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Modernisation, managerialism and the culture wars: reshaping the local welfare state in England

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Introduction

The last twenty-five years have seen continuing attempts to re-imagine and reshape the British welfare state. Much of this pre-dated the 1997 election, but the process has been taken further by the Blair governments. Since that election, a wide range of initiatives has been launched at various times, all somehow joined under the overall banner of 'modernisation' (Finlayson 2003). The moves to re-define citizens as consumers or customers, as providers as well as receivers of care, as active as well as passive, as having responsibilities as well rights, has affected local government as much as any other part of the public sector.

However, the debate about local government has generally centred on questions of 'centralisation' or 'central-local relations'. The implicit and sometimes explicit question is whether the state is becoming more centralised, whether 'power' is being removed from local government. In other words the context for discussions of English local government is often one that takes for granted the existence of a two tier structure, so that analysis continues to focus on the relationship between the tiers - the division of power, authority and resource between them. This paper sets out to explore the changing shapes of local government (and local governance) from a rather different perspective – namely one that explicitly locates it within the wider framework of Britain's welfare state, as a local expression of that welfare state. Instead of taking for granted the formal and relatively fixed relationships and hierarchies of government set out in the statute books, it starts from the recognition that the British welfare state, local government and the local state and their governance are characterised by complex cross-cutting networks that help to constitute them as a set of relationships rather than a unitary and undifferentiated entity. As Jessop (1990) puts it, the local state is best understood as an 'institutional ensemble' and, equally important, one that is located within what Rhodes (1997) calls a 'differentiated polity'.

The local welfare state is not just the product of devolved administrative responsibility from the centre but has emerged from a historical process of claim and counter-claim, of continuing contestation. The particular divisions of labour between different levels of government and different parts of the state in England reflect the

ways in which the welfare state has developed since the middle of the nineteenth century. Most of the activities that we currently understand as constituting the welfare state began as locally based initiatives. The Poor Law was operated through local boards, as was education. Public health provision emerged from local networks linking state, charities and private interests. Through the first half of the twentieth century, local governments took the initiative in developing welfare services across the board, from housing to education, health to children's services.

Only after 1945 was it taken for granted that some of these activities and services would best be handled as part of a national system. But the nationalization of some activities was accompanied by a dramatic expansion of responsibility at local level, as budgets increased and a local welfare state emerged with responsibilities for a massively expanded programme of social housing, a growing personal social services sector and a major commitment to state education.

Despite being firmly located within a national welfare regime, the responsibility for the delivery of many of these services was delegated to and assumed by local government, in other words by agencies at least part of whose legitimacy was drawn from local elections. More recently, however, the growth of a significant series of 'locally based' national programmes (including, for example, Sure Start, a range of action zones, various New Deal initiatives, neighbourhood renewal schemes and so much more); the development of 'partnership' initiatives involving a wide range of agencies (for example, including crime and community safety partnerships, AimHigher and Local Strategic Partnerships, as well as new approaches to information sharing and assessment linking agencies working with children); and the 'decentralisation' of national agencies (including the National Health Service) has confirmed that the local welfare state cannot simply be understood through the institutions of local government.

In recent years the 'running' of English local government and attempts to 'modernise' the local welfare state have included:

- the rise of state sponsored managerialism

- attempts to foster ‘community’ governance and the management of communities
- the development of alternative forms of legitimacy beyond the electoral process (e.g. through partnership)
- an increased stress on multi-agency and cross sectoral working
- the introduction of new centrally sponsored but locally rooted (or locally based) local initiatives
- new forms of audit and regulation enabling more targeted intervention and encouraging forms of self-discipline
- continuing tight central control over resources

