**SOLACE
FOUNDATION
IMPRINT**

Localopolis: Governance and citizenship in the 21st century

Edited by Mike Bennett

Michael Bichard and Patrick Stephenson
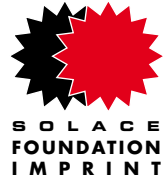Dave Mckenna
John Schultz
George Jones
Colin Copus
Jesse Norman
Alan Finlayson and James Martin
Mike Bennett

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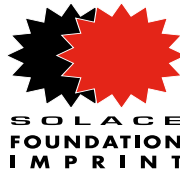
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The theory behind the new localopolis

by Michael Bichard and Patrick Stephenson

If it's right that there's nothing so practical as a good theory – apart, perhaps, from good practice itself – then we should be grateful as practitioners that theorising is again fashionable, and back on the agenda for local government and for central/local relations. Whether it is expressed in terms of "double devolution" or "place-shaping", the theoretical idiom for local government is resurgent. It's quite extraordinary, so why is it happening?

Central government has – broadly, and after a lot of pain – decided that local government has a part to play in modernised public services and a customer-centric state. The arguments about forcing local government to get better have been won, and the outcome is beginning to be delivered in comprehensive performance assessment scores and more generally. Local government is increasingly seen as a useful partner, and in some cases is even grudgingly admired by colleagues at the centre for what they have achieved. These plaudits matter little of course (no one did it to win them), but the renewed legitimacy of local government has reinvigorated the debate about where and how the centre of gravity of democracy, public administration, and citizenship should be located. When there were too many "basket case" local authorities and quite a lot which were complacent, it was hardly the time to have a serious debate about local–central–state–citizen relations. But the time is right now that we can

rely upon basic services being properly delivered, community planning being in place, and new constitutional arrangements bedded in.

We are delighted to join the debate through a series of vignettes of new theorising of local–central–citizen relations. Mike Bennett has brought together an intriguing set of essays, and has also provided the spark to fire the contributions. The voices assembled here speak to profound themes in local/central governance.

The first, by Dave McKenna, a 2006 SOLACE Foundation Imprint prizewinner, charts one possible direction by describing the "new localopolis" as a vision of how things might be. He considers some of the issues faced by contemporary local government in the light of some well established ideas from the history of political theory, and out of that he develops three principles. These are a single structure for local governance; a truly political community; and universal public participation. From that he makes the case for three ways in which the new localopolis might begin to be a reality – a local constitution, the local parliament and the duty of citizenship.

McKenna spreads his wings in this essay, but others have kept their theorising feet firmly on the ground. John Schultz, for example, who takes an approach of radical realism, matched only by the super-critical eye of George Jones, who wants the key issues both of democracy and service delivery to be settled locally – he explores the key contemporary questions being asked of local government and finds in them many of the centralist assumptions which he abhors.

Colin Copus also wants local government to break free of old assumptions, and to chart a new constitutional settlement. And if Alan Finlayson and James Martin get their way, then "people swarms" will express a new bespoke citizen participation that takes place as the situation demands it, in and through forms that cannot be specified in advance. People will literally swarm together to deal with a cause or a problem and then dissipate or move on to the next one.

Jesse Norman comes at the issues from an avowedly political perspective. His approach springs from three basic presumptions – in favour of individual freedom and against state interference; in favour of decentralisation and against the removal of power from popular authority and scrutiny; and in favour of accountability and against the diffusion and sharing of responsibility by public authorities. He argues for an audit of the major government functions, testing their purpose and exploring how best, if at all, that function should be carried out in future. And he sees (and celebrates) that such an audit would force us to reconsider the limits of personal and local responsibility.

Finally, the editor of the pamphlet, Mike Bennett, speaks back in proposing a new "accommodation" between central and local government through a reimagining of the relationship between institutions of government and citizens, in three areas – the limitations of government institutions to change the world; their existence as part of a network of institutions that form modern governance; and the idea of a positive "civic dialectic" – in which greater activism and institution responsiveness can be mutually reinforcing through a kind of co-production of citizenship.

In their different ways, all of the contributors to this pamphlet imply significant challenges for local councils in the 21st century, and, inevitably therefore, for the role of chief executive officers and senior managers. They must be a catalyst for change and provide leadership in areas such as promoting local democracy, engaging and developing the communities, stimulating economic growth, and so on – and all this will,

of course, be done under constant pressure for efficiency.

Within a reinvigorated and active citizenship successful councils will "shape" the way their communities and the local economy develop. They must understand and plan the services required by their citizens and communities. Commissioning services will become increasingly significant, sourced from other parts of the public sector, as well as the private and voluntary sectors. Councils will not necessarily be the first port of call for service delivery. And this relentless change will demand councils whose organisations are flexible and adaptable to change from local and national levels. They will need to become agile both as organisations and in the way they think about and act in relation to citizens, partners, and active communities of interest and of territory.

Potential partners too, from both the public and the private sectors, will have to adapt to provide the skills, capacity and innovation which will be relevant in this rapidly changing environment. They will need to demonstrate a clear understanding of this demanding future, and a commitment to respond to these changing pressures and new opportunities.

One very active player in trying to rethink these issues from a private sector perspective is our partner in this pamphlet, Steria. They have a strong commitment to support the new agenda, built on their work in helping to modernise many councils and in developing a community-centred services strategy. SFI is delighted to have their engagement and support in pushing out the boundaries of thinking in this critical phase for the future of local governance and citizenship.

Sir Michael Bichard is Rector of the University of the Arts London and Chair of the Legal Services Commission

Patrick Stephenson is the Head of local government business at Steria

Where now for central and local governance?

by Mike Bennett, Assistant Director General, SOLACE

"If popular respect ensures that the centre is secure in itself [...] the political authority can freely allow [...] every estate, city, village, commune, etc to enjoy the freedom to do and implement for itself what lies within its province."
GWF Hegel, The German Constitution, 1802

The on-going debate between the new localists and the determined centralists raises some fascinating questions about the nature of government in the UK – but in itself is not new.

It is enlightening to look back at past debates and see what our counterparts – in the 20th century and before – thought about the reform of central and local governance. We see the Royal Commissions of 1925-1928 and 1966-1969, wrestling with issues of size, structure and function in very similar ways to Sir Michael Lyons and government ministers. All are trying to answer what SOLACE has recently called the "more strategic, but more engaged with communities, conundrum" within highly political contexts. There are other echoes of history in today's debates – for example, Lord Redcliffe-Maud calling for more streamlined forms of governance with "governors" having more time for "real intelligent debate" in 1967 and in 1968 we see the department of environment first recommending city regions.

One could draw the conclusion that the question of where now for central and local governance has no easy answer.

Today, issues of governance seem to be dominated by the argument between the new localists and the centralists – with the localists gaining influence across government and across parties. But the persistence of the bipolar way of looking at central/local relations is interesting given its failure so far to have been resolved. This pamphlet examines the arguments and unpacks some of the assumptions that lie behind each of the standpoints to ask what they mean for governance, citizenship and the state.

With a White Paper on local government in England to be published this month and Sir Michael Lyons's Inquiry due to report in December, and similar reviews being conducted in Scotland, Wales and Northern Ireland, this pamphlet explores these underlying issues and asks "where now?" for the relationship between central and local government.

The issue takes its name from Dave Mckenna's SFI prize winning essay, Localopolis – we are pleased to have stimulated such an interesting new voice. The issue as a whole shows the real diversity of views within the local government and public policy community on the way forward for local government and links to broader issues of the constitution, of governance and citizenship.

From George Jones whose contribution rages at the centralisers who have taken over the asylum, to the Robert Burns invoking John Schultz, I am grateful to all those who have contributed. Not only are their contributions honest and stimulating, but each one of them dedicated themselves to their tasks professionally and efficiently.

I also would like to thank Clive Grace, Micky Lavender and our sponsors at Steria whose support has been essential.

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The new localopolis: three principles

by Dave McKenna, Community Leadership and Engagement Manager, Swansea

The future of local government is currently a hot topic for central government. This essay suggests one possible direction by describing the "new localopolis" as a vision of how things might be. By considering some of the issues faced by contemporary local government in the light of some well established ideas from the history of political theory, three principles are developed. These are a single structure for local governance; a truly political community; and universal public participation. Following this the case is made for three ways in which the new localopolis might begin to be made reality. These are the local constitution, the local parliament and the duty of citizenship.

