

THE SEVERED HEAD

DR MARY GAUGHAN

Festival of
Governance  20
21

Author: **Dr Mary Gaughan**

The severed head

The last few decades have witnessed exponential growth in global trade. The resulting global village thrives on the revolving cycles of cheaper raw materials and labour; nation states and national boundaries have no relevance. The economics of largely unbridled capitalism drives innovation, impacting every area of our lives, catapulting the UK into the Fourth Industrial Revolution, with unprecedented levels of mastery and knowhow in technological development. A consumerist society takes shape with insatiable demand for greater convenience – and more of it!

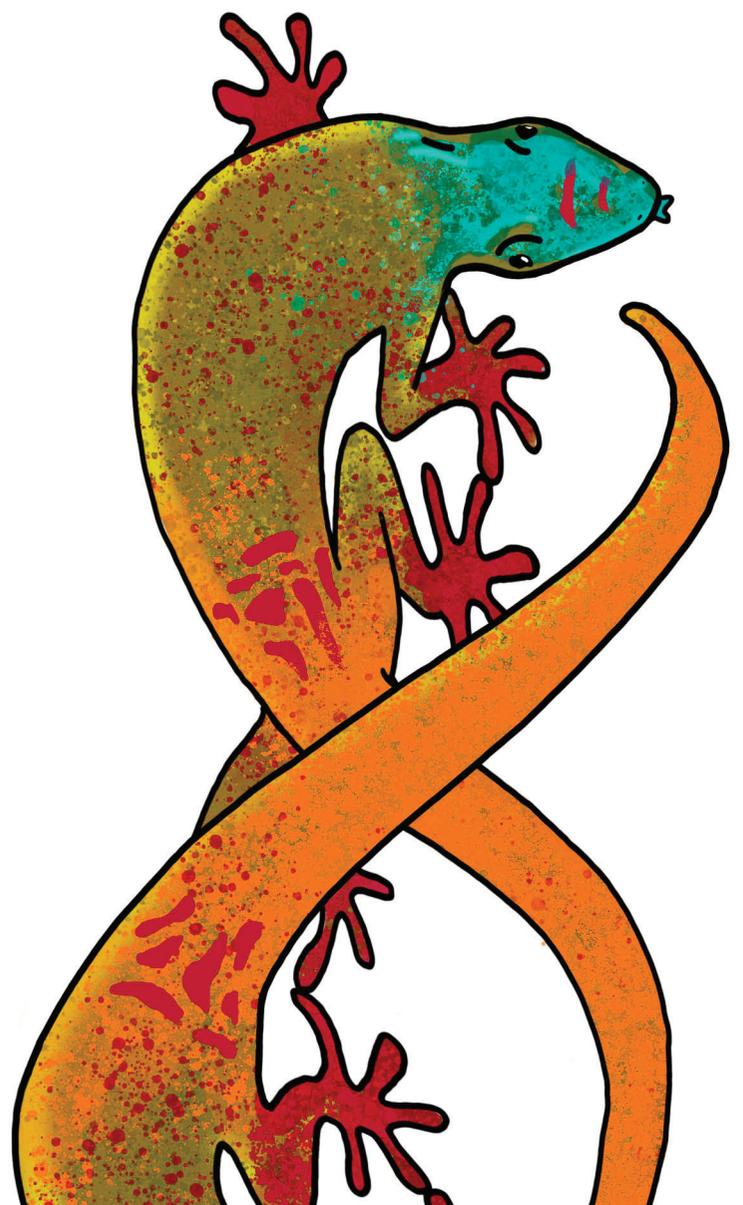
The flipside of these advances is that globalisation brings with it job insecurity and political instability; a downward push on wages, and the spoils not spread evenly across society; inequalities dig deeper and wider; a life of abundance exacts a heavy toll in unhealthy lifestyles; and the individualistic consumer society has little need for community. These are indeed “the best of times and the worst of times” (Dickens, 1859).

Is a sustainable future and fairness possible for all in our society? Or is inequality, ill-health and exclusion the inevitable result of a system that has been corrupted by power and greed?

Larry Fink, chairman and CEO of BlackRock,

the world’s largest equity fund, caused a stir with his 2018 letter to CEOs when he wrote: “Stakeholders are demanding that companies exercise leadership on a broader range of issues... ability to manage environmental, social, and governance matters... which we are increasingly integrating into our investment process”.

Research shows millennials are demanding private enterprises demonstrate social purpose in their pursuit of profits. Social purpose and profits do not have to be mutually exclusive; private enterprise can become better citizens of communities, allowing both to thrive. The public sector does not have to be the sole steward of society that helps everyone thrive, whether it be infrastructure in roads, airports, hospitals and community services.



Although it has been a crushing shock to our lives, the pandemic has encouraged us to question our consumerist attitudes, and move towards more sustainable livelihoods. Active citizenship rose from the ashes of this crisis to protect the vulnerable and those in need.

The pandemic has left an indelible mark on how we see the world we live in – there is a better way to protect individuals, livelihoods as well as society and the environment we all depend on.

In this article I will explore some of the critical challenges we face today – social cohesion, individual health and wellbeing, active citizenship – and examine how working in a more integrated way can be of mutual benefit to private and public sectors alike.

I am Dr. Mary Gaughan. I have worked in the private sector for 15 years and was part of the building of the global economy through my work at Reed Elsevier and Time Warner – a prime-time globetrotter!

Seeking a different perspective, I joined Ashridge Executive Education to help develop a leadership capability in organisations that balances the drive for profit with people and their needs for empowerment and growth.

Realising the Fourth Industrial Revolution of a technology driven age was upon us, I moved to work with Imperial College, a STEM university that informs how we live our lives today.

I also work with the Cranfield Centre for Women's Leadership, which promotes women onto corporate boards, and I've worked on research projects with The Equalities and Human Rights Commission.

Social inclusion

The 'invisible hand' (Smith, A., 1776) of free markets has created a global economy that is larger than it has ever been. Despite this boom over the last 40 years, even during the 2008 financial crash, growth *within* countries has been less and less equally shared. 'Trickle-down' economics has influenced thinking and debate on wealth creation and distribution, with claims that giving headroom to the top one per cent to generate income with a minimal tax burden will drive economic growth and benefit all in society.