The new agenda

A series of reform proposals has been explicitly directed towards the institutions of local government. English local government was allocated its very own modernisation White Paper early in the Blair government’s first term (DETR 1998) as well as another just a few years later (DTLR 2001). In a speech to the Local Government Association in 1999, Hilary Armstrong (minister responsible for local government at the time) argued that, ‘Those who oppose modernisation are setting themselves up as conservatives with a small ‘c’, defending an institution that is as outdated and in need of reform as the hereditary peerage’ (quoted in Hetherington 1999). The modernising agenda for local government, seeks ‘nothing less than a radical refocusing of councils’ traditional roles’, since, ‘A fundamental shift of culture throughout local government is essential’, and ‘The old culture of paternalism and inwardness needs to be swept away’ (DETR 1998, pp.5 & 7). What has to be built is a ‘vision and leadership for local communities’ (DETR 1998, p. 7), and the White Paper’s authors emphasise that each council is expected to build on its community leadership role ‘with a responsibility for the well-being and sustainable development of its area’ (DETR 1998, p. 80).

It is in this context that new management, scrutiny and representative structures have been developed and implemented. The greatest publicity has been attracted by the proposals for elected mayors. However, since the opportunity to have elected mayors has only been taken up by eleven authorities, the wider principles that have been

given structural expression within local councils may be of rather more significance. In the new world, the notion of accountability through service based committees (however formalistic) is replaced by a model that separates the senior strategic managers (elected and unelected) from those whose job it is to scrutinise what they do. In this model, the role of politicians is to lead the community, or – in the case of back bench councillors – to scrutinise what is done by strategic and (sometimes) operational managers.

Above all, it is important to recognise that it is no longer assumed that the core task of local government is necessarily directly to manage the delivery of services. Some service delivery may still be handled directly through local government agencies, but, instead of seeing this as the norm, it is the separation of service delivery from elected local government that is assumed.

This is reinforced by the ‘best value’ framework, which requires councils to review their services and to ask why they are being provided as they are; to compare their performance with that of others; to consult local ‘stakeholders’ (taxpayers, voluntary and community organisations, service users and business) on how the service might be improved; and to ‘embrace fair competition as a means of securing efficient and effective services’ (DETR 1998, p. 9). In practice, of course, a whole series of ‘best value’ reviews may indicate (as they have) that local authorities offer the most cost-effective way of delivering particular services but this does not change the underlying principle embodied in the reviews – namely, that local government should only be viewed as one of a range of possible providers (which might include voluntary organisations, not for profit-agencies, private companies and even other public sector bodies). In the language of new Labour, after all, ‘modernisation’ is about cultural change and new ways of working, and not – or not simply - about how services can most efficiently and effectively be delivered.

At the same time, there has been a renewed emphasis on the need for partnerships to build legitimacy and link aspects of governance at local level (e.g. through Local Strategic Partnerships and the preparation of community plans). Again, the significance of this cannot be judged in terms of the effectiveness of partnerships in practice to deliver what is expected of them (where the evidence is, to say the least,

ambiguous - see Griggs and Smith elsewhere in this issue). What matters is that alternative sources of political legitimacy to those provided through local elections are being sought – whether that involves working with those defined as stakeholders or community leaders or through partnerships that (nominally at least) bring together the interests that matter.

All of this has been associated with the promise of greater autonomy and fewer direct restrictions for some councils, but alongside new forms of regulation. The comprehensive performance assessment system (foreshadowed in DTLR 2001 and now expressed in an Audit Commission generated set of league tables) sets out to place councils on a scale – whose points were initially to be labelled high performing, striving, coasting or poor-performing, but are now more prosaically captured in the terms excellent, good, fair, weak or poor. Depending on their position on the scale, councils are treated differently and allowed more or less scope for autonomous action, with the expectation of direct intervention (albeit with the help of local government’s own Improvement and Development Agency) for those identified as poor-performing.

Underpinning this approach is an understanding rather different from the controls of the past - now the expectation seems to be that by changing the environment within which councils operate, they will effectively police themselves. The most successful – or best-performing - are admitted to a national innovation forum within which to share best practice and identify new possibilities, while those labelled poor become the targets for direct intervention, and ‘peer’ support from those that have shown themselves to be high performing.

