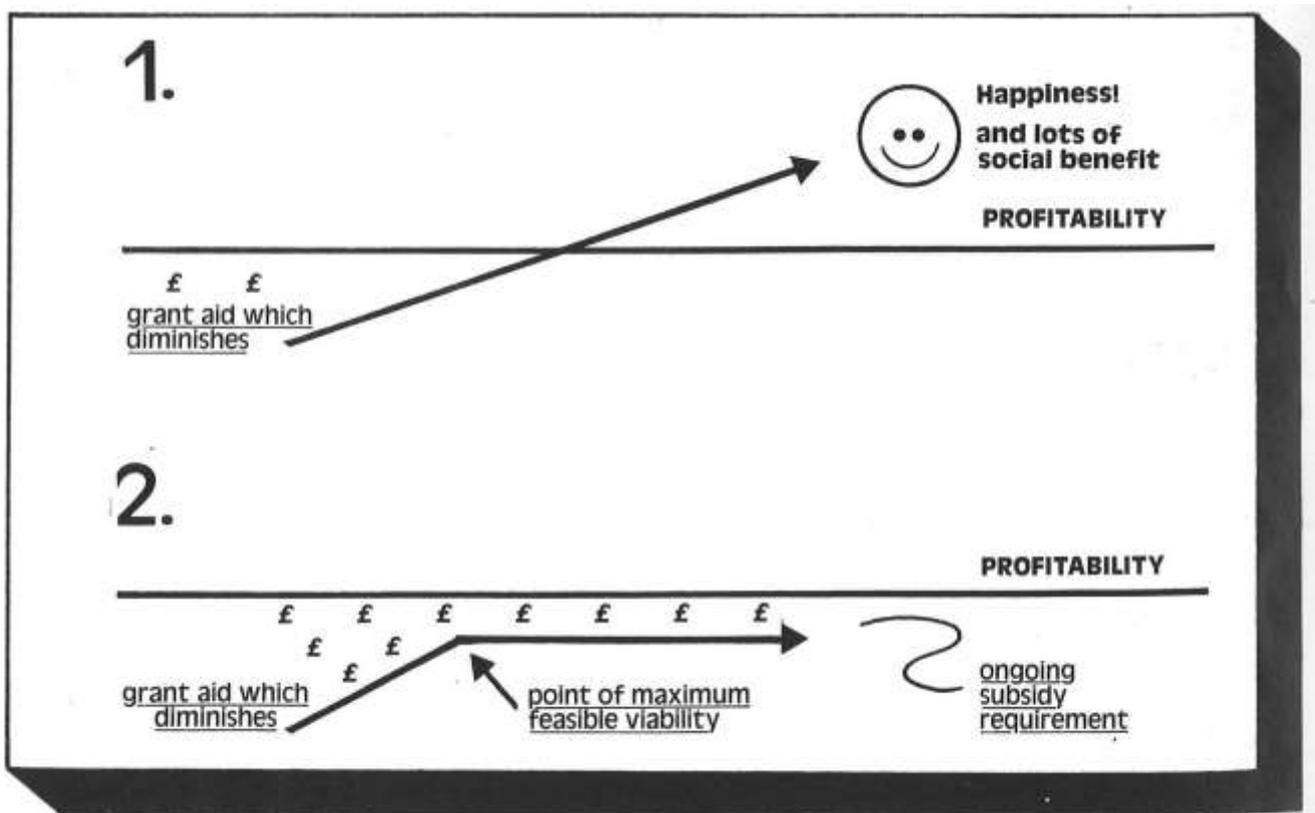
SCB's success was taken up and by 1987 development units working to support Community Enterprise had been established across most of the Regional Council areas in Scotland. As well as in Strathclyde these were established in Central, Fife, Grampian, Lothian and Tayside, with ACEHI acting for the Highlands and Islands collectively. There was parallel action in Dumfries and Galloway and in the Scottish Borders. SCB itself grew fast, bringing together some thirty staff members or so in addition to trainees, project specific workers and placements. Beasts like that are difficult to keep fed.

Left - Community Enterprise as a - Very Local - Development Agency
 Right - how neighbourhoods might interact



Model structures for Community Enterprises - the name was changing around this time - were developing throughout this period and leading to the principle idea that a Community Enterprise would act as a - very local - development agency. On the one hand it might set up local trading ventures that made a profit and local trading ventures that would nearly be profitable but whose benefit might be counted through the number of jobs created jobs or the services they provided; on the other hand it might enable projects that supported local economic or social development - housing, training, employability skills for example - few of which could be expected to create a financial surplus.

This picture of an integrated very local development agency was not of course shared universally. Increasingly, policy makers and agency colleagues looked more narrowly at the financial performance of the enterprises. Did they make a profit? If not, withdraw the funding, call in the loans, lay off the workers, cancel and pass on.



Colin Roxburgh, a colleague of John's from LEAP and SCB, reminded me that out of this dilemma grew the notion of Maximum Feasible Viability - a horrible phrase I grant you but none the less an important philosophical concept. Quite simply it recognises that some things are worth doing even if they do not "pay". It is the foundation for values other than financial to be taken into account - and demonstrated. It could be that here lies John's recognition that a wider accounting process is a necessary platform if we want the values of common and community ownership - community led and controlled and for community benefit - to become a reality. This also allows a focus beyond the narrowly economic - although that word has been diminished so much from the ancient Greek original meaning - something akin to "house-holding". This adjusted view needs to encompass social benefit and thoughtful environmental consciousness to be counted as equal partners to the lost ten shillings.