Income inequality in the UK as measured by the Gini coefficient, an international inequality measurement, which is high by international standards at 34.6% compared to, say, The Netherlands at 28%. Further, the Gini coefficient for wealth is even higher for the UK at 63%. It is evident that trickle-down economics does not work.

In the two years to 2018 (ONS 2018) Britain's wealth grew by 13% to reach a record of £14.6bn, with wealth among the richest 10% of households increasing four times faster than those of the poorest 10%. The latter also had three times their assets in debt compared to the richest 10%, who amassed wealth 35 times larger than their debts.

These figures are testament to the growing divide between those at the top of the wealth ladder, who have pensions, properties of great value and invested savings, compared to those on low incomes, who live in rented accommodation with meagre pension entitlements and rising debts. A study by the London School of Economics' (LSE) International Inequalities

Continue on page. 82

About the author

Dr Mary Gaughan

Senior Consultant, GGI

For more than 20 years, Mary worked in executive education, with world-class business schools including Ashridge, Cranfield University and Imperial College. Mary joined GGI in 2021.

She has designed and delivered executive development programmes for global organisations in the UK, Europe, North and South America, Middle East and Asia, including the Cabinet Office, NHS, Phillips, BBC, Panasonic and the Dubai Health Authority.

Mary has facilitated board development in both the private and public sector. Projects included: board and senior executive development across three London NHS Trusts to enable greater collaboration in the fast tracking of medical research output to frontline patient care; board development on the digital transformation of frontline services in Financial Services and executive development on driving innovation and partnerships in Education.

Mary completed a PhD in governance at Cranfield University in 2014 and has since

I would like to flip the script so that the private sector take full responsibility for all of the negative impacts their activities result in, rather than to leave it up to public sector organisations to clear up.

both researched and facilitated interventions on board governance, diversity and inclusion. Mary has worked with the Centre for Women on Boards and the Equalities and Human Rights Commission. She was awarded the CIPD President's Award for exceptional services to human resources and people development in 2019.

Mary was previously HR director, head of organisational development at Time Warner and director of leadership development at Reed Elsevier. She is a Chartered Fellow of the Institute of Personnel and Development, Fellow of the Royal Society of Arts and a member of the Institute of Directors. She is a qualified executive coach and an accredited practitioner of the Royal Psychological Society. Mary holds several non-executive directorships.



Institute, published in December 2020, of 18 OECD countries over a 50-year period concludes that tax cuts for the rich “do not have any significant effect on economic growth” and “lead to higher income inequality”. The positive effects of globalisation drive average incomes up; inequality is due to the concentration of gains at the top.

The pandemic exacerbated wealth divisions and exposed the complex web of inequalities. Billionaires saw their wealth increase by 27.5% in 2020, while those at the poorer end of the scale lost livelihoods – and indeed lives. Lockdowns had a disproportionate effect on the livelihoods of women and workers from black and minority ethnic (BAME) backgrounds, who were already disadvantaged.

Workers in the gig economy and platform workers, on precarious terms of employment and low wages, have been vulnerable during the pandemic with many ending up in debt to sustain a living. Key workers identified as critical to business delivery were exposed to health risks while better paid and more secure employees could often work in the security of their own homes.

The financial crash of 2008 and the era of austerity hit the pay and employment of young adults the hardest, and contributed to widening inter-generational economic inequalities. Youth unemployment has been high across the world for the last decade. Plummeting home ownership among the young has left them with less wealth than previous generations at a similar stage in life.

And then the young, already a vulnerable group,

were suddenly faced by a pandemic that laid bare the vagaries of globalisation, in lost jobs, interrupted income and social isolation.

A doomed paradigm

Evidence suggests that in this paradigm, economic growth itself is eventually undermined. The cohesion of society is at stake and social fragmentation ensues should the process go uncorrected. Cohesiveness enables a competitiveness that is sustainable for everyone. The Organisation for Economic Co-operation and Development (OECD) presents a concise definition that relies on three independent pillars: social inclusion, social capital, and social mobility: “A cohesive society works towards the well-being of all its members, fights exclusion and marginalization, creates a sense of belonging, promotes trust, and offers its members the opportunity of upward mobility” (OECD, 2011¹).

The pandemic has demonstrated that local problems need local solutions: local knowledge of the people, the issues and what is possible, and timely responses. Public organisations worked with private enterprise, and both worked with local communities.

Nowhere is this more evident than in the recent drive of public organisations working with local small and medium enterprises (SMEs). The government has pledged that by 2022 one third of its spend will be with SMEs, either directly or through the supply chain. These enterprises drive nimble innovation due to digital capacity and size, promote social capital through their connections and integration in the local economy, and create jobs and employment locally.

1. <https://www.tandfonline.com/doi/full/10.1080/13511610.2018.1497480>

Opening up NHS procurement processes to SMEs and making processes accessible for small enterprise enables a local approach in tune with the needs of the community and a more empathic integrated care model. In 2018, parliament identified 5.7 million SMEs, which make up 99% of businesses in the country, 56% of all turnover generated by private business and 70% of jobs in the private sector.

Small businesses are particularly effective when it comes to supporting local economies; they bring growth, prosperity and innovation to areas outside of our main cities, which **facilitates the equal distribution of income and wealth**. Small local businesses embrace the character and identity of the local community, nurture local community involvement and ensure money circulates in the local economy.

In an article written for GGI in May 2020, Professor Mervyn King discussed the balancing of the health and economics crisis and coined the phrase 'corononomics'. He called for leaders of both public institutions and private companies 'to have an integrated, collaborative and compromising approach... because many service providers and suppliers to the NHS are going to struggle to survive... infrastructure could collapse... a big mindset shift is needed to deal with the challenges of coronavirus because nobody in this dual crisis will be able to survive alone'. (Good Governance Institute, May 2020).