The new agenda powerfully combines an emphasis on cultural change (reflecting the rise of a new managerialism) with a rhetoric of community (and, particularly, of community leadership) to begin to produce a ‘modern’ local government – a modernised local welfare state. The language used is one that automatically defines those who take a different view as ‘old fashioned’ – paternalist at best and merely self-interested at worst. The remainder of the paper explores some of the implications of taking this approach.

Cultural change and managerialism

Conventional critiques of managerialism in local government have often focused on a rather narrow interpretation what has been called the 'new public management' (NPM). So, for example, Stoker identifies it directly with Thatcherite approaches to the public sector (see, e.g. Stoker 1999, pp 1-99, Stoker 2004). In other words he defines it as a top-down approach with an emphasis on the measurement of performance through inputs rather than outputs, and on a confrontational style in managing staff. In other words, he suggests that the management style which was borrowed from the private sector was an authoritarian (or Taylorist) one. To use the language of value for money, in practice, he suggests, there was an overemphasis on economy (cuts) at the expense of efficiency and effectiveness. Stoker (2004, p. 13) argues that it focused 'on running what is more effectively', rather than seeking to pursue more creative leadership opportunities. And he emphasises that it was accompanied by an ideological belief that any activity undertaken by the private sector was necessarily more efficient than any activity performed by local government (or any other public sector agency).

But this interpretation – while accurate enough about a particular moment in the process of change - fails to capture both the subtlety of the ways in which forms of managerialism have helped to shape the modernising (and governance) agenda and the extent to which they have become the accepted framework of thinking within local government itself. The new managerialism that has come to dominate contemporary local government has little in common with Stoker's description of the new public management. If managerialism is conflated with this approach there is a real danger that the rise of more sophisticated – and thus potentially more ingrained - managerial(ist) thinking within local government and the local welfare state will be missed. So, for example, although Stoker strongly criticises the new public management, many of Stoker's own prescriptions for change (Stoker 2004) fit well within a more broadly defined managerialist framework (see, e.g., Clarke and Newman 1997, Newman 2001. See also Wollmann elsewhere in this issue for a discussion of different forms of new public management).

Clarke and Newman (1997) chart the complex process by which a 'managerial state' was constructed across the public sector in the Thatcher and Major years, both

building on the neo-liberal agenda of privatisation and markets, and on the need to manage more complex mixed economies of care. They highlight the importance of managerialism as an ideology with which many professional and organisational actors actively engaged, to the extent that its features are increasingly internalised within the organisational structures of local government. Pollitt, too, highlights the power of managerialism as an ideology because of the way in which it emphasises the importance of managers in all organisations, whether in the public or private sectors (Pollitt 1993).

Many of those within local government are themselves sympathetic to the new managerialism. Senior managers in local government (and chief executives, in particular) are now able to claim a powerful role with a higher status than that of the welfare professionals they have had to manage so frustratingly since the 1960s. Keen and Scase highlight some of the key messages that were taken on board within local government. Managers, they argue, were 'required to become proactive and outward-rather than inward-looking, providing responsive services which meet 'purchaser' and end-user/local community needs/demands' (Keen and Scase 1998, p. 41). The emphasis was increasingly placed on leadership and the ability to inspire and develop staff, so that local government managers were expected to become change agents, exhibiting transformational leadership styles (Keen and Scase 1998, pp.42-43). For many, of course, this is a far more attractive self-image than that of the town clerk or the bureaucrat more concerned with rules and regulations than 'community well-being'.

In other words, managerialism not only offers a means of moving away from the professional, service based structures of the past, but also a means of escaping from some of the narrow (Taylorist) forms of control that had seemed so important in the early 1980s. The emphasis on culture echoes the language of managerialism in other areas of the private and public sectors, which often starts by emphasising the extent to which a culture change is needed if broader change is to be achieved and an organisation is to be successfully transformed (see, e.g. Kotter, 1996, Morgan 1986). In the case of local government, the culture being challenged was one rooted in the semi-autonomous professions of local welfare (from social work to planning, teaching to finance). By linking the private and public sectors the rise of managerialism helped

to erode the older hierarchies of welfarism. It also provided a means giving appropriate recognition to those able to manage the rather more fluid realities of life after the welfare state. It offered the route by which it was possible to escape both from the old arrangements based on professional power (what Clarke and Newman 1997, drawing on Mintzberg, refer to as 'bureau professionalism') and from the narrow constraints of the Thatcherite version of the new public management.