Introduction

This short essay expresses my views about what local government in the UK might be like. The Social Contract of Jean-Jacques Rousseau is the inspiration for the style.

My purpose is to set out the principles that should underpin local democracy taking people as they are and local government as it might be. My method is to apply some well-established concepts of political theory to current circumstances in the UK with the aim of developing clear principles and practical proposals.

I approach this essay as a local government policy officer who believes that, through politics, people can change things. I cannot claim to be an expert nor do I claim to have any remarkable new ideas. While being sceptical about the possibilities of change I nevertheless make no

apologies for being idealistic. In my opinion there is not enough idealism in local government and those who are involved in supporting it would benefit from more time spent contemplating the question: "How could things be different?"

Local vision

While the modernisation agenda for local government, enacted by parliament in 2000, has meant a lot of changes including the introduction of cabinet-style local decision making and local elected mayors, there is a strong sense that local government in the UK is far from what it could be and needs a new direction. The Department for Communities and Local Government, for example, has sought to encourage a rethink through its "Local:Vision" debate about the future of local government because, as its website states: "A new approach to local government could improve the local delivery of services, increase public engagement in the decisions that affect them, and lead to better outcomes for people and places". This is a "big prize" as far as the Department for Communities and Local Government is concerned. (DCLG, 2005).

It is not my purpose to explain why such a rethink is necessary but rather to offer one possible new direction. In this essay I will describe, therefore, the *new localopolis,* in other words my vision for how local government should be. It is built on three fundamental principles; a single structure for local governance; a truly political community; and universal public participation. I do not intend to set out the details of what the new localopolis would look like as local arrangements need to

be determined by local circumstances and who knows what the future has in store. What I will do, however, is argue the case for three ways in which the new localopolis might begin to be made reality. These are the local constitution, the local parliament and the duty of citizenship.

On local governance

Local government was meant to be sovereign yet everywhere it is being undermined. Today local government operates in the space between regional government and community governance. This space, which can be described as *local governance*, also contains the local partnership arrangements that support the health and police services, many aspects of the justice system such as magistrates and coroners' courts, many central government services, such as for tax and welfare benefits as well as the public, the private and the voluntary sectors. It is true, of course, that there are already some mechanisms that are designed to bring a degree of order. Every area has an overarching *local strategic partnership*, for example, that is usually led by the local authority and is designed to promote local wellbeing. Many areas also have *voluntary sector compacts* that are agreements between local councils and the local voluntary sector. Nevertheless, despite initiatives like these, what presents itself is a perplexing range of forums, partnerships, networks, management committees, focus groups, consultation panels, user groups and pressure groups all swimming around in the local governance "fish tank" with the local council, the biggest fish of all, trying more or less unsuccessfully, and perhaps pointlessly, to get the others to swim in formation. If you have ever tried to map all of this you will know how confusing it is.

The difficulty is not simply one of navigation. Inefficiency is inevitable when the support and resource systems are as disparate as the current local governance mechanisms and ineffectiveness is another inevitable consequence of the incoherence. As John Stuart Mill pointed out, over 100 years ago "...in each local circumscription there should be but one

elective body for all local business, not different bodies for different parts of it" (1975, p369). Mill's point was that, while it made perfect sense for the delivery of local services to be broken up into different specialised departments, the same did not apply to the governance of those services because: "The business of the elective body is not to do the work, but to see that it is properly done, and that nothing necessary is left undone. This function can be fulfilled for all departments by the same superintending body, and by a collective and comprehensive far better than by a minute and microscopic view. It is as absurd in public affairs as it would be in private, that every workman should be looked after by a superintendent to himself" (Mill, 1975, p369).

The first fundamental principle of the new localopolis is, therefore, a *single structure for local governance.* This is a return to the idea that local government is sovereign in its locality but this is not simply, however, a nineteenth century argument. This is the 21st century way of doing things. People want one familiar and easy point of access whether it is searching the internet, shopping for food or dealing with their finances. If local governance is to be as easy to deal with as Google, Tesco or Virgin Bank then the current arrangements need to be replaced. The power of the whole can be much more than the sum of the parts and can be even more when lined up with the regional, national and European tiers of governance. At the moment the "implementation gap", in other words the problem of putting major national and European policies into practice, is a significant problem that can only be solved by a coherent "fourth tier" of governance at the local level. Finally, and perhaps most importantly, it is only with a system that is understandable to all and perceived to be effective that public engagement becomes a possibility. This is not currently the case.

On local politics

People are political but unfortunately local government is not. Furthermore, what we have in the UK is not really local government at all. A better description for it would be "local

management board for some public services". Local councils draw their legitimacy from parliamentary statutes, are bound by law to deliver central government policies and are as equally constrained financially. In England each year the Audit Commission produces a national league table of council performance called the comprehensive performance assessment which measures each council's ability deliver core services and to provide value for money. This assessment is becoming as significant as the local election in determining the programmes of local councils and the notion of failing councils being put under special measures, in the same way that some schools are, is surely just around the corner. Imagine if the UK government, the Scottish parliament or the national assembly for Wales was subject to the same regime of audited accountability. The reason that they are not is that they are political institutions and the reason that local councils are is that they are administrative institutions. If this is the role for local government then let us be honest about it and simply incorporate local services into regional and central government. There are obvious benefits from the economies of scale that would follow and responsiveness could be ensured through the same opportunities for service user involvement and customer feedback that exist now. All that would be lost are the endless "catch 22" debates about how statutory responsibilities can be met with ever diminishing local resources. In any case people don't care what happens as long as their bins are collected and potholes are filled, do they?

Much of the political has been removed from the local government arena as part of a larger process that has been described by Rod Rhodes (1994) as the "hollowing out of the state". The impacts of privatisation and the increasing influence of Europe have contributed to an increasingly narrow and managerial agenda at the local level. It is not really surprising that issues such as library opening hours and the availability of black bin bags fail to inspire local electorates to turn out to vote; these days it is only really public scandal that does. It is also no wonder that that participation fails when it is the minutiae of management decisions that are being offered up for debate. This example, found in 60 seconds of searching the internet, sums up the levels of excitement that can be generated when local councils consult:

"The parking controls currently apply from 8.30am to 8.30pm Monday to Saturday and 2pm to 6.30pm Sunday. Do you feel these times are appropriate? (Yes/ no)"

An even more worrying trend is the policy of asking the people that live in our most deprived communities to "get involved" in dealing with solving the often intractable problems of service delivery, caused by lack of resources and deeply entrenched social factors, that generations of professionals have failed to come to grips with. Giving people the power to influence the big policy decisions might be an answer. Asking people to manage their own poverty certainly is not.

A Marxist analysis would take this argument one step further and ask that we look at local government as the local arm of the state concerned mainly with ensuring that the labour force is continuously "reproduced" through housing, education and welfare services. Local politics in this context is little more than a means of absorbing protest and giving people the illusion of power (Cockburn, 1977). While many will no doubt shy away from such a radical analysis, the central idea that local government is essentially performing a functional role on behalf of national interests, and is a poor vehicle for challenging those interests, rings true.

In contrast, the second fundamental principle of the new localopolis is that it is *a truly political community.* It has the scope to make local laws, develop local policies and to make decisions of genuine significance and, because of this, it is able to capture the public imagination. This principle flows from Aristotle's (1992) argument that people are naturally political and are able to find real happiness only in a worthwhile political community or *polis*. The idea that political participation promotes happiness has also been supported by recent research that suggests that, for the Swiss at least, the better developed the

local opportunities for direct participation the greater the happiness of the population (Frey and Stutzer, 2000). The idea of the polis, which relates back to the ancient Greek city-state, is therefore definitely worth revisiting when thinking about local government in the UK today. It describes not just a means of achieving good government but also a way of promoting happiness and virtue for the citizens that are its active members.