Individual health and wellbeing

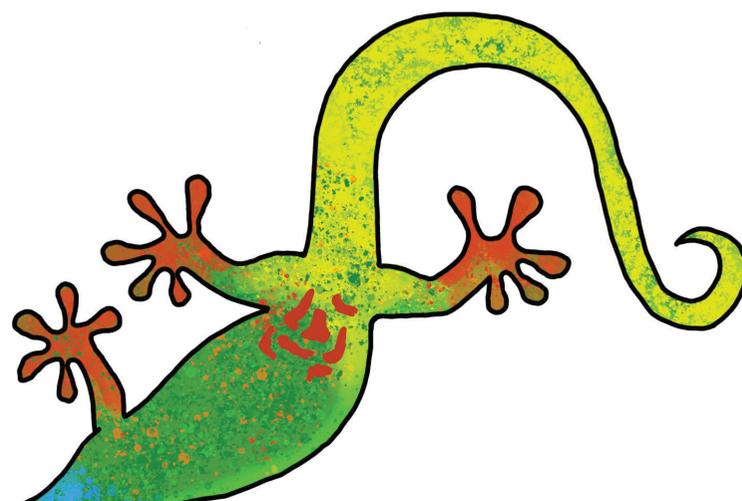
The consumerist society we live in, with all its abundance and convenience, is resulting in a plethora of health problems the world has not seen before. The pervasive rise of obesity, which is spiralling out of control in all generations, is

testament to the unhealthy habits of a lifestyle of convenience that has become all too irresistible. As the prevalence of obesity continues to rise worldwide, much needs to be done to improve our understanding of the full range of consequences this has for individuals, families and health systems. Obesity is common among both rich and poor societies, except those with more money can afford to tackle the symptoms more easily, yet the causes are more difficult to eradicate for everyone. Along with its health implications, obesity undoubtedly has economic implications, the 'direct costs' being those of medical care, which in the UK is a bill picked up mainly by the NHS.

The world ranking on the percentage of the population classified as obese, as measured by the Body Mass Index (BMI) and where obesity is a BMI greater or equal to 30kg/m² paints the following picture:

Rankings for 200 nations in 2017		
Adult Males	US	37% (14th)
	UAE	28% (26th)
	UK	27% (29th)
	Vietnam	2% (200th)
Children Male	US	23% (12th)
	UAE	19% (21st)
	UK	11% (84th)
	Vietnam	1% (198th)

Continue on page. 88



Tim Nathan
Gallery item 264 display size 60x40



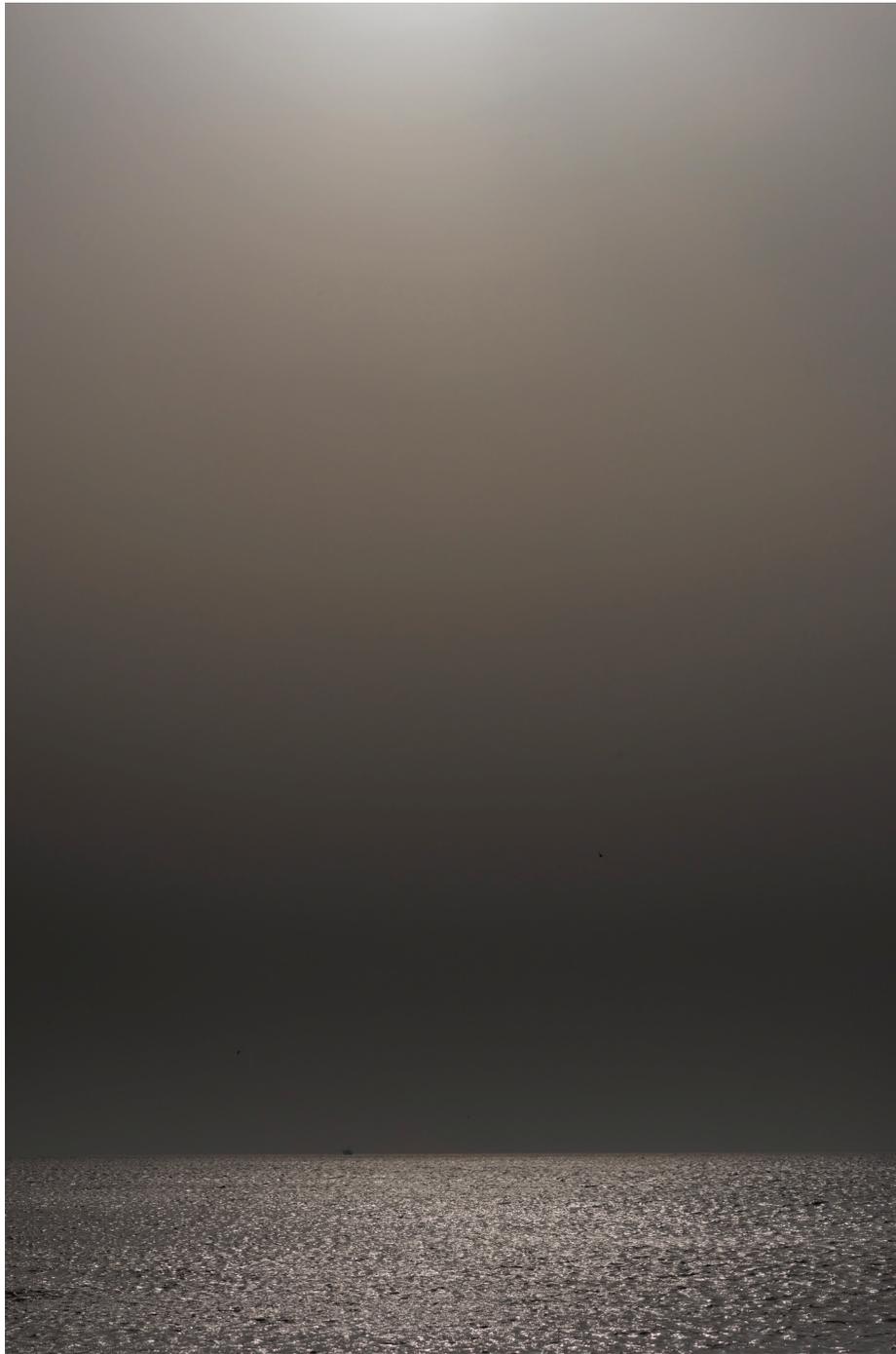
Richard Fryer,
author *Lost Odyssey*, sailor and carpenter

Many years ago I read a book by Carl Jung. It was certainly amongst the most important books that I ever read. In this book, as I remember, was a chapter on the meaning of art. There was a page with a black and white plate covering half of it, it was a picture of a harvested cornfield, flat featureless land with some crows, small and black in the distance. The reader was invited to give an opinion on the picture. 'Bleak but unremarkable' I think was my verdict. Jung then said 'Now look at the picture again, in the knowledge that this was the last picture painted by Van Gough before he shot himself.

