

Who gets what, how and why? The system of provision approach

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As the many essays in this collection illustrate, the problem of “biophysical limits” is acute and mainstream economics has little or nothing to offer. In this short article we introduce the “system of provision approach” (SoP) (see Bayliss and Fine 2021a). The SoP approach is a framework and, as such, is open to engage with different theoretical and methodological questions across academic disciplines depending on the context and purpose, although it specifically rejects the reductionism and individualism of mainstream economics. The approach is heavily engaged in both empirical and policy initiatives (and activism around them) and is tailored inductively to the issues and/or sector at hand: for example, energy (Bayliss and Pollen 2021); water (Bayliss 2014; 2017) housing (Robertson 2014; 2017), essential services (Bayliss, Mattioli and Steinberger 2021), car dependency (Mattioli et al. 2020), fast fashion (Brooks 2015) and the financialisation of car buying (Haines-Doran 2023).¹ The approach, however, was originally devised in relation to consumption studies.

A brief comment on the failure of economics

One leading response to the crises of the environment has been to focus upon the imperatives to change our consumption patterns – for them to be far less, different and more equitable. From the perspective of mainstream economics, this involves an immediate and striking inconsistency within its core theory. On the one hand, it completely breaks with the approach to consumer behaviour, now well into its second century – based on utility functions, the optimising individual over given goods, with given meanings (aka physical properties), and in the context of given preferences and technologies and resources to deliver them. Otherwise, how could underlying preferences be (allowed to be) changed? On the other hand, there is a presumption that consumer sovereignty continues to reign supreme, as those irksomely shifted preferences exert their influence over what gets to be delivered. One way in which this has been addressed has been through behavioural economics, and nudge in particular.² This amounts to “we have ways of making you free to choose what is best for you” (or is it us?) – and this is a (contradiction of) neoliberal authoritarianism par excellence.

¹ For a fuller account across many sectors see (Bayliss and Fine 2021a).

² Note, while there has been change, the “technical apparatus” around utility and production functions has remained remarkably resilient. It has evolved though through “economics imperialism”, ultimately leading to the incoherent and opportunistic addition to the mainstream’s core analytical framework of select fragments from other social sciences, including behavioural economics, see Fine (2024a and b) for a most recent account and retrospective

Environmental crises are unambiguously systemic and are deserving of systematic analyses at this level. We all know that shifting our consumption patterns may do little more than to allow the system more breathing space in which to continue along its headlong journeys to one disaster after another. This is what we have termed the “political economy of excess”, and it is notable not only in climate change. It can be found also in finance (and financialisation – why do we need three times as many assets as thirty years ago per unit of output?) and the diseases of affluence, with obesity to the fore – as the number of those malnourished through overconsumption on a global level begins to overtake the numbers who are undernourished (see Bayliss and Fine 2021b).

Consumption and the system of provision approach (SoP)

Significantly, raising and addressing the issue of how changing preferences might filter back to what is produced, and how and for whom, has been the leading thrust of the SoP approach to consumption. SoP has been heralded across the social sciences, partly due to the dissemination of ideas on material culture, but like postmodernism has been ignored by mainstream economics, and also the vast majority of heterodoxy. Thus, for Leslie and Reimer (1999, p. 405) the SoP approach is seen as “perhaps the most comprehensive elaboration of production-consumption relations”.

It is increasingly clear to the world that the devastation of climate change is not simply the result of individual preferences but results from substantial vested interests for whom consumption reduction means a sharp fall in profits. The SoP approach offers a way to unpack the complex forces that underlie the consumption outcomes observed and, as such, offers more realistic responses. The approach has evolved over the past three decades and in part was informed by the observation that consumption does not occur randomly according to the vagaries of individual preferences (there are “fashions”, uniformities and diversities) but tends to happen in clusters and there are commonalities across groups of people which share similar features such as age, gender, location and heritage, and, over time, consumption patterns change in form, levels and qualities. Rather than exercising demand independently of each other, individuals conform to systematic patternings or social norms of consumption.

In contrast to the mainstream, the SoP approach treats consumption as inextricably attached to systems of provisioning, but it does more than just this (Bayliss and Fine 2021a). First, it offers a systemic analysis, one based upon the relations, structures, processes, agencies and material cultures through which provisioning occurs. Second, the SoP approach focuses upon norms of consumption by which is meant who gets what and how. Third, such norms are themselves associated with material cultures of consumption – how the meanings and significances of consumption are themselves produced and consumed (even though we are all supposedly “free” to produce and consume as we please). Fourth, considerable emphasis is placed upon the correspondingly variegated nature of SoPs. In a word, the food system differs from the housing system, and from the energy and transport systems across all of the aspects previously elaborated, although they may well be (differentially) underpinned by common underlying determinants such as globalisation, neoliberalisation and financialisation. Fifth, as the previously provided references indicate, a SoP approach has been taken as central in seeking to understand and address environmental issues. As such, the approach is not just

another set of concepts for economics that do not travel beyond the classroom, it encourages and facilitates practical applications and activism.

In contrast to the horizontal approaches of most of the social sciences to consumption, the SoP approach adopts a vertical perspective. Consumption is seen as a (typically end-) point in a wider system linked to provisioning. The SoP approach, derived from extensive analysis across the social sciences, is based on the premise that consumption is linked to production in (to reiterate) a vertically integrated process, rather than the result of the expression of individual preferences (as mainstream economics might suggest). The approach has evolved over the past thirty years into five core elements which overlap and intersect in shaping consumption outcomes:

1. Agents

The SoP is determined by the participants in the provisioning system. Agents will include consumers and producers. And there may be subgroups within these. Consumers may be individuals or households or businesses or they may be public institutions. Producers might be further broken down into shareholders, managers, workers, financiers or they could also be public institutions or voluntary organisations.