The advantages in this political community are as much for the individuals who participate as they are for society as a whole. For Jean-Jacques Rousseau, political participation formed the basis for moral freedom because "to be governed by appetite alone is slavery, while obedience to a law one prescribes to oneself is freedom" (1968, p65). To be joined with your fellow citizens through a social contract is the only way both to protect the individual from tyranny and to allow the individual to express their own political will. Similarly, for Alexis de Tocqueville, the French writer who was so impressed with what he observed in post-revolutionary America, it is collective political activity that provides the best defence for freedom. De Tocqueville argued that: "...municipal institutions constitute the strength of free nations. Town meetings are to liberty what primary schools are to science; they bring it within the people's reach, they teach men how to use and how to enjoy it. A nation may establish a free government, but without municipal institutions it cannot have the spirit of liberty" (1994, p61). There can be no doubt either, that the activity of political engagement in discussion and debate broadens the mind, challenges preconceptions, develops skills and encourages learning. As John Stuart Mill said in *Principles of Political Economy*, a people "among whom there is no habit of spontaneous action for a collective interest – who look habitually to their government to command or prompt them in all matters of joint concern – have their faculties only half-developed" (1909, p948).

For society more generally there are distinct advantages in having a truly political community at the local level. There is, of course, the argument for better decision making whereby the involvement of the widest range of stakeholders encourages the development of the best solutions. Linked to this there is also an argument about more effective policy implementation when people have had a genuine part to play in policy development. This is because much implementation requires public cooperation and involvement so that by engaging the public in the development of policies such as recycling or dog fouling, for example, people will understand what is required of them when policies are agreed. The extra resources required to engage people could be offset against the cost of the publicity campaigns that are often required to implement programmes. This argument is also supported by evidence that suggests that people feel more satisfied with their local council if they perceive that they are being involved in decision making more than if they are simply being informed (Page *et al.*, 2004).

The wider benefit of a political community is not only better government, however, but also greater equality and social cohesion. For Rousseau (1968), a fundamental principle at the heart of his idea of the social contract is that, in an ideal political community, people would have a "double commitment" to both their role as a member of the sovereign body and to their role as a subject of that sovereign body. What follows from this is that people are going to contribute to the development of better policies and laws if they know that they will be subject to them in the same way as everyone else. At the same time equality is promoted because "as the conditions are the same for all, and precisely because they are the same for all, it is no one's interest to make the conditions onerous for others" (Rousseau, 1968, p60).

For the new localopolis this principle should also apply although there are two cautions that need to be heeded. The first issue is that citizenship can be exclusive as well as inclusive. Women and slaves in the Greek polis would understand that point as they were barred from citizenship altogether. There are parallels with

that situation today with the way in which people are also excluded because of gender and race (Lister, 1997). The second issue is that, if people are to experience changes in policies in much the same way as everyone else, then people should receive the same public services as far as possible. "Opting out", whether from health, education or otherwise, is not helpful in this context.

Social cohesion follows as an important, perhaps the most important, benefit of the new localopolis. Despite some improvements over recent years, poverty and social exclusion are still a serious problem in the UK. And, while much of the policy response has focused, quite rightly, on the debates about redistribution of wealth and about the need to extend employment, the value of an inclusive political community in this context should not be overlooked. Finally, and on a more personal note, it occurs to me that a genuine political community will need a different kind of public service to support it. This would be a public service where the skills of facilitation and policy development hold sway rather than the current administrative and managerial culture. Working for the new localopolis should be as challenging and rewarding for those in support roles, as participation should be for the public. It is certainly somewhere that I would want to work.

On public participation

Public participation in local politics is a big problem in the UK. Turnout in local elections is embarrassingly low (40%) compared with other European countries, such as Denmark (72%) and Germany (70%) (ODPM, 2002), and it is low compared even with the recent poor turnout in the 2005 national elections (61%). Other opportunities to participate such as citizens' panels, which involve surveying a representative sample of local people on a regular basis, by definition, only involve relatively small numbers. It is notable, however, how relatively little response there is from national government on this issue and how little attention this problem attracts in the media. You might wonder whether our response to low levels of electoral turnout

simply reflects our perception of the usefulness, or otherwise, of local government.

In contrast, for the new localopolis, the third fundamental principle is *that public participation is universal.* This principle can be justified on two ways. The first reason is a practical one for if participation is not universal then the benefits of a political community are reduced or undermined. If social cohesion is to be achieved, for example, then it is hard to see this happening without the involvement of all sections of society. And, after all, as the EU recognises, the "participation of citizens is at the very heart of the idea of democracy and that citizens committed to democratic values, mindful of their civic duties and who become involved in political activity are the lifeblood of any democratic system" (Council of Europe, 2001). The second justification for universal participation is much more profound and it is that the new localopolis can only be legitimate when everyone is an active citizen. Just as with the legal system, it only works if everyone has the same rights and responsibilities. This is the argument that underpinned Rousseau's ideal political community in his *Social Contract* (1968). For Rousseau every citizen is an inseparable part of the sovereign body politic and is as bound to participate in the making of laws as they are bound to comply with the laws. In fact, for Rousseau, it is exactly the fact that the citizen is subject to their own laws that makes them the slave of no one, and, by definition, free. The participation of citizens was so fundamental that it could not be passed up through representation. In fact, the only time people are free under a representative democracy is when they vote in an election and Rousseau was scathing of how little the English made of this freedom even in the eighteenth century. Similarly, in the new localopolis, people should not have the option to abdicate their political responsibilities and pass them on to a representative.

Of course the new localopolis will be a far larger and more complex arrangement than the simple political community dreamed of by Rousseau in the social contract but that does not mean that the concept of universal participation

cannot apply. While Rousseau's ideal of a single assembly that everyone could attend is unrealistic, it is possible to build on Marx's maxim for the communist society and say that, for participation in the new localopolis, "from each according to their ability, to each according to their need". This argument also recognises that, in contemporary society, peoples' experiences of citizenship can be very different and influenced by gender, race, disability and a range of other issues. In this context universal participation is a means of valuing diversity as everyone's political rights count for the same.

One reason why the new localopolis can aim for full participation is because people will actually want to participate. They will see that their involvement changes things and they will actually enjoy taking part. Personal development and learning will come about as a direct consequence of participation in debate and discussion. Through participation new friendships will be formed and social capital will be gained. The truth is that people already act on this need to participate through sports and social clubs, through faith groups and through internet message boards and chatrooms. The new localopolis will connect with and build on these mechanisms.

These then are the three principles that underpin the notion of the new localopolis; a single system of governance; a truly political community; and universal public participation. But how might this happen in practice? My next task is to describe three ideas for making the new localopolis a reality; the local constitution; the local parliament and the duty of citizenship.

The local constitution
The binding together of every aspect of local governance can be achieved through the establishment of a local constitution for each area. This is not a new idea of course – in *The Politics*, Aristotle described how the constitution was at the heart of the polis giving legitimacy and transparency to political business and, while the constitution is a "kind of organisation of the state's inhabitants" (p168), it is much more than that as it defines no less than the spirit of the people.

Likewise, in the new localopolis, the local constitution serves to define the powers of the different parts of the political whole and provide a focus for public debate and participation. It sets out the rights of citizens and the limits of local lawmaking and it can be used as a focus for teaching citizenship in schools. Changes to the constitution, which would need to be made through referenda, would provide an opportunity for widespread public debate. The very process of developing a local constitution would encourage coherent and strategic thinking about how all the different aspects of the new localopolis work as a part of the whole.

There is no need to start from scratch in developing local constitutions. This kind of arrangement is already common in many other European countries (Birch, 1998), and these examples could be looked at as possible models. The community strategy, which every local area is now required to have, could act as a starting point for the development of local constitutions. It should already encompass many aspects of local governance, including many of the partnerships, forums and agencies that are outside direct local government control. The evolution of community strategies into local constitutions would also provide clear means of setting out all the key strategies and policies for a local area for the public to understand and influence.

The local parliament
The idea of parliament as an overarching institution of governance is well-established and understood in the UK so why not apply it at the local level? While many aspects could be directly applied, clearly some would have to be adapted for the new localopolis. So, for example, the idea of local Houses of Commons could be developed from current local councils as the place where the voice of local citizens would be directly represented. In the new localopolis, of course, this would not be a representative chamber but a participative one so that all the citizens who wanted to take up membership would be able to. While there are

clearly practical issues linked to this it should be possible to develop arrangements by looking at the maximum practical size of an assembly, limitations on the length of time someone could serve and at waiting lists if necessary. Participation in these new local councils would not appeal to, or be practical for, everyone and, while the management of participation will be an issue, the fact is that everyone who wants to be a councillor now probably could be one if a more flexible approached was taken.