The experience was revelatory and though it happened forty years ago something in me must have avowed that if I ever came across such a message in a picture again I would do my best to recognise it. Such a phenomenon occurred for me for the first time since that day when Tim began posting the first his sequence of seascapes.



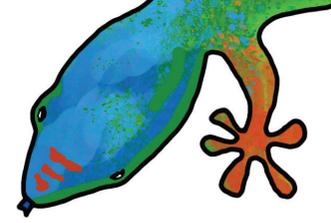
Tim Nathan
Gallery item 45 display size 60x40



Tim Nathan
Gallery item 70 display size 4x4



Tim Nathan
Gallery item 129 display size 30x21



Dubai has one of the best and most innovative public health systems in the world, offering a high standard of medical care in state-of-the-art facilities. It is run by the Dubai Health Authority (DHA), which oversees both public and private healthcare. One of its biggest challenges is the rising level of obesity. In 2020 the World Health Organisation (WHO) classified 70% of Dubai's population overweight – double the world average. The spiralling obesity in the UAE overall is driven mainly by a lifestyle of overconsumption.

Great sums of money are being spent to reduce obesity, although without success so far. In the UK, we blame sugary drinks and salty foods for our child obesity rates and our solution includes making them more expensive through taxing private companies and hoping people will buy less. Focusing on legislation often pits the public good at loggerheads with the private sector. Perhaps a focus on education rather than legislation would encourage greater collaboration.

In 2013, in the US, the *Water: You are What You Drink* campaign took a different approach – and one that had long term impact. The initiative brought together leaders from industry, government and Hollywood with a shared goal: to excite, inspire and engage people in drinking more water. It was led by the Partnership for a Healthier America (PHA) along with their honorary chair, First Lady Michelle Obama, to encourage Americans to drink more water more often and was a collaboration between the PHA and stakeholders across the public and private sectors.

The nationwide effort was launched during the National Childhood Obesity Awareness Month,

which was already focused on helping people to make healthy dietary choices and its aim was to educate people, not legislate.

Michelle Obama described the campaign as one through which private enterprise collaborated with the public sector to engender a healthier approach to lifestyle. In the food and drink sector, where many see public and private interests to be at odds with one another, on this occasion there was collaboration for the public good. Private enterprise supported the campaign. Organisations like BRITA, on the face of it one of the big losers commercially, sponsored the campaign, as did Disney, providing resources for public water fountains and carrying the 'Drink Up' logo on their products.

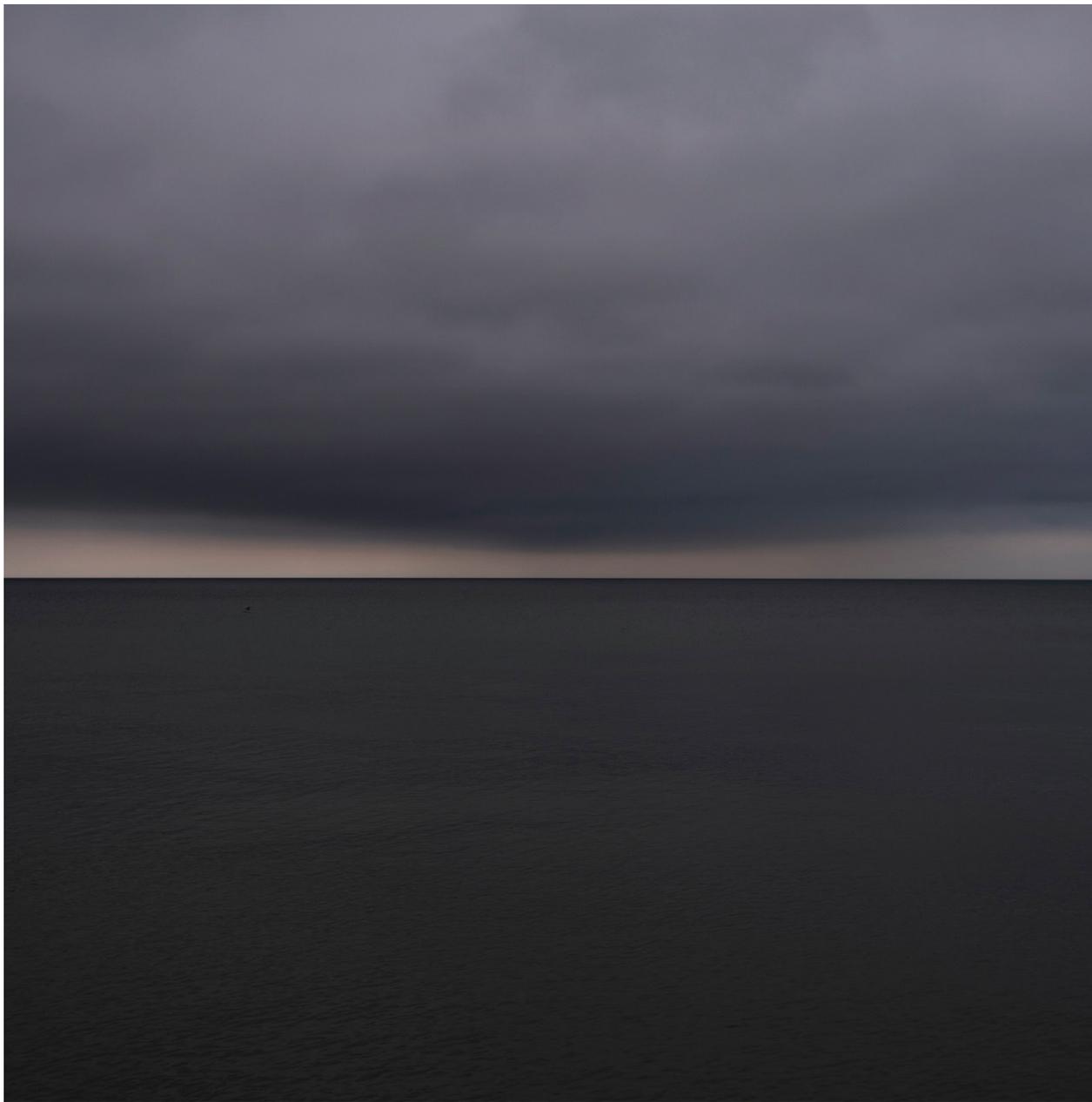
The mental health challenge

Mental health was already a growing issue before the pandemic but it is now revealed as one of our biggest post-pandemic challenges. Young people, who had endured high levels of unemployment in the last decade of austerity, with many losing hope in a job market that seemed more geared towards the aging population, were plunged into a year of disrupted schooling and fresh rounds of layoffs in lockdown. Those searching for their first job, and lucky enough to get one, faced months of social isolation from colleagues and friends and Zoom, a highly accessible and essential technology tool, became the new work experience.