Throughout this time John was developing his ideas, extending outwards through such things as travel bursaries that led to exchanges with people from developing countries, study tours, initiating international organisations and gatherings like the Commonwealth Association for Local Action and Economic Development.

In 1991 John was levered out of SCB. This is not the time to rehearse those murky details again, but that act can be seen as marking a significant moment in the development of thinking and practice of Social Accounting and Audit. Some of you will know the landmarks or have been part of the making. There is a timeline here that - in a simplified version - stretches from the MFV diagram to the "New Guide to Social Accounting and Audit -

Prove, Improve, Account” written by Alan Kay - with a Foreword by John It was published in 2011, the year that he was to die.

Just to remind ourselves, here is one family tree of keynote Social Accounting and Audit publications

- **“Counting Community Profit” - 1993 - Community Enterprise Lothian Conference Report - John Pearce and Alan Kay**
- **“Measuring Social Wealth” - 1996 - New Economics Foundation - John Pearce published in association with “Social Auditing for Small Organisations - The Workbook” - John Pearce, Peter Raynard, Simon Zadeck.**
- **“Social Audit and Accounting - Manual, Workbook and CD Rom” - 2001 - published jointly by Community Business Scotland Network and the Social Enterprise Network, Liverpool - John Pearce**
- **“Social Accounting and Audit - The Manual” - 2005 - published by the Social Audit Network - John Pearce and Alan Kay**
- **“Prove! Improve! Account! The New Guide to Social Accounting and Audit” - 2011 - published by the Social Audit Network - Alan Kay**

WRITING

This brings us neatly to the second of our Ws - writing. As well as the publications relating to Social Accounting and Audit there was, and thankfully still is, a steady output of John’s books, pamphlets, proposals for projects and funding applications. Unthinkingly I had written here - “an unending stream of books etc” and only then realised that the stream had come to an end - bugger.

Writing is an underrated skill. John understood the importance of writing, the importance of words. His determination to communicate in this way came about I think because he wanted to share these ideas and principles with people across the community enterprise sector in the UK and into related spheres of action here and across the world.

As you will probably all know, it’s hard work. It fills your every moment somehow, stuffs your head full of possibilities and doubts - certainly in my case few certainties. John was disciplined about it - would work from 8.30 in the morning till 1pm and then spend a few hours gardening or planting trees - he must have planted thousands. One of his books he wrote in the caravan we shared on the West Coast of Scotland - by gas light, one wild and blustery Autumn. He usually wrote the first draft long hand. Not so many years ago, various people had the task of making a type script version for him but latterly he used a computer - initially using some obscure word processing programme that he had gotten hold of but in the end despite huffing and puffing, succumbing to the Microsoft honeypot.

I think in pictures mostly - words are too slippery - and I had the great honour of converting John’s need for the occasional diagram into a more readable version. I enjoyed that, the graphic image communicates in a very different way.

Towards the end of his life, John was keen for his extensive library of books, writings, pamphlets, reports, social audits, annual reports, collections of minutes and so much more to be of use into the future. Fortunately, by that time Glasgow Caledonian University had been forging links - through Alan Kay mainly - with the world of social

enterprise. We assembled a van load of material and I took it to GCU and handed it over to the archivist Carole McCallum.



Through links and connections within the university, not least with the Yunus Centre there, funding has been secured for the task of cataloguing the material - now known as the Social Enterprise Collection (Scotland). In time we hope that the collection will be the major hub of a number of related archives exploring the rich, important and influential story of social and community enterprise in Scotland and elsewhere - a research resource and a germ around which new stories will grow. How often have we all said - "For goodness sake, there should be no need to re-invent the wheel?"

The Collection will be formally launched this Autumn on October 5th at the university; an event that will also provide an opportunity for the first annual John Pearce Memorial Lecture. It may be given by Willie Roe - a contemporary of John's who was also very involved and influential in the development of the Community and Social Enterprise movement in Scotland.

WALKING

John was a great walker. Twice around Cornwall on the coastal path, on trek in Nepal, tramping in New Zealand and from his own back door in West Lothian. It seems important to mention this today. You might consider that walking is one of our ways of measuring out the Earth and has some resonance with the measuring that is at the heart of social audit and accounting.

When John and Joanna lived in Cumbria, John introduced me to fell walking. The first wandering started half way along the best of Lakes - Wastwater - we made our way through the trees following the beck - the first time I had heard that word - and out onto the moorland, trudged upwards across that great inclined saucer of a valley, scrambled up the last couple of hundred feet to the ridge where both Pillar and Steeple guard the view northwards and - bang - there was the overlook onto Ennerdale Valley. Unforgettable - hard midgy work rewarded with a new perspective.

John and I in rain, Cumbria - some time ago



GLOBAL YET LOCAL

To finish off this ramble across John's life and work I think it's appropriate to make mention of John's inherent sense of the way things are interconnected. As you may know, he worked on a world-wide canvas - not just the Nepal experience but in India, South Africa, Moscow, New Zealand, Germany, the United States of North America, Nigeria, Bolivia, Australia

He had his feet firmly on local ground as well - he and I worked together to set up the West Calder Workspace group of community companies, he assembled funding applications for the improvement of our tiny village hall, he worked with the west coast community where our caravan huddles behind a rocky outcrop in Ardnamurchan to get the regatta revived and the community centre constructed.

I think of this as praxis - a problematic word, I know - but John believed in getting your hands dirty with the practical everyday work of writing the document that would convey meaning to others, of making those applications for funds, of organizing local committees and individual people, of planting trees in the hope and knowledge that something would grow from all that work. In the best of ways, each side of this - practice and theory - informed the other; and us as well.

Thank you

*As anyone who went walking with John will remember
this was a not uncommon view of him ahead*