The role of the House of Lords has proved important for many in ensuring a check and a balance within the legislative process nationally. In the new localopolis a stakeholder senate could fulfil a similar role but by giving all interested local agencies, forums, community groups and other relevant institutions a voice within local the local governance process. Such a body would both provide all of these organisations with a clear role while, at the same time, encourage the greatest diversity of local organisations possible. The reasons for this being both to encourage participation, by giving people a variety of "civic" bodies to participate in and, as Rousseau argued, to discourage the growth of powerful single groups that can have an unfair influence. As with local constitutions there is no need to start from scratch with the development of stakeholder senates. Local strategic partnerships, which exist in every area, could be the starting point for developing such bodies as they already encompass many of the key stakeholders.

Another feature of the UK parliament that could be translated into local parliaments is the select committee system. In fact much has already been made of the merits of incorporating select committee approaches into local government scrutiny arrangements, which are similar in many respects.

One further obvious advantage of this model would be to replicate the idea of the civil service at the local level as a unified local public service. This should incorporate the support functions for health, the local aspects of the legal process, and the tax and benefit functions into the existing local authority functions.

The duty of citizenship

The idea that everyone will participate has been established as one of the three core principles of the new localopolis. To ensure this happens a legal duty of citizenship should be applied. But this is not a duty on the individual as might be expected. If the duty were placed on the individual it might soon become resented. In contrast it is a duty on local government to ensure that every citizen plays a part in the political process. It is this duty that ensures that the local constitution and the local parliament are legitimate. Placing this duty on local government also ensures that real thought goes into the ways in which people participate to ensure that the opportunities are meaningful and attractive. Effective citizenship does undoubtedly mean "people having the knowledge, skills and sense of empowerment to play a meaningful role in local decision-making", and this is an quite rightly a current policy focus (Andrews *et al*, 2006) but it is the institutions that need to be made ready before we embark on major programmes of capacity building.

How then could this duty be applied in practice? In the 21st century, participation should be bespoke and happen in a range of different ways through a range of different media. People will participate online, through community groups, through faith groups, as volunteers, through consultation, at meetings and in a thousand other ways. Some of this is already happening through citizens' panels, scrutiny boards, focus groups and questionnaires and, according to one estimate, there are already 14 million people involved in some form of public participation (Birch, 2002). Other mechanisms could include policy referendums and policy juries, where people are called up as they are for jury service now except, instead of a trial, they will be asked to deliberate on a policy issue. The point is not that everyone does the same thing but that everyone does something. In the new localopolis participation will constantly be reviewed to ensure that everyone, regardless of gender, race, age, income, class or sexuality, is engaged. Elections may be the least important

way of participating and may not be required at all. In the new localopolis everyone who wants to volunteer their time on behalf of their community will be welcomed with open arms and put to work.

In May 2006 Ruth Kelly MP took up the role as the first secretary of state for the new Department for Communities and Local Government. In her first speech she highlighted that she wanted to see "citizens re-engaged in the democratic processes of this country and committed to their local communities". Interestingly, this new department brings together a wide range of responsibilities including social exclusion, neighbourhood renewal, equalities, civil renewal and urban policy. If there is one joint project that would be of benefit for all of these areas it is the promotion of universal public participation through a duty of citizenship.

There are, however, three important questions that will need to be dealt with if the new localopolis is to come into being.

The question of size
The question of size illustrates the tension between efficiency and effectiveness on the one hand and democracy and accountability on the other. For Rousseau direct democracy could not work unless everyone took part directly in an assembly but this is clearly not a practical idea for the new localopolis. Similarly, it is difficult to see how a citizen of a city the size of Birmingham can hope to have much meaningful impact on policy making. This is an issue that the government is grappling with today and is looking at both city regions and French-style local communes as ways of addressing both effectiveness and the need to develop political units that people can identify with.

While the answer to this dilemma is not an easy one it must be found by developing a range of different institutions and a range of methods of participation within the new localopolis. The principle should be that decision-making is devolved as far down as possible while participation is at the same time as efficient as possible. So that, for example, you might expect a neighbourhood forum to agree the pub opening times but a policy referendum to agree the overall licensing laws.

The relationship to regional and national government
An important advantage of the new localopolis is the simplicity and clarity of the arrangements. In the same way it is essential that the relationship to regional and national government is simple and clear. This is not currently the case with the different relationships being described by a mystifying array of parliamentary acts, circulars and guidance notes. One clear advantage of the idea of a local constitution is the opportunity to clarify all of this and set out exactly who is responsible for what and how the relationship operates. This could be done in any case as is it is in many other European countries (Hughes *et al*, 1998). The difference with the new localopolis is, of course, that its legitimacy and its powers flow not from an act of parliament but from the sovereignty of its citizens. This means that defining the respective roles of the new localopolis and regional and national government is less a delegation of some responsibilities and more like the negotiation of borders between two sovereign nations.

The question of limited resources
Even if the new localopolis could be accepted as a good idea in principle would not the cost of the local constitution, the local parliament and the many methods of citizen participation be simply too expensive and take resources away from essential services? The answer is "perhaps" but there are arguments against dismissing it on these grounds alone. The first is that there are efficiencies in the new localopolis. The bringing together of the different local bureaucracies into a single public service is one and the bringing together of the many different funding streams that exist at the local level is another. There should also be savings from increased social cohesion and from more enlightened citizens who demand less in terms of "safety net" services.

The issue of local sovereignty is also important here. It will be for the new localopolis to decide how the money is spent. In fact it would make sense for the new localopolis to receive all of its funding from central government in one simple grant in order to make its own decisions. In this context it would also be simpler to do without local rates and council tax and have all funds collected through the national tax system. Alternatively local taxation should account for 100% of the income of the new localopolis with no dependency from national government. In either case the system would be simple and the new localopolis would be sovereign.

Conclusion

What is really needed is seriously good local government. This means local government that is relevant, inspiring and engaging, local government that is genuinely at the centre of local governance, and local government that can genuinely shape local circumstances.

I have described the new localopolis as my ideal of what local government could be, set out the principles on which it should be built and some practical ways in which it could be brought closer into being. Ultimately it is an argument for the rediscovery of genuine political community that, as Aristotle argued, is where people should really belong. The last words, therefore, belong to him:

From these considerations it is evident that the polis belongs to the class of things that exist by nature, and that man is by nature an animal intended to live in a polis. He who is without a polis, by reason of his own nature and not of some accident, is either a poor sort of being, or a being higher than man: he is like the man of whom Homer wrote in denunciation: "Clanless and lawless and heartless is he."

Aristotle, *The Politics* (Book I, Chapter 2).

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Active citizenship: a minority sport

by John Schultz, SOLACE president

In the proper and crucial quest for the appropriate balance between local and central, local government collectively needs to confront a number of self-delusional notions that obstruct rather than help. In particular, we need to see ourselves as others see us.

A reality check

First, we need to face up to the fact that the public is not remotely as interested in the central vs local debate as are many councillors and senior officers. For most, indifference to which level of government provides a service exceeds even ignorance of which level actually does the providing at present.

The same could be said of community involvement, where elements of sentimental naivety persist. Everyone engaged in the debate needs to accept more explicitly that active citizenship is a minority sport. This is not a new message for us. It was articulated clearly over 100 years ago by Oscar Wilde, who expressed the nation's ambivalence on the subject when he said he was all for socialism, but did rather like having his Thursday evenings free to spend at home!

Some of us in local government are paid to spend our Thursday evenings in council or other public meetings and others do so because it is part of the role to which they were elected. It is not surprising to see members of the general public turning up in large numbers to oppose primary school closures or unwelcome planning applications; but do we really expect the general public to want to turn up to a routine meeting?

Because participatory democracy is a minority sport, with the attendant danger that those who shout loudest win, we cannot afford to neglect representative democracy. But that doesn't mean we can expect people to treat voting as a worthwhile public duty that every good citizen must perform in deference to those who fought for universal suffrage. In the absence of a tradition of voting compulsion in Britain, such a prescriptive view is merely naive.