The outlook for this generation had already been diminished by environmental degradation and rising inequality (of many types: gender, intergenerational, economic and ethnic). In May 2020, the World Economic Forum's *COVID-19 Risks Outlook* warned of a 'next lost

Continue on page. 90

I saw Death. I imagined this was the last picture the photographer took before walking into the sea.



Tim Nathan
Gallery item 281 display size 4x4

generation' – the Pandemics. In a recent online poll conducted by YouGov for Barnardo's, 4,000 young people between the ages of 8-24 were surveyed and over half consistently reported symptoms of poor mental health and wellbeing: 58% indicated stress; 54% said they were worried and 56% said they were lonely. And 37% reported that their biggest worry coming out of the pandemic was their mental health.

Time to flip the script

In recovering from the pandemic, and facing a societal challenge of this magnitude, we need a change of mindset, of collaboration and integrated ways of working.

In 2017, in the wake of the Grenfell Tower disaster, the community of Grenfell needed a recovery plan, one that helped them grieve what they had lost, and recover and eventually accept what their post-Grenfell future would be. In the early days organisations and individuals were eager to help and piled in with resources, many of which did not work for the people in that community. The psychological effects of the trauma on individuals was severe and widespread, although many were reluctant to seek help as mental health had a negative connotation and stigma.

Prof. Dorothy Griffiths, Chair of the Central and North West London Foundation Trust (CNWL NHS Trust), a mental health trust, said: "In working with the Grenfell community, we changed our whole approach to delivering mental health. We went out and asked residents how we could help them." The residents' voice was respected and heard. CNWL has worked tirelessly with community leaders and local

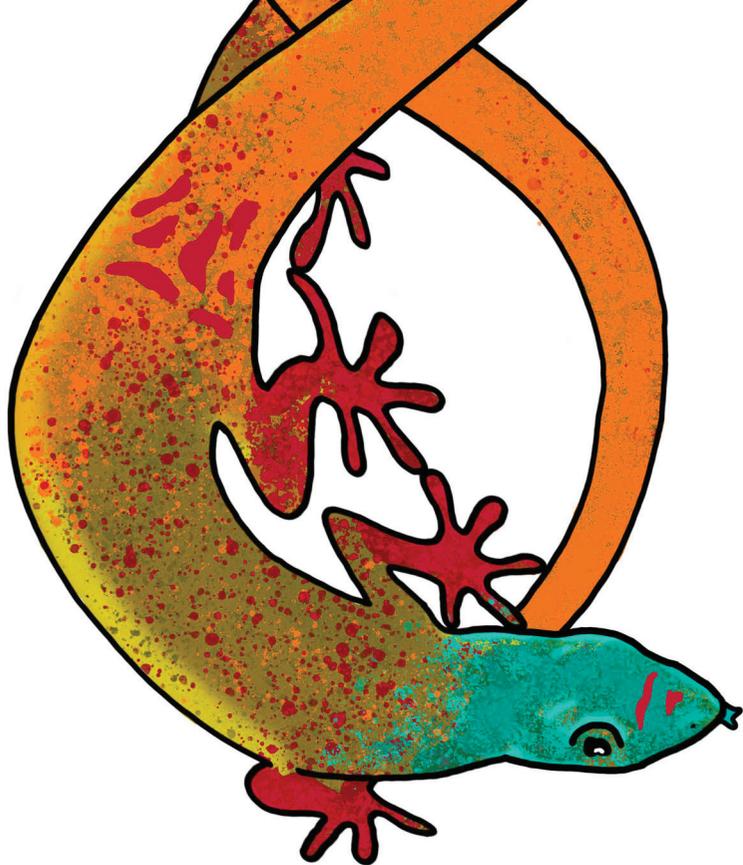
organisations to help the community recover and reach a place of renewal. As a gesture of respect and recognition of their work, CNWL, along with the community representative body Grenfell United, were the only two bodies asked to lay a wreath at the site in the last official anniversary.

How we help young people recover and move on from the pandemic will require just such a flip-the-script moment, where public and private organisations work at a community level for the protection of the younger generations. There isn't a one-size-fits-all and their voices will need to be heard. Trust in our political leaders is the lowest on record, particularly among the young. Sustainable value creation of private enterprise will need to marry with the public sector, through effective leadership, putting the needs of society ahead of just profit. (King, M 2020), if we are to regain the trust of the young and help them flourish.

Community and citizenship

A decade of austerity has left many communities with fractures in the infrastructure that had been built to encourage a sense of community and provided many with the means to be active citizens. The public purse was curtailed, and many local services were slimmed down. The gains from globalisation did not fill the gap and did not seep back into society to make up the balance.

Social infrastructure has become frayed, there is intergenerational conflict where the young's experience of diminished opportunity and wealth creation is blamed on the old, who are seen as the last generation to benefit from lucrative pension schemes and property wealth.



The poorer in society are labelled by some as freeloaders who rely on the public sector to carve out a living, while others call out the large global organisations who do not share enough of the UK's tax burden as the real freeloaders.

The fractious nature of our social dialogue promotes individualism and a society that does not care. In recent years loneliness has become one of the plagues of our society – and not just among the old, poignant although that is. For many people, Amazon and Alexa are the closest they have to community friends.

The pandemic revealed the true nature of people: that we are social animals that need, enjoy and sometimes crave social connection. When the first lockdown was announced and the 'clap for the NHS' was suggested, people got out on the streets and got to know their neighbours, in many cases for the first time. People began to care for the vulnerable, putting notices in people's doors with offers of help for those who were shielding.

