

## **Global Council for a Common Good Economy:**

*New Economic Thinking for the 21st Century*

Concept Note, April 2026

### **The Moment**

Across the world, economic orthodoxies have failed to deliver opportunity, security, and dignity for the majority. Reactionary forces exploit this failure, spreading misinformation and stoking fear to threaten the hard-won rights of the last century, from labour protections and reproductive freedoms to the multilateral institutions built to keep the peace. Inequality is deepening, democracy is weakening, and communities are stuck in a cycle of stagnant productivity and slow growth. The consequences of the economic orthodoxies are visible everywhere: housing that working families cannot afford, public services stretched to breaking point, and a climate transition that stalls because it is treated as a cost rather than an investment.

Yet the evidence increasingly shows that a different approach to economic policy not only generates social and environmental returns but also pays off in terms of competitiveness and sustainable growth. Where progressive governments have directed public investment with purpose, structured labour markets to provide security, and treated the green transition as an opportunity rather than a burden, the results speak for themselves: stronger growth, more stable employment, expanded renewables, a strengthened welfare state, and a sounder fiscal position. These outcomes are not achieved despite progressive economic policy, but because of it.

**This is the moment for progressives to act together.** Not only to resist, but to offer a credible, grounded alternative: an updated economic framework that reconnects policy with purpose. As the Global Progressive Mobilisation convenes in Barcelona, the question is not only what we are against, but what we are for.

For decades, a narrow set of assumptions — that markets self-correct, that governments should stand back, that growth will trickle down — have been treated not as theories but as facts. They have shaped how budgets are designed, how institutions are evaluated, and what counts as responsible governance.

**The *Global Council for a Common Good Economy* proposes an intervention at the level of economic thinking itself.** This is a horizontal endeavour, and that is what makes it distinctive. Important work has been led by vertical commissions and high-level panels on issues including tax, inequality, debt, climate, water, biodiversity, and health. The Council does not duplicate these efforts; it complements them by addressing the cross-cutting assumptions in economic theory and modelling that constrain progress on the biggest issues of our time, while learning from and scaling positive examples of progressive economic policy already at work.

## An Economy for the Common Good: Principles and Outcomes

If economic thinking must change, the question is: towards what? The Council's answer is that the economy should be organised around the common good — not as a slogan but as an operational framework that reshapes how markets work in the first place: who they serve, what they reward, and whose voice counts. It rests on four interdependent principles.

**Justice:** social justice and climate justice are not separate agendas. A just transition creates decent work, protects the vulnerable, and distributes the costs and benefits of transformation fairly across and within countries. It requires greater participation and co-creation, building an economy informed by lived experience rather than designed from above.

**Equality:** rising inequality is a product of policy choices about taxation, labour markets, corporate governance, and the distribution of returns from innovation, while care work and the labour that sustains societies remain undervalued. Equality must be a design principle, not a residual outcome.

**Sustainability:** social and environmental justice are not at odds with fiscal sustainability; they reinforce it. The green transition is a source of competitiveness, qualified employment, and resilience against energy shocks, all of which generate positive feedback loops in terms of fiscal soundness, as does a cooperative society and a stronger social contract.

**Global Solidarity:** peace, freedom, and multilateral cooperation depend on an economic architecture that does not concentrate risk in the most vulnerable economies or constrain the policy space of developing nations. Reformed multilateral rules must reflect the needs of all nations, grounded in the understanding that cooperation produces better outcomes than zero-sum competition.

The Council's operational compass — drawn from Mazzucato's *Common Good Economy* — sets out how policy must be designed and delivered: with **purpose and directionality**, through **co-creation and participation**, grounded in **collective learning and knowledge governance**, structured for **access for all and reward sharing**, and bound by **transparency and accountability**. Applied in this way, the framework should deliver.

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<b>Better places to live</b>	<b>Housing treated as a right, not an asset class, and investment that rebuilds the public realm: libraries, parks, transport, and the shared spaces of social life.</b>
<b>Affordable lives</b>	Action on the cost of living that tackles the structural drivers of unaffordability: energy markets, housing supply, food systems, and the financialisation of essentials.
<b>Stronger public services</b>	Health, education, and care funded as investments in human capability, with public institutions that have the capacity, pay, and mandate to deliver.
<b>Sustainable environments</b>	A green transition run as a shared national project that creates jobs, lowers bills, and regenerates ecosystems, not a burden imposed on those least able to bear it.
<b>Societies that cooperate</b>	Economic governance that rewards cooperation over extraction between firms and workers, between countries, and between generations.