By the same token, we need to be realistic about the general public's degree of interest in local government structure. We are seeing ever-increasing levels of social and geographical mobility and the further rise of non-geographical communities of interest. More and more people belong to groups whose identity owes more to the internet than to a neighbourhood. With less and less attachment to place as a result, it becomes less and less important to the general public where services are provided from.

And, anyway, identification with a locality doesn't automatically translate into a fervent insistance that it has to have its own unit of government. Just think of England and Yorkshire. Or the decision of proud north-easterners not to opt for a regional tier of government.

Nor can local government realistically look to the public to share our view that, if they want local distinctiveness, they must accept a postcode lottery. People may want their locality to be different from elsewhere, but they certainly don't want it to be worse.

Realism rather than idealism

This may all sound like a counsel of despair to those for whom place-shaping is the core role. But

I believe otherwise. It is merely to acknowledge that the important debate about localism needs to be rooted in realism rather than dewy-eyed idealism. We need to start from where we are in striving to improve our system of government.

Despite the warm words of David Miliband and Ruth Kelly, most of central government does not appear to see devolution to local government as a matter of principle. Rather, it will go along with it only if it believes it is justified in practice. By complete contrast, ministers favour devolution below the level of councils – along with choice, personalisation, and community engagement – as a matter of principle, regardless of practicality.

The conclusion from all this for the central versus local debate is that we must rely on evidence-based rather than sentimental arguments in pushing for greater local democratic control in specific policy areas. We must repeatedly point to where local government has a better recent track record than central government, agencies or quangos, and support this with the many instances where government has turned (and is still turning) to local government people to sort out its own intractable problems. We must show how councils can join things up locally in ways that central government can't.

The prospects of success are much greater than if we rely on harking back to the supposedly halcyon days when (say) the medical officer of health was a council chief officer, and expect parliament and central government to be impressed by our plea to turn the clock back.

On community engagement, Ruth Kelly should, of course, be strongly encouraged to stick to her guns in advancing the cause of local and neighbourhood governance. The more people feel engaged with governance, the greater their likely contribution and the greater the general feeling of wellbeing. In other words, more social capital is generated.

Councils need to be more outward facing. It needs to be easier for communities to have more say in the fate of their localities, or even more control in certain circumstances.

But the debate must be based on a realistic acceptance that communities and individuals vary tremendously in the degree to which they wish to become engaged and how they are willing to do so – the so-called "ladder of involvement". Ramming involvement down people's throats is as doomed to failure as ever. It would achieve nothing to adopt the view that everybody ought to want to take part in community governance. It follows that we must accept stark differences in take-up.

As for voting, central and local government must continue to make it easier. And we need to question whether it is sensible to expect people in some areas to turn out to vote in local elections three years in every four (and then in parliamentary elections in the intervening year).

And when it comes to local government structure, it is difficult to find the right balance between a simple pattern that is easily understood, and more complex arrangements that reflect the public's inconsistent and varying views and sentiments. Perhaps we should just get better at coming to terms with the absence of a panacea, without giving up the search for improvements.

The consent of the governed
Local government provides cradle-to-grave, life-and-death and life-enhancing services, and the renaissance of many of our localities has come about only because of local democratic leadership. We are rightly very proud of that. Those of us who are part of local government put a sense of place at the centre of what we do, because that is our unique and valuable contribution. But it is ultimately the consent of the governed (however expressed) that really matters, not their degree of enthusiasm for joining in.

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Sniffing out the centralists

by George Jones, Emeritus Professor of Government, LSE

In recent discussions about the future, purpose and financing of local government a number of themes regularly bubble up, posing questions that some practical people may think "academic", meaning "irrelevant". But they raise important issues, and force answers that show whether one really champions local government. The questions also often display centralist assumptions.

The purpose of local government

The first question is whether local democracy is an end in itself or a means to deliver effective and efficient services economically. But local democracy does not have the delivery of services effectively, efficiently and economically as its fundamental goal. Who can tell what local authorities based on genuine local democracy will decide: the essence of local democracy is that local people or their representatives decide. And they could decide to do things for their local areas that are not effective, efficient and economic. In that case local citizens are able to remove these decision-makers from office if dissatisfied. But local democracy allows people to choose not to be effective, efficient and economic in service delivery. Achieving effective, efficient and economical services is a secondary, not a primary purpose of local government.

Local democracy should produce better service provision than central government or appointed boards. It will handle more manageable loads of business; it will be closer to the action, able to respond more quickly to changing conditions and tastes; it will be able to innovate, shaping its approach to the needs and wishes of the locality. Such characteristics are more likely to prevail with local democracy than with centralisation or quangoisation. But local democracy is no guarantee they will predominate.

The illusion of partnership

A second question is whether the distinction between centralisers and localisers is too sharp, and whether there are other possibilities. Siren voices suggest there is more complexity to governing than the simple dichotomy of centralists and localists. They often reach for a middle way, and advocate partnerships and sharing powers. Having it both ways is attractive to some practical people who do not like having to choose. But in governing, accountability is crucial. Citizens need to know who is responsible and hence accountable for some decision. With sharing and partnerships, it is hard to know who is responsible. Blurring the distinctions between central and local government means no one is responsible. Look at the annual ritual of allocating blame over who is responsible for increases in council tax. Neither central nor local government has for years been prepared to say "we are responsible". They blame each other. Sharing and partnerships are weasel words for the irresponsible to hide behind.

The arrogance of national standards

A third question asks, if local government delivers national programmes to national standards, then what discretion should it have?

This question is based on a centralist assumption that local government is an agent of central government. If so, then local government should have no discretion, especially if it has to follow national standards. The concept of national standards is inherently centralist. It displays the arrogance of centralists who think they know the answers to complex social problems and are justified in imposing their uniform solutions everywhere. But society's problems are too complex to be captured by such an inflexible approach. Far better to have many local authorities devising not just their own ways of implementing national policies but their own policies to suit their distinctive localities. From this social laboratory society would learn what was most appropriate in certain circumstances. Local authorities would learn from each other, and not be just arms of central government.

The obsession with "sizism"
A fourth question asks, should not local authorities that want full discretion be smaller and handle only local services? This question is shot through with centralist assumptions. It sees local authorities as only deliverers of specific services. This narrow perspective neglects the main role of democratic local government, which is to shape the development of the local community, "place-shaping" as Sir Michael Lyons calls it. This role requires the maximum of discretion, especially if local authorities are to represent what their citizens want. Concentration on the delivery of particular services weakens local government, and represents a victory for "technocrats" over "topocrats". The former, like central government's "silo" departments, give priority to separate services: the latter to the places where people live.

This fourth question also reveals a centralist obsession with the size of a local authority. Only those with a limited vision of local authorities as service providers embark on the quest for the right size of a local authority. Presumably they think there is also a right size for a nation state. Local government is about the government of local communities. A local authority should encompass a locality that has an identity that local people understand and to which they feel loyal. It is not something to be designed by civil servants drawing lines on maps to meet their administrative convenience. Opinion polling can help discover such areas that people feel are their local communities, and it will be found that in some areas people have multiple attachments, to villages, towns, cities and counties. In some places there may be one dominant attachment. These areas of attachment are political communities that should form the basis for local authorities. One test of whether there is a genuine political community is whether its citizens are prepared to tax themselves to support their local government.

The myth of the state
The fifth question asks whether local authorities, as political communities, are distinct from or part of the state? The use of the word "state" betrays centralist assumptions. The UK has no concept of the state. There is no entity called the "state" in this country. The state is an amorphous abstraction. No one is a servant of the state, because there is no entity that commands the loyalty of officials. Public officials serve the separate organisations that employ them. They are not employees of some overriding state. "State" can justifiably be used in diplomacy and international relations, one country as distinct from another. Those who ask this fifth question should come down from the clouds of abstract theorising and see local authorities as political institutions driven by politics, with their roots in local communities, local elections and local taxation, facing another government – central government – driven by politics too, and with its roots in national identity, general elections and national taxation.

The menace of central management
The sixth question is what role should central government have in managing local performance? To ask this question reveals a centralist mindset. The correct answer is "none at all". Central government should not intrude

into local democracy by managing anything for which local government is responsible. The judges of the performance of a local authority should be its own citizens. They can best judge whether the local authority is performing well or not. To expect central government to manage the performance of local authorities has led to a plethora of controls and regulations, assessments and inspections that undermine local democracy.