As Keen and Scase conclude, by the end of the 1990s, any attempt to revert to the more traditional structures of bureaucratic and professional organisation associated with the welfare state 'would be resisted by practising local government managers. For the majority of them, the 'new managerialism' is no longer rhetoric but the reality of their employment' (Keen and Scase, 1998, p. 170). In the new model local government, it becomes increasingly difficult to relate the old structures of representative democracy (through committees and sub-committees) to the new managerial structures. As Lowndes argues, 'many 'new management' developments...were destabilising power relations within the locality...New approaches to local governance management were...restructuring constraints and opportunities for the exercise of local democracy and citizenship' (Lowndes, 1999, p. 37). She points to the need to develop new political institutions in local governance and this is reflected in the modernisation proposals. So, in a sense, the rise of new managerialism *within* local government should be seen as one of the key drivers for political change at local level and not simply a response to pressure from above.

It appears to offer the prospect of new forms of 'leadership' that are not tied into the narrow political battles of the past, both for senior managers and (potentially at least) for elected politicians. It is in this context that elected mayors were expected to be able to move beyond party political divisions to become embodied – and almost apolitical - representations of their localities or communities. As mayor of London Ken Livingstone is certainly the highest profile of the new mayors and in many respects he is clearly an irritant to the new Labour leadership. Although he was accepted back into the Labour Party in time for the London Mayoral elections of 2004 he makes no secret of his political differences with the Blair government. Nevertheless, he has been a direct beneficiary of this approach to local politics and has shown himself able to build an electoral base in London that stretches beyond that

of the Labour Party. In that sense, however uneasy the relationship between mayor and central government (and mayor and Greater London Assembly), there can be little doubt that the new arrangements have allowed for the emergence of a different form of local political leadership (see, e.g., Thornley and West, 2004).

But, even where there are not elected mayors, attempts are being made to redefine the nature of local political leadership. This is reflected, for example, in a mock (or, perhaps more accurately, model) 'recruitment pack' developed by the New Local Government Network and Veredus (a consultancy company). Although, the pack itself is unlikely to be used directly by any party group in selecting its leader, the approach implied by and the characteristics identified within it neatly sum up some of the implications of managerialism and the organisational culture associated with it.

The pack mirrors the sort of recruitment pack that would be prepared by head-hunters looking for a senior manager in the public sector, setting out a person specification, identifying key competencies and personal style and behaviour, none of which relate to political beliefs (a key issue on the basis of which traditionally – in principle at least - selection through election has taken place). 'The political leader,' it is stated, 'must provide leadership to the community and the local authority in designing and delivering solutions that meet the needs and aspirations of the whole community' (NLGN/Veredus 2003, p. 8). The task, as Nick Raynsford, local government minister, stresses in his introduction, is to ensure 'that the leaders of the future are able to provide vision for their communities, build consensus around that vision, deliver high quality and responsive public services and ensure that our communities are places where people would want to live and work' (NLGN/Veredus 2003).

The meanings of 'community' governance?

If one of the central aspects of the new arrangements is a form of managerialism that cuts across the old professional boundaries and generates an alternative source of organisational legitimacy, a second intimately related one is the emphasis on community and community leadership. These two aspects reinforce and help to define each other. The move away from the notion of local welfare state as self-sufficient provider to that of local government as 'enabler' has increasingly been reimagined as

a positive move creating the possibility of something called ‘community government’ (or sometimes governance) (Stewart 1989, 1995).