Conor McGregor, the mixed martial arts star, personally delivered some of the PPE gear that his donation of 1.3 million euros helped to buy for hospitals across Ireland in March/April 2020. He took to Twitter, where he shared images of him and his team delivering the much-needed PPE to hospitals around the country with the caption: '28 counties. 165 locations. 18 vans. A real solid day for the team!'

In the UK, early in the pandemic, footballers were lambasted for being overpaid and not pulling their weight in society, yet Manchester United star Marcus Rashford fought a truly inspirational campaign to deliver food to struggling families who were no longer receiving free school meals and was then instrumental in overturning government plans to stop free meals during school holidays.

The pandemic period is full of stories of people showing leadership, becoming active citizens and helping to solve problems. Private companies, including vacuum cleaner manufacturer Dyson, changed their production processes to offer ventilators at a time when they were badly needed.

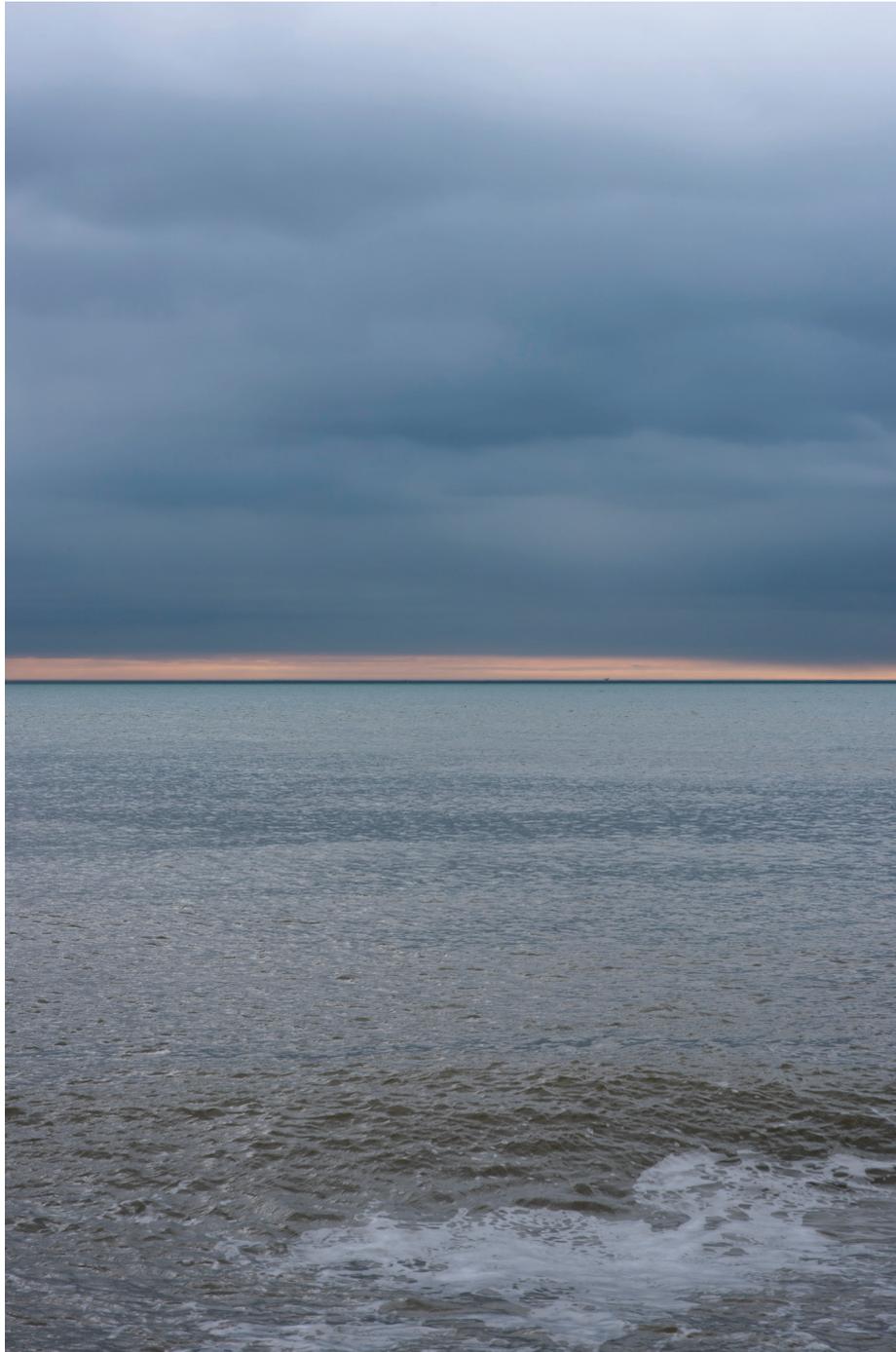
Faced with a crisis, people from all walks of life and organisations from the public, private and third sectors worked together. Bureaucracy was cut, the most effective ways were found to get things done. The urgency and need for solutions prompted by the pandemic helped to flip the script and people made systems work, changed outmoded practices and built community spirit.

Inspiration from Church End

In June 2020, the Guardian ran a story headlined 'People were abandoned': injustices

Continue on page. 94







of pandemic laid bare in Brent. It was reporting on a small community in North London where the pandemic had laid bare the injustices in our society. In the small, long-neglected neighbourhood of Church End, 36 people had died. The area has a large Somali population and as the virus took hold in March, a cluster of infections developed – the second worst in England and Wales, according to the Office for National Statistics (ONS). The death toll did not account for the true toll of the devastation. The virus had thrived on the structural inequalities in the area that had been build up over decades, poor housing, in-work poverty leaving many struggling to put food on the table and racial inequalities.

One year on, in July 2021, the Guardian revisited the neighbourhood and, rather than a grief-stricken community, found one of ‘hope’. After reading the first article a year earlier, the CEO of the local NHS trust had gone to Church End to meet the community leader Rhoda Ibrahim and asked how they could help. The NHS team partnered with community leaders and local organisations to launch Brent Health Matters, an innovative programme to tackle health inequality. A new model of primary care has been set up in addition to other initiatives such as health educators.