Local government is more than a voice
The seventh question asks how local government should represent the interests of its citizens to central government. This question is another permeated with centralist assumptions. It implies that central government is the decision-maker to whom local government brings its wishes. Local authorities are reduced to being pressure groups seeking central handouts. It encourages deferential subordination by local government to central government. Local government should stand on its own feet, and not run to central government for assistance.

Central government still centralist
It is sad to hear those who work in local government asking such questions. It shows they lack confidence in local government and its future. Perhaps they are only being realistic. They probably recognise that despite the government's recent rhetoric about decentralisation and double devolution, it is still centralist and has scant belief in local government. In May and June 2006, the prime minister issued letters to 11 cabinet ministers in which he laid down what he wanted their departments to do. He saw his ministers as his agents to carry out his priorities. His message to Ruth Kelly contained nothing that enhanced local government. Instead, he emphasised service goals, and local neighbourhoods and mayors. Her reply in July 2006 was equally depressing. Heading a department that puts communities before local government, she covered specific services, and themes like social cohesion and equality, economic productivity and prosperity.

The first mention of local government in her reply was to state she wanted "to see local authorities taking an increasingly strategic role on housing". The second was to say she wanted in the forthcoming white paper "to move from earned autonomy to presumed autonomy". Why not real autonomy? Her third mention of local government was that she was looking forward to the Lyons report.

Defeatist pessimism or a practical response?
Perhaps those local government officers who keep their heads down can see that nothing much will emerge from this government to revitalise local government. They will carry on working as best they can with a centralising government, and from time to time ask intriguing questions to keep interest in local government alive.

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New localism means new local government

by Colin Copus, senior lecturer, University of Birmingham

The current debate between localism and centralism is being conducted around a number of long-established assumptions about the nature of local government. First is the notion that local government should be a creature of statue and, consequently, should have no independent right to exist. Second is the idea that local government can and should only be able to do that which central government allows. These two approaches reflect the British unitary state, the concept of parliamentary supremacy and the subordinate position of sub-national government and of the citizen within that structure.

Next are assumptions about the role and structure of local government where we see the competing forces of technocracy and democracy at play. British local government has long been synonymous with the provision of public services, rather than being seen, as Mill (1951) would have viewed it, as numerous outposts of alternative political loyalty and government to that of the centre. With the assumption that the key role of local government is technocratic and managerial, rather than political and democratic, comes a further set of assumptions about the size and shape of local government, based, on a technocratic and managerial view that bigger units make for efficient and effective services; a view which we shall later see, is dangerously wrong-headed.

If new localism is to be genuinely new, it must break free from assumptions that bind much thinking about local government. This article briefly sets out a new constitutional settlement for English local government and poses some challenges for centralists and localists.

New localism and a new constitutional settlement

As subordinate to the centre, local government lacks even the most basic constitutional protection, including the right to continued existence. Stewart (1983) described central and local relationships as "hierarchical" and "asymmetrical", resting on notions of authority and a single direction of control: from the centre to the localities. It also rest on the notion that citizens have no control over the shape, size, powers and responsibilities of their councils; that too is government's role. Local government requires a new normative base, one which grows upwards from a citizen controlled, and politically independent, local democracy. Local government needs to be able to govern.

A recent anecdote is useful to emphasise the political impotence of local government. Some time ago, Liverpool city council announced that it wished to ban smoking in public places. However, it would not be the council that would enact such legislation. Rather, Liverpool city council had to plead before parliament, to ask for the power to act. Yet, we see rafts of legislation passed which provides no avenue for local determination or localities demurring from statue. What makes an issue suitable for nationwide legislation has to be more than simply wanting everyone to be similarly bound by nationwide laws; but that is what underpins the British unitary state.

If the unitary state is the problem, it needs changing. Since 1997, the Blair government has

introduced an asymmetrical devolution via the Scottish parliament and the Welsh and Northern Ireland assemblies. It is asymmetrical because of the imbalance in roles and powers between the three bodies and their relationships with the centre. But, there is a further and wholly unjustified asymmetry in the new system. Ironically, the government's devolution agenda has opened up a gaping democratic deficit of its own creation and left a clear and vital piece missing in the UK constitutional and governing jigsaw: an English parliament. An English parliament is necessary to rebalance this constitutional iniquity, and to make a federal UK possible, as well as to formally recognise the reality that the unitary state of Britain is a "political-cultural construct" and one which is a "top-down official national identity, not a popular democratic national identity" (Preston, 2004, p. 71).

Within a federal UK, the preferred model of local government is one which is powerful and politically independent, with a constitutionally protected right to exist (see IPPR, 1991). It would have legislative power within its own boundaries, arising from individual council constitutions. Thus, if Shropshire county (or Bridgnorth district) wished to ban smoking in public, but not fox-hunting and Staffordshire county (or Cannock Chase district) wished to do the reverse, but raise the legal age for drinking alcohol to 25, then so be it! Councils would have the power to legislate and, all of a sudden, local government is meaningful and relevant.

When it comes to the provision of public services, councils, within this particular vision of a federal UK, would have power to decide how services were provided and could mix and match public, private, voluntary and charity provision. Moreover, councils would be responsible to their electorate for those services; inspection by external bodies would be light touch and configured so as not to control the policy direction of councils or managerialise the political processes.

Finally, in this federal UK remains the question of the tiers of local government. The view here is of a multi-tiered set of arrangements, with some areas of responsibility resting with parishes, districts and counties and also with other services and policy areas being the responsibility of single-purpose, but elected bodies. The principle underpinning such an arrangement is one of democracy and popular control: responsibility for public policy, public expenditure and political decisions must rest with an elected body. But, if we are to have powerful councils governing our localities, how and to whom would they be accountable?

New localism: new accountability

If local government is to be a powerful governing and legislating institution, then robust political accountability is required. Indeed, the very act of constituting a council must rest with the local people – for as Tom Paine (1791) pointed out: "A constitution is not the act of a government, but of a people constituting a government; and government without a constitution, is power without right". Council shape, size and boundaries are not to be declared by a superior governing institution. Rather, they are set by local people. A corollary of which, is if group of citizens wished to cede from larger authority and create a new council and could convince sufficient of their fellow citizens to support such an idea, then, a new council is formed. Mergers of part or all of councils would also be generated and controlled by citizens – not councils or government.

Citizens need power over those they elected to govern them; simple political mechanisms would be put in place to ensure accountability and citizen sovereignty. There is no more powerful mechanism for keeping elected representatives close to those they represent, than the electorate being able to remove politicians from office between elections. Thus, citizens would be able to petition for recall elections for any councillor or elected mayor, or to recall an entire council and call new council elections. Shorter terms of office and consecutive term limits add to citizen control of politicians and are necessary restraints on political power and authority.

Finally, the injection of a strong dose of direct democracy into the representative system would be required. So council legislative proposals would be subject to citizen approval in a binding referendum. Citizens would also be able to call referendums and put forward initiatives for public ballot, the results of which would be binding on the council.

Thus we see not only politically strong and independent councils created, where the balance of power between the centre and localities is tipped in favour of the latter, we also see a further tipping of the balance of power from governing institutions to local citizens.

Size matters

One of the consistent trends in British local government has been that towards larger units of local government. Indeed, Britain has some of the largest local authorities in Europe (Stewart, 2003, p181). Large-scale local government and efficiency has been conflated in the minds of many, but the case is far from being proven. Travers *et al* (1993) repudiated the idea that there is necessarily a link between large population size and efficiency and effectiveness, or that large councils outperform smaller ones. Indeed, Muzzio and Tompkins (1989, p95) comment that "there are few empirical analyses of the effects of city council size … much of the available information on the effects of legislative (council) size is speculative and anecdotal". Mouritzen (1989) concludes that citizen satisfaction, as well as democracy and participation, is greater in small, generally more homogeneous councils.