There will then be other agents that shape the SoP. The state will have a key role. This might be as regulator, policy maker, or even provider or consumer. It could even be just in terms of the policing of property rights that underpin SoPs. And there may be others such as civil society organisations, or global bodies such as the World Bank or IMF. Notably for the SoP approach, the agents are considered to be likely (although not necessarily) to have conflicting objectives so that allocations within SoPs will be contested. A basic example might be contestation around pricing – the consumer would usually want it to be lower and the producer for it to be higher.

2. Relations

Relations between agents in the SoP, are likely to be contested, and unpicking the underlying power dynamics is important for understanding outcomes. On one level, SoP analyses will be concerned with the relations between the agents within the system. For example, relations in production may be formally differentiated by the roles of capital and labour. Within production there may be relations between management and workers that shape the SoP. The relations will shape the way that contestations between sets of agents are resolved. Not all agents have equal power to shape SoPs, so that unpicking these power relations is important for understanding outcomes. The way SoPs operate will be contingent on who exercises power and how. SoPs also exist within wider relations such as class, gender and race which will have a bearing on consumption outcomes.

3. Structures

Each SoP itself will have its own vertical structure which will intersect with horizontal social structures such as race, class and gender. These might be formal or informal. Structures will be specific to each SoP and will evolve over time (we lack the space to elaborate, see the various references provided).

4. Processes

SoPs are shaped not just by who does what but also by how it is done as a structured sequence of activities. So, on one level, there is the organizational process of the SoPs themselves – how things are done between producing and consuming. But at a more abstract level there are deeper systemic processes such as privatization or commodification which change the structures and the agents involved in provisioning. As should be clear from what has been said so far, other processes include globalization and financialization which bring about transitions in and along SoPs according to how they themselves interact with and influence other factors.

5. Material Cultures

Each SoP depends on the material features of the commodity in question. For example, there are features of housing that affect the way in which houses are produced and consumed which are different from, say, water. A house cannot be moved, it tends to account for a substantial part of income in consumption, it is not something that is changed often. Water tends to be homogenous aside from issues of quality and access, it is needed many times a day, and it is heavy to transport and so tends to be consumed near its source. Such material features affect the production and consumption of commodities. In addition, goods and services are imbued (often subtly or unnoticed) with cultural significance. Material cultures might be so deeply ingrained that they are considered to be a kind of unquestioned common sense. Issues that arise here around infrastructure might relate to the importance of efficiency and competition and a pricing structure that fully covers costs. These may be depicted as technical and neutral while they reflect certain underlying priorities and agendas.

The same item will have different cultures and associations depending on the context. Each of the agents in a SoP will have its own cultures associated with engagement in the system, and these may be in conflict. For example, one person's home if they are renting might be another's financial investment. One person's flexible workforce might be another's exploited labour, especially in the debates around zero hours contracts for example.

Consumption tends to happen in distinct, if differentiated, patterns or norms across groups in societies. A SoP approach and analysis of material culture can shed light on the nature of such norms of consumption as well as their origins. But material culture can also be helpful in understanding the underlying pressures behind structural societal changes such as our views on how basic needs should be met. Understanding the ways in which cultures emerge, and the associated narratives and discourses, can highlight the role of political and economic power in shaping cultural forms and norms and the way these become legitimised as well as how they might be changed.

Unpacking material cultures can be difficult partly because they are so much taken for granted that we are not even aware of their significance, though clearly there are now many working on climate emergency and ecological breakdown who are sensitised to this issue, such as degrowth. However, Fine (2013) has proposed a useful kind of checklist of things to consider in analysing MCs known as the “10Cs”. These are ten words beginning with c that have a bearing on material culture. Material cultures are: constructed, construed, commodified, conforming, contextual, contradictory, chaotic, closed, contested and collective. Not all of these will be relevant for each SoP but the list gives an indication of things to take into account when analysing material cultures (see Bayliss and Fine 2021a).

Final comments

To reiterate in terms of these five framing parameters, the SoP is highly context-specific. What goes into shaping the SoP for cars will be different from the SoP for peanut butter which will be different across locations and different today from a century ago. While open to engagement, the SoP approach is neither methodologically, conceptually nor theoretically neutral, as it explicitly rejects some methodologies, conceptualizations and theories, especially if they are drawn from within particular disciplines and unduly generalized across differentiated consumption systems.³ The approach draws attention to the extensive and complex channels which underpin specific social, environmental and economic outcomes. The workings of SoPs are often under the radar, and the underlying contestations, contradictions and conflicts are often obscured. The approach, moreover, shines a light on the largely unacknowledged configurations of economic, political and cultural powers that underpin social outcomes, and the ways these are normalised. It can, therefore, be helpful in identifying “leverage points” for interventions and pressure for change. In the UK, for example, SoP-based research has contributed to campaigns for reform of water and rail systems (Bayliss and Hall 2017 and Haines-Doran 2022, respectively).

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³ Some might see parallels with the Global Value Chain approach, given its emphasis on provisioning systems. But the SoP approach differs in adopting a more open framework, as opposed to drawing from ideal types and more or less arbitrarily including or excluding determining factors accordingly (Bayliss and Fine 2021a).

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