The Brent Health Matters Programme set up monthly check-ins on their community forum for local councilors, community and faith groups and local business to collaborate on actions based on immediate need. They also set up Community Champions to volunteer in hyper-local areas to educate and support their local communities as the situation developed.

Rhonda told the Guardian: “Attention is finally

coming; I have been living here for over 30 years and it was like you didn’t exist [...] there was no neighbourhood, no communities... Now [...] there’s a big community spirit, which was never here before”.

This outcome offers a stark contrast to the handling of Hurricane Katrina in New Orleans in 2005. The devastation caused by the category 5 hurricane ruined lives and livelihoods. But many surviving black Americans living in the New Orleans area today think the recovery plan was almost as destructive.

In the words of author and activist Caroline Criado Perez, these ‘invisible women’ were evacuated from the areas they called home, the areas where they performed an invisible role as cooks, caregivers and unpaid community leaders. When the business district was rebuilt ahead of the community from which the workforce came, city planners did not foresee the impact this would have. They had effectively undermined the infrastructure that was supporting businesses – displacing the ‘invisible women’ that helped ensure their workforce arrived at work every morning fed and rested and healthy and unburdened by childcare. As a result, the business district suffered greatly, and continues to struggle to retain staff to this day.

The redevelopment of many areas of New Orleans focused purely on regeneration, leaving the original citizens feeling excluded. Is this a renewed society where everyone is sharing the gains of progress – or is it more of the same disintegrated systems, leaving society more divided and more people excluded?

For the UK, the legacy of the pandemic can be ‘building back better’ only if the lessons are learnt.

People want to be involved and when everyone acts as a citizen in their community – whether it's big business, public sector or individuals – we have a healthier and more inclusive society that everyone feels good about.

The pandemic has certainly given us pause for thought – literally. I have worked with leaders from across the globe in my career in executive education, witnessing globalisation and its impacts first hand. From clean manufacturing plants in Mexico, churning out drive shafts for the rest of the world and manned by ten people, to working with communities in Mumbai, who still struggle to get clean water despite living in the innovation hub of global technology.

This last year has brought home to me that despite the business schools' mantra of 'the fish rots from the head', in today's world the fish rots from the stomach. We see the private sector as the head and the public sector as the guts of the fish. The public sector needs to be safeguarded before the private sector to hold society together.

It's important for private sector organisations to remember that it's the public sector that creates the society and builds the infrastructure that sustains their businesses. For example, the London Economic Action Partnership (LEAP) invested £2.6m to keep businesses going in Church End. Our advice for business leaders is don't lose your head, work closely with public sector on projects that are mutually beneficial and sustain the whole community.

Our world of consumers and overconsumption is unsustainable, continuing on our current trajectory, we will run out of planet resources by 2050, according to the United Nations.

Time for the kindness economy

In the last year, I have consumed less and driven less. I have appreciated nature more and have been reunited with its restorative effects. I have reconnected with my local community in what used to be commonly referred to as a 'commuter ghost town'. Talking to my teenage son, he hasn't fared badly on Microsoft Teams and he is a patient lad, but he has missed out on being with his peers – the full impact of which we may not understand for years to come.

I believe it is the lack of hope in a better future that is of most concern to my son's generation. They deserve better stewardship from us; they deserve a society that works together – locally not globally – and private and public sectors working together to repair the fractures and create an inclusive and harmonious place to live. The retail consultant Mary Portas put it succinctly in 2018 when she advocated for a 'kindness economy', where people matter as much as profits.

On finishing this article, I cannot help but wryly smile at the richest men on this planet – Elon Musk, Jeff Bezos and Richard Branson – competing with each other to be the first to leave it in spacecraft. Although a laudable endeavour – I am a fan of the space race – leaving is not really an option.

I believe we need a reset to get society working again in an equal and inclusive way: we need good governance to help us shape the new structures, partnerships and engage with the communities we serve.