Research shows that large local authorities have a deleterious affect on democratic criteria such as: turnout at local elections, direct citizen contact with councillors and officers, citizen attendance at council or public meetings, political discussion, citizen perception of influence over local affairs, trust in local councillors and officials, citizen identification with the local council and levels of political engagement (Larsen, 2002; Laamanen and Haveri 2003). Some have found that as population size increased, citizen involvement increased up to a point and then began to decline, indicating an optimal democratic size for councils (Cusack, 1997; Frandsen, 2002). Keating (1995, p117) gives the game away by stating simply: "Like so many issues in politics, this [council size] involves matters of ideology and interest".

When it comes to the link between efficiency and effectiveness and large council size, no clear conclusions can be drawn from research, a surprising conclusion given the certainty with which the case for larger authorities is often made. Indeed, for many, the link between large-scale authorities and efficiency is an article of blind faith.

Linked to the debate about size and efficiency, and refutable by the same criteria, is the debate about the merits of unitary against two-tier council structures. A unitary reorganisation of English local government would lead to larger and more remote councils with which citizens would not identify. Indeed, it would make notions of localism almost unachievable – maybe that is the aim! The 1974 forced mergers of councils still rankle with many citizens; further annexations by councils of surrounding territory to form a technocratically perfect, larger, unitary authority would bring all the attendant negative affects on local democracy. Indeed, for this same reason the debate about city-regions is a democratic blind alley (see Coombes, 1996). Small-scale, but politically powerful and independent, councils can provide services that are as efficient and effective as far larger authorities (particularly when forming partnerships with surrounding authorities), while at the same time protecting and maintaining a distinct community and political identity (Borraz and Le Gales, 2005).

Conclusions

It is time to think beyond the current debate, to an entirely new formulation for local government in the UK, one that would recast the nature of the relationship between the centre and the localities. Some of the issues covered here can be dealt with relatively quickly; the creation of

an English parliament for example, would solve the political imbalance and democratic deficit inherent in a political structure which leaves 85% of the population of the UK (excluding Northern Ireland) without a government of its own. Moving towards a federal constitution is a longer-term project, which would at the same time consider the legislative and political powers of local government.

To many readers the ideas in this article will be an anathema to long-held views about what politics is and how political and governing institutions should operate, particularly in relation to those they govern and represent. But, a powerful alternative exists to current constitutional arrangements; an alternative resting on a sovereign and powerful citizenry, not sovereign political institutions. It is a model to which those calling themselves localists should give some thought as it provides a clear route by which localism can overturn the centralism inherent in a unitary state.

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What's needed is an audit of government

Jesse Norman, senior fellow, Policy Exchange

Debate continues to rage between localists and centralists as to how and where the different functions of government should best be carried out. This article sets out a new approach to these issues.

This approach springs from three basic principles: a presumption in favour of individual freedom and against state interference, whether from central or local government; a presumption in favour of decentralisation and against the removal of power from popular authority and scrutiny; and a presumption in favour of accountability and against the diffusion and sharing of responsibility by public authorities. I suspect many people share these principles, at least in broad terms, so they are not especially contentious.

Context: Baumol's cost disease
Anyway – to business. In recent decades the British state, ie central and local government together, has consumed a broadly steady percentage of GDP in taxes, at somewhat over one-third of the total. But this trend disguises significant change in the composition of state spending. Spending on items such as defence, state subsidies to industry and debt interest payments has fallen significantly, while that on education, health and social services has risen.

We also know, however, that given the state's heavy orientation towards services, upward pressure on its spending is likely to intensify. Why? Because of an economic phenomenon known as "Baumol's cost disease". In 1966, the economists William Baumol and William Bowen published an article on productivity in the performing arts.

The problem is this: imagine you are a member of a string quartet. Every year you and your colleagues need a pay rise, if only to keep pace with inflation. But your productivity hardly increases. You can't drop a member and still play the Hoffmeister quartet with three people, and when you do play it, it will still last about as long as it did when Mozart wrote it in 1786.

If you worked in a car factory, on the other hand, there wouldn't be a problem: productivity has risen hugely in the car industry as a result of technology, automation and supply chain management. This generates gains, part of which can be passed on to employees. Costs go up but output, normally, goes up faster.

Baumol's cost disease, as this is known, arises generally in service industries, which tend to be hard to automate, hard to standardise, and reliant on the personal touch. If you have ever wondered why new car costs are falling while car repairs are more expensive than ever, Baumol's cost disease is part of the answer.

Now our public services are just that: services. Hospitals, schools, and old peoples' homes are precisely the kinds of places whose productivity it is hard to raise above their trend rates. Technology can make some difference, it's true; lectures can be webcast, X-rays can be emailed, day surgery can replace long periods in hospital. But the scope to increase productivity in services is much less than in manufacturing.

Moreover, it is not always clear why you would want to automate services, as anyone who has

ever called an automated telephone system will testify. Proper care and attention is what many of these services are about; it's what makes them valuable. Nurses cannot tend to patients, nor can teachers mark essays, much faster now than 20 years ago; or if they can, perhaps they should not.

The effect of Baumol's cost disease on the UK has been to push up state spending on services remorselessly in recent decades. Successive governments have been able to keep their spending on a more or less even keel, at least until recently, but only by substituting expenditure on services for expenditure on other items such as debt interest.

The importance of this line of thought is threefold. First, it reminds us that what the state spends our money on has always been a fit topic of debate. There is nothing new, and nothing inappropriate, in questioning the limits of the state. Indeed problems come when debate ceases. Second, it underlines the point that substitution can only go so far; and that when it ceases state spending will be under renewed pressure to rise. Third, it forces us to ask what the limits of social cohesion will be: will Britain allow government spending to drift upwards from its current high of 43% of GDP towards the 50%–60% now characteristic of the Nordic countries? And if it will not, how must the state be reshaped, and with what priorities?

An audit of government
The debate between localists and centralists must, therefore, be conducted against a backdrop that acknowledges this fundamental economic reality, and this in turn affects what options are on the table. But against this backdrop, how should we proceed?

What we need, I suggest, is a new intellectual framework within which Britain as a whole can conduct a fundamental reappraisal of the proper role of different parts of the state. The effect of this will be to break down the overall central/local question into a much more finely-grained consideration of where and how certain powers best lie within government as a whole.

We can start from the insight that there

are in fact only a limited number of ways in which government can be effective. It can spend directly, it can regulate, it can privatise or nationalise, it can centralise or decentralise one of its own parts, it can license other organisations, or it can revenue-share with them, among other things.

But this makes it possible to conduct an audit of the major government functions, asking in each case what its purpose and role is, what that purpose should be and how best, if at all, that function should be carried out in future.

It is inevitable, and right, that such an audit will force us to reconsider the limits of personal and local responsibility:

• Should individuals bear personal responsibility if they are ill as a result of their own unhealthy lifestyles?

• Should families bear more responsibility for old age care?

• Should a given community bear more responsibility for law and order, for education or welfare?

The centrality of risk
It will be also crucial to recognise the importance of risk in such an audit. Britain has a single model of the state, broadly speaking, and a uniform and top-down process of policy-making. The result is that this country almost certainly has a huge long-term exposure to unnecessary or unwanted risk.

This risk is not merely that of unexpected catastrophe or emergencies. It is the ordinary exposure that we as individuals run every day because the state is not doing its job, or not doing it well enough: the risk of crime, financial loss, or disease. More widely, it lies in how we treat the environment, in our consumption of energy, and in transportation, education, benefits, social services, and health. In effect, the state is like a gigantic hedge fund, running a vast array of open positions in different financial markets, but with little assessment of risk versus return, a weak regulator, and no debate as to other ways to invest.

One or two areas apart, there is little evidence to suggest that British government over the

years has made any systematic attempt to measure or manage risk. Indeed its growing corporatism and authoritarianism are increasing the problem.

For the present, the right approach is to include risk assessment in our audit of government from the outset. This would mean looking at different scenarios for each function: asking, for example, how a greatly decentralised NHS would cope with different levels of demand, whether its performance would be better or worse than at present, and in what areas.

This will not be easy, but it would be a hugely innovative and important development in public administration. And it would be the crucial precursor to a thoroughgoing and long-term attempt to remodel the state so as to boost its productivity.

The need for compassionate conservatism

One might think that this kind of risk-based audit had little to do with David Cameron's "compassionate conservatism". But in fact, as I show in a recent book, it springs directly from such a viewpoint: one that recognises the fundamental importance of good public services and seeks to improve them; that is sceptical of state monopolies, and celebrates independence and diversity; that genuinely looks to individuals to take responsibility for their actions; and that enfranchises our institutions to help fill the civic gap in our society.