Local authorities – their senior managers and senior councillors - are offered the possibility of somehow embodying the overall interests of their areas (and ‘communities’) and managing the contributions of a range of agencies and interests to achieve the best possible outcomes for their local residents – ‘enabling communities to define and meet their needs’ (Clarke and Stewart 1991, p. 62). In that sense – alongside the promises of managerialism - it appears to provide a genuine alternative to the old arrangements of welfare, which were defined as patronising, bureaucratic, and run in the interests of the professionals who worked in them (teachers, social workers, environmental inspectors and town planners). What is needed instead, it is argued, is an approach based on community governance or community leadership, rather than ‘merely’ service delivery (which can, it is believed – in principle at least – be undertaken through others). It builds on the recognition that, while the services delivered through local government are important, much of what matters to local citizens (what the legislation describes as ‘community well-being’) relies on action by others.

In this context, it is worth noting that the notoriously slippery concept of ‘community’ (see, e.g., Cochrane 1986) is also central to new Labour’s rhetoric of modernisation as a means of transforming the relationships between the British welfare state and its citizens, and local government is only a part of this wider set of understandings. The notion of ‘community’ highlights the interdependence of people and the importance of relationships between them, while also emphasising the shared responsibilities of those who are members of ‘communities’. The rights of participation as part of ‘communities’ are accompanied by equally serious responsibilities to those communities of which one is a member. Levitas notes that ‘community’ is mobilised politically to provide ‘an alternative both to the untrammelled free market (of neo-liberalism) and the strong state (of social democracy)’ (Levitas 2000, p. 191). The revitalisation of ‘community’, in the sense of a shared understanding of rights and responsibilities, underpins a wider vision of society capable of moving beyond what is seen to be the sterile and simplistic choice between state and market. In other words in new Labour thinking, ‘community’ becomes a metaphor with the help of which it

seems to be possible to develop a range of social and political approaches, beyond the state and the market.

It will already be apparent that the notion of community is mobilised extensively in recent White Papers relating to local government, but the power of the community metaphor is reflected particularly clearly in many of the initiatives targeted on neighbourhoods and neighbourhood renewal. Although these are not specifically identified as reforms targeted at local government, their direct relevance cannot be ignored. The cluster of community-based policies includes two major national initiatives - the New Deal for Communities (launched in 1998) and the Neighbourhood Renewal Fund (NRF). There are now 39 projects sponsored through the New Deal, while the NRF focuses on the 88 most deprived local authority districts in England, with the aim of generating neighbourhood renewal strategies in those districts. Robson et al (2000, p. 25) argue for 'neighbourhood strategies that put local communities at the heart of decision-taking about neighbourhood management and change' (Robson et al 2000, p. 25). And go on to say that: 'The concentration of problems within small neighbourhoods ... reinforces the argument for the development of forms of neighbourhood management that may capitalise on some of the inherent community strengths within such areas and can encourage what might be called 'guided community-led' approaches to the revitalisation of such neighbourhoods' (Robson et al 2000, pp. 25/6).

Underpinning this approach is a belief that 'empowering' communities and giving them direct responsibility for their own well-being will make it more likely that any gains will be sustained over the longer term, even when particular projects have come to an end. As John Prescott puts it in the Introduction to the Urban White Paper (DETR 2000) 'our policies will empower communities to determine their own future'. In order for this to happen, however, communities have to have their own 'leaders' and in this context, the Home Office Active Community Unit has been given the responsibility of seeking to generate strong and active communities with a target of ensuring that one million people are actively involved by 2004. The aim is to help generate and identify community 'leaders' who are able to encourage community cohesion and to take responsibility for their own areas (see, for example, LGA, DTLR, HO, CRE 2002). In the 88 neighbourhood renewal areas, this is to be

reinforced through the creation of Community Empowerment Networks, capable of drawing on a Community Empowerment Fund, whose purpose is largely to support capacity building – and, in particular, to support the emergence of community based representatives capable of working within the emergent structures of the local welfare state (e.g. as members of Local Strategic Partnerships) (see Neighbourhood Renewal Unit 2003).