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## **The Council's Inquiry**

The Council organises a structured theory-to-practice inquiry, surfacing the shared assumptions that constrain progress across the verticals and translating them into updated principles with practical implications for policy design, institutional practice, and multilateral reform. The Council's inquiry is organised around eight cross-cutting areas of economic thinking.

### **1. What should we value, measure, and reward?**

What would change if progress were measured not by GDP but by the quality of places, the affordability of essentials, the strength of public services, and the health of ecosystems? When metrics undervalue care, the public realm, and sustainability, investments in our productive foundations are made to look like burdens.

### **2. How should finance serve the economy?**

When credit flows mainly into property and financial assets rather than productive investment, that is a policy choice. Under what conditions can monetary policy and financial regulation redirect credit towards decarbonisation, affordable housing, and industrial transformation at the scale and time horizons these challenges demand?

### **3. What does fiscal responsibility actually require?**

What would fiscal responsibility look like if it counted not only the costs of public investment but also its returns in productive capacity, resilience, and long-term growth? Fiscal rules that bias governments towards cuts rather than high-return investment in housing, health, and the green transition undermine the very responsibility they claim to serve. What policies catalyse both public and private investment in ways that direct growth towards long-term fiscal soundness? And how must the international financial architecture be reformed so that it supports rather than penalises countries that invest in their future?

### **4. What state capabilities must be rebuilt?**

Decades of outsourcing, fragmentation, and the assumption that government should be minimised have hollowed out the institutional capabilities needed to deliver liveable places, quality services, and a coherent green transition. How should the public sector be organised, resourced, and coordinated across housing, energy, industrial, health, and social policy so that it can recruit, learn, adapt, and lead?

### **5. Whose interests do rules serve?**

When public money flows to private actors through subsidies, tax incentives, procurement, and public lending, what conditions ensure it generates public outcomes rather than private extraction? And how should trade agreements, investment rules, and the conditionality attached to development finance be redesigned so that the rules of the global economy support justice, equality, sustainability, and solidarity rather than undermining them?

## **6. How should value be created and shared to reduce inequality from the start?**

What does a pre-distributive approach to taxation, wages, ownership, and public investment require? Taxation must be progressive, not regressive. But redistribution alone cannot tackle inequality. When wages stagnate while productivity rises, when public investment yields private returns without public reward, and when corporate governance favours shareholders over the workers and communities that create value, the problem lies not in distribution after the fact but in how value is created and shared in the first place.

## **7. How lived experiences can be reflected in the design of policies?**

If policies consistently fail to improve lives on the ground, whose experience is missing from their design? When economic decisions are made without the voices of those most affected, what mechanisms can close that gap — whether through digital public platforms, outcomes-oriented procurement, or new forms of democratic participation? What does it take to move from consultation to genuine co-creation in the design of economic policy?

## **8. How to harness the power of technology and AI for the common good?**

What would it take to redirect the power of technology and AI towards better services for people — from health and data to cleaner water and environment — and towards a more democratic governance of data? Technological change has not only a rate but a direction. That direction has been shaped in the past by military priorities and more recently by the interests of large technology companies.

### **Governance and Participation**

**Chairs:** Professor Mariana Mazzucato, Founding Director of the Institute for Innovation and Public Purpose (IIPP) at University College London, author of *The Common Good Economy* (forthcoming). Carlos Cuerdo, Spain's Minister of Economy, Trade and Business.

**Council Members:** Academics and practitioners from the world will be invited.

**Main academic partner:** UCL Institute for Innovation and Public Purpose (IIPP).

**Host government:** Rotating country hosts beginning with a 2-year period by the Government of Spain (Ministry of Economy, Trade and Business).

**Participation:** Finance ministers, senior policymakers, labour representatives, and communities will be engaged throughout, grounding the inquiry in lived experiences.

**Cadence and objective of meetings:** The Council will meet in-person twice a year, and online on a quarterly basis, as well as meetings on occasions of key global events, like COP, G7/20, IMF-WB meetings. It will focus its meetings on recommendations in different policy areas, always with an emphasis on the horizontal new economic thinking that must underpin better policies. It will focus on implementation. The Council will draw on external expertise on specific issues and verticals to inform its work.

## Timeline

April 2026	Announce the Council at the Global Progressive Mobilisation, Barcelona, 19 April 2026.
Summer 2026	First online meeting of experts and economists on the Council.
Autumn 2026	First live meeting in Thailand on the sidelines of the WB–IMF Annual Meetings. Convene finance ministers and partners to discuss the thematic questions and gather cross-sector evidence and perspectives.
Spring 2027	Second live meeting in Madrid. Present emerging findings. Discuss implications for updated economic principles and a reform agenda across domains.
Autumn 2027	Finalise updated economic principles and the associated reform agenda, drawing on consultations and discussions.