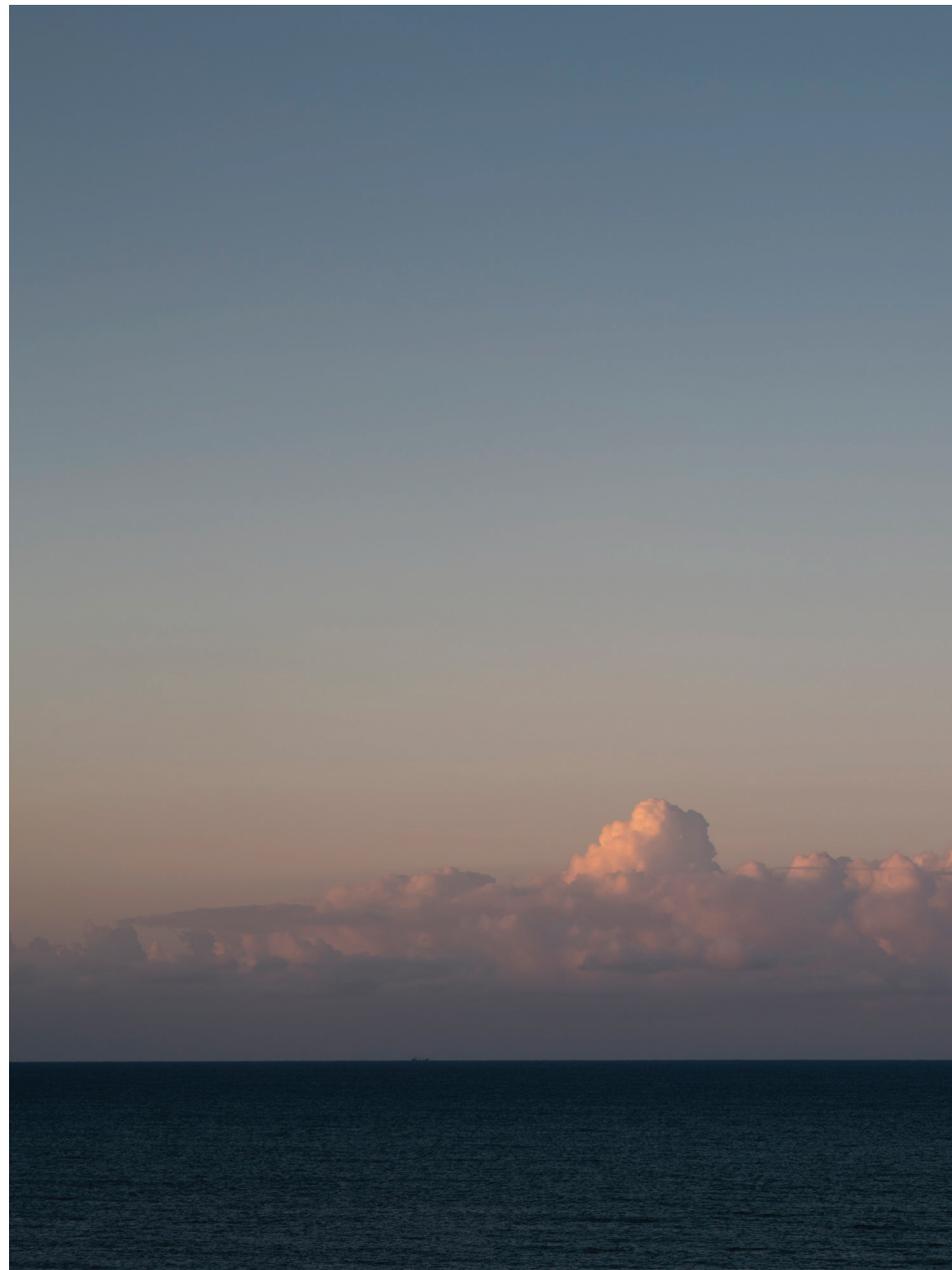


"There is nothing like a dream to create the future"

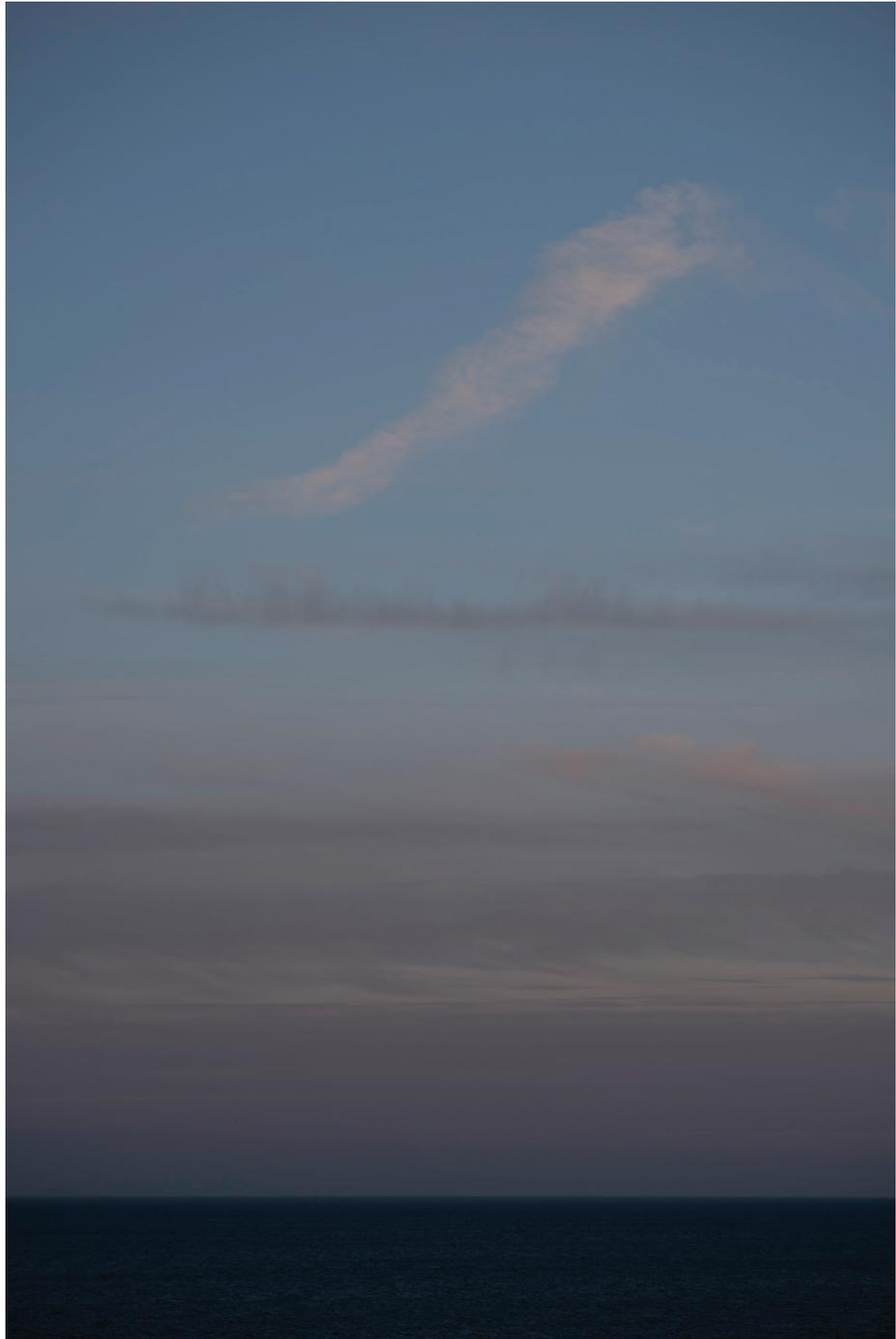
Victor Hugo

It was the darkest days of midwinter, peak morbidity and hospitalisation in the Delta Covid wave. Whatever was going on in Tim's personal universe at that time it chimed perfectly with the mood of the town, the country, maybe even of all humanity. It did not take too much imagination in those not so far off days to feel that for the first time in many generations, once again The Reaper stalked our land.

I have lived by the sea nearly all my life, even spent some years living upon it. It is as familiar to me as my own face I have seen it go from sheet of glass to Hurricane and back again. I know it. I live by Tim I have the same view of that horizon every day as he does and yet these photographs, these pictures of that so familiar thing stopped me in my tracks, grabbed me by the scruff of the neck and commanded, Like Jung did all those years ago 'Now Look again'









**Festival of
Governance** 2021 

FESTIVALOFGOVERNANCE.ORG