The new approaches are not restricted to particular local authorities, small areas or neighbourhoods. Following the Local Government Act 2000, all local authorities in England and Wales now have the specific duty to prepare community strategies. These would normally be prepared through Local Strategic Partnerships, although there is only a requirement for the strategies to be prepared through Local Strategic Partnerships in the 88 NRF areas. Community strategies are intended to prepare long-term shared visions for their areas and to outline the ways in which agencies will work together to achieve the vision in partnership with local residents and communities. According to the Government Guidance Summary, ‘These partnerships will bring the key organisations together to identify communities’ top priorities and needs and to work with local people to address them’ (DETR 2001, para 3). The expectation is that communities (or their ‘leaders’) will play a significant part on the development of these strategies, in partnership and under the guidance of local authorities.

In practice, of course, the significance of the Local Strategic Partnerships varies significantly between places - between local authority areas. In some areas, they do seem to bring together key actors in generating strategic visions; in others they rely almost entirely on the local authority for their agenda and support; in others they are little more than formal structures, whose influence is minimal. The community strategies that are produced range from powerful statements setting out what are often quite grandiose visions to pedestrian, albeit probably more realistic, restatements of council policy. However, the significance of this approach is not just to be found in the extent to which it can be realised in practice. It is instead important to see the new structures (however flimsy) as part of a continuing process of eroding the model that sees local government as the sole or even most legitimate expression of local democratic will.

However, to the extent that initiatives of this sort are successful, they also incorporate an expectation of community self management. In other words, the implicit trade off between community ‘empowerment’ and community responsibility is soon reflected in the expectations placed on community leaders – they, too, have to accept the language of priorities and choice, based on the availability of limited resources. Instead of relying on the state (or even the market) as regulator of behaviour the implication of highlighting the role of community is that self-discipline becomes equally important (see, e.g., Raco and Imrie, 2000, Atkinson 1999). Similarly, Diamond links the search for ‘social entrepreneurs’ to a ‘strategy of co-option and inclusion’ in which in practice key professionals are empowered ‘to act as a local neighbourhood catalyst or ‘supremo’’ (Diamond 2001, p. 277).

The notion of community has a key role of providing a different sort of legitimacy - one that is neither based on elected local government nor on the state professionals responsible for delivering services. The attempt to develop Local Strategic Partnerships and community strategies instead suggests the possibility of a model within which both the state professionals and the community organisations have to accept the rules of a very different game, one in which each is fundamentally dependent on the other, as part of a broader system of governance.

Towards a ‘new’ local government?

The extent to which existing arrangements are actually being transformed remains a matter of some contention, and there is evidence of passive as well as active resistance from some local authorities, their leaders and members. But the lines along which the restructuring and resettlement are expected to take place are clear enough. Local government is acting as one of the key sites across which the negotiation and conflict over the building of a new welfare regime or a new welfare settlement is taking place.

Both Stoker (2004) and Stewart (2003) have set out to analyse the changes that have been taking place and have developed persuasive interpretations of the new world that is emerging. Both are committed to some aspects of the reform or modernisation

programme, but both also see it as flawed. Each of them sees it as incomplete or internally self-contradictory.

Stoker is actively involved as a leading member of the New Local Government Network and his support for the 'new localism', which they foster, provides a strong focus for his arguments. As he puts it 'local government's job is to facilitate the achievement of community objectives' and 'Its role is to lead the debate, develop shared visions and help to ensure that appropriate resources – both public and private – are found and blended together to achieve common objectives' (Stoker 2004, p. 223). He calls for the development of a leadership capacity and a new approach to local politics which will ensure that 'communities can feel led' (Stoker 2004, p. 228). In some respects this clearly fits in with the Blair government's expressed agenda, and seems to share a view of the 'community' (in this case territorially based) as something that can be brought together (as a 'whole') around a shared vision. The echoes with managerialist approaches to the running of and management of change within major organisations are clear. And Stoker is also clear that only some councils will at present be able to take on these roles, and that central government retains the role (at least in the transition period) of determining which they will be.

But Stoker is also concerned that the Blair government is not pursuing the agenda that he sets out as consistently and coherently as he would like to see it being pursued. He sets out a number of aspects of the government's policies in practice as they affect local government and suggests that what he sees as the internal contradictions of policy for local government do not arise from an attempt to take forward a coherent programme of change. On the contrary, he argues, they stem from a policy style that leads inevitably towards what he describes as the politics of a lottery. So, for example, this helps to explain why rewards for good practice do not flow to those who deserve them. There is, he asserts, a continuing tension within the government, between a 'steering centralism' and a commitment to the 'new localism'. Only, he suggests, a more explicit commitment to the latter will enable progress to be made.

In his sympathetically critical analysis of new Labour's reform programme for local government, Stewart (2003) restates his own powerful vision of community government, based around a strong local government with significantly greater

autonomy not just for the few but for the many. In that sense it is a genuinely localist vision, taking forward some of the rhetoric of the White Papers, particularly as they relate to community leadership and the responsibility to improve the quality of life of local residents. But he questions those aspects that imply increased central control or regulation. He warns that inspectors and regulators themselves need to reflect on the possibility of their own failure – the possibility (indeed by implication the likelihood) that those being inspected may know more than the inspectors. Like Stoker, Stewart carefully explores what he sees as the inconsistencies within the legislation, the White Papers and the practice of central government. He sets out ways in which he believes that a more productive engagement with local government might be achieved and a genuine process of community governance fostered. He seems convinced of the government's goodwill, but is less convinced that the goodwill can be or is being translated into practice.

However, despite their clarity and commitment, ultimately the analyses of Stoker and Stewart are unconvincing precisely because both seem to start from the assumption that the authors of the reform programme share their ambitions, and also therefore that they will identify the same contradictions as they do, once they are made clear. Stoker has certainly had a more or less direct influence on some aspects of the reform programme as it has been expressed in white papers and various guidance statements. Government ministers (as well as leading figures in other parties) continue to work with and sponsor the publications of the New Local Government Network. And it may well be the case that the programme has been influenced by Stewart's thinking, since it explicitly builds on the notion of community government and community leadership.

But it is important to set the arguments in a rather different framework to that shared by Stoker and Stewart. While Stoker acknowledges that local government is only one aspect of the wider 'modernisation' agenda, it is less clear that the implications of this are fully recognised. The new arrangements reflect a more differentiated approach to the management of the local welfare state which incorporate a move away from any straightforward attempt to impose direct universal control from above. Instead what is emerging seeks to work with the much more differentiated polity which characterises the British state and its particular expression in England. Not only is there no longer

any simple hierarchical structure (if there ever was) but that means the task of 'managing' it has to be understood as much more complex process.

In other words, rather than viewing the outcomes of all this as a lottery (as Stoker 2003 does) or as some sort of mistake (as Stewart 2003 seems to) it may be more appropriate to see what is emerging as a form of dispersed or decentralised (even fragmented) governance, which in principle at least has the potential to be self-regulating, minimising the danger that it will generate serious challenges to the centre. We are seeing moves towards a complex and differentiated set of settlements, rather than a straightforward process of planned restructuring (see, e.g. Clarke 2004, pp. 116-120).

Historically, one of the tensions within central-local relations in Britain seems to have been that those at the 'centre' appeared to believe that they could simply direct a system which is highly differentiated and characterised by extensive negotiation through networks of professional and bureaucratic politics. These tensions have been exacerbated by the way in which apparently functional divisions of labour are mapped on to democratic structures, which have a clear territorial dimension. However new approaches to the management of local welfare from above seem to be emerging that reflect a different understanding of the nature of the local welfare state and local government, in particular (expressed, for example, through partnership agreements with the Local Government Association). Instead of seeing local government as part of a hierarchy in which the key relationship is that between the centre and the localities, it may be more appropriate to understand it as part a complex system made up of overlapping sets of relationships that stretch horizontally as well as vertically. This may help to explain why the dreams of the localists are no more likely to be realised than those of the centralisers, and also why the frustrating networks of engagement within which local government sometimes feels itself to be trapped remain so intractable.

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