For these very reasons this viewpoint cannot be socialist, or paternalist, or merely economically liberal. Only compassionate conservatism will do.

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Local government and loss of sovereignty

by Alan Finlayson and James Martin

Today's heated arguments about the advantages and disadvantages of renewing "localism" turn on contrasting perceptions of governance. Centralisers believe that local politics and government are parochial, narrowly focused and lacking the general perspective or universal vision that is the proper concern of central government which can, from its position at the "top", survey all that is beneath it. Thus central government should be setting the directions for local government to follow. But from the perspective of the localist, central government is too far away to properly focus on the complexities of what is really going on down on the ground. Far from being parochial and particular, the local is able to address the specific needs of specific peoples and to adapt to the particular requirements of varied localities in the delivery of universal service. The centre has to be guided by the clear vision of the local.

What is power?

Despite the clear opposition we believe that they have much in common. Although at variance over the location of the source of political power and the direction of its flow, they share the same ideas on power and how to use it. Changing the direction of flow between local and national government does not challenge sovereignty or the excercising of authority. This is a problem for those who want to reinvigorate democracy through the revival of local politics.

Creatures of central government?

Dave McKenna is right to fear the exploitation of local authorities as local management boards required to implement – more effectively than direct central control ever could – directives formulated by and for the centre. He is right when he says that local authorities risk being merely "an arm of the state". For while central government is now assigning previously centralised tasks of monitoring and managing citizen expectations to a variety of local organisations – so that they take place closer to the point of "delivery" – such power is released only in as much as it facilitates the integration of regions into the global economy in ways demanded by central forces. Furthermore, local authorities are not merely relay points for the dictation of national priorities but themselves pressured to be exemplars of centrally modernised governance in the form of cash-efficient, cost-effective, well-branded and market-led public services. They are free to act if they act according to rules laid out somewhere else. It is concern about this outcome that encourages critics to seek to wrench sovereignty from the centre and give it the local.

Just a lot of kings

After the second world war, European states justified their control of resources by assuming the role of a centre that could establish rational unity. But this centre was never fully in charge of events nor always best able to wield resources effectively and efficiently – a fact underscored by the persistently uneven social and economic development of sub-national regions in the 20th

century, as well as by a widespread "cultural" resentment about being told what to do by "the man from the ministry".

In the face of this, reversing the opposition between centre and locality by giving primacy, or at least greater responsibility, to the local seems logical. But this does not necessarily break the logic of centralised sovereignty. It merely applies it to a smaller realm. The first day after the revolution (or after devolution) it may seem that power has been ceded by the king to the citizens. But, on the second day, it is apparent that there are just a lot more kings around.

The problem with the centralisation of the state was not its scale but the fact that it was a centre and, as such, it demanded homogeneity and uniformity of purpose, consonant with a unified identity applicable across a fixed territory and across numerous domains of societal management. Changing the scale and changing the territory makes a difference to this, but it doesn't change everything. Local or national, the logic of sovereignty demands a sense of common purpose to which multicultural and socially and economically diverse communities, occupying a multitude of public and private spheres, are unlikely to assent.

The virtuous citizen

Civic republican fantasies of virtuous municipal citizens are appealing but rarely have a grounding in reality. The localisation of democracy is more likely to generate competition between various groups and incentives for individuals to set themselves up as the official voice of "their" community. Indeed, this is already happening.

The point to grasp is that this problem doesn't contradict the creation of a more local democratic polis; it happens precisely because of the attempt to integrate varied communities under the logic of an abstract idea of their universal citizenship, even when achieved through mutual deliberation and agreement.

The real challenge is to break fundamentally with the idea that sovereignty should reside anywhere and be the property of any specific locality or identity.

Governance networks

We must stop thinking of local government as the lowest part of the pyramid of power, or as a potential alternative to the top. In reality local government is just one nodal point in a complex network of interrelating elements each of different intensities and moving at different speeds. Governance is not structured, it is not static and it has no fixed or orderly lines through which power is transmitted.

Furthermore, governance is an activity not only carried out by government but by many very different kinds of institution, organisation and activity. Governance concerns managing or directing the complex actions and interactions in society – it involves, for example, the realms of education, health, criminal justice, work, shopping, news media, entertainment media, and charities. In this sense, from the girl guides to News International, everyone is participating in governance activity. "Local" communities are constantly shifting and interacting, growing and retracting, distributing and redistributing their energies and interlinking with other communities and locales of varied scales. These endless flows and processes constitute a thoroughly open and dynamic network.

Local communities are never purely "local". Numerous transformations of UK economy and society have radically restructured sub-national units such as regions and cities and transformed the global reach of individuals. What is it that is local when inside two houses next to each other is one family watching Hindi television and another watching, live, the latest news from Washington DC?

Our work life may be governed at a distance by a company with head offices all over the world; our cultural and leisure preoccupations may be global in scope, and in the UK many people's political capital is invested overseas in saving rainforests and child soldiers.

Global versus local

This is all symptomatic of the end of "the local" as a political category. But it does not entail the subsumption of all things by "the global".

It also means the end of centralisation and the end of the idea that sovereign power can reside in a single location. And with that we also see the end of the idea that the world can be made to conform to one system. We are now seeing the emergence of ever more varied, innovative and experimental forms of social, political and economic organisation such as micro-credit lending systems, public interest companies, time-banking schemes, local economy trading schemes, various forms of co-operative enterprise; citizens' action organisations, the "slow" movement and so forth.[1] In view of such experimentalism the challenge of contemporary local government is not that of reinventing the wheel of politics in order to fit it onto slightly smaller vehicles taking us in the same direction. It is the challenge of allowing the invention of entirely new vehicles to take us to places we had never thought of going to before. The single local authority structure is no longer (if it ever was) congruent with the nature of local community life. Indeed, politics, economics and culture are not necessarily territorially or communally based.

Place-shapers
But this does not make redundant the need to "organise" locally or to support the activities currently associated with local government. We still need locally focused venues to act as "nodes" around or through which temporary alliances can be formed to address emergent problems and opportunities. Sir Michael Lyons' inquiry into local government has already thrown up the idea of local authorities as "place-shapers", that is, as hubs through which a variety of places are actively transformed through coalition-building around issues that cut across territories. The vocabulary of place-shaping certainly begins to re-imagine the complexity of "the local" once we free ourselves from the idea of authorities merely as managers of public services. But its implication is also that local governance requires new conceptions of collective action and public responsibility suited to an environment where the shapes of our places are diverse and constantly shifting.

People swarms
What is most exciting in Dave McKenna's Rousseauian dream is the genuinely radical idea that everyone who wants to, could be a councillor – perhaps for as long or short a time as they wish. Similarly, his call for bespoke participation that takes place as the situation demands it, in and through forms that cannot be specified in advance, seems potentially suited to a 21st-century participatory politics taking place in unpredictable forms as people "swarm" together to deal with a cause or a problem and then dissipate or move on to the next one. In that context, the local authority "worker" may find a role. As initiators or managers of unpredictable forms of political organisation and action we might call them "political entrepreneurs" or "community partners". Then again, we could just call them "citizens".

1 On micro-credit see microcreditsummit.org; on public interest companies see Paul Maltby, In the Public Interest? Assessing the potential for public interest companies, IPPR, 2003; on time-banking schemes see timebanks.co.uk; on Local Economy Trading Schemes see the UN backed UNILETS unilets.org; on the various forms of contemporary co-operative enterprise see cooperatives-uk.coop; on citizens' action see The Citizen Organising Foundation cof.org.uk; on the slow movement see slowmovement.com

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We must cut off the king's head

by Mike Bennett, Assistant Director General, SOLACE

According to Charles Clarke the government has failed "to reach [an] accommodation with local government about the appropriate modern balance between local and central rights and responsibilities". Local government reform has been put in the "too difficult" box and he says: "Phrases such as 'the new localism' have offered just about nothing to this discussion, as the age-old unproductive wrangling between central government departments and local authorities about money, 'targets' and responsibilities has not been resolved".

It is difficult not to agree. On the eve of a white paper on local government, with the long awaited report of the Lyons inquiry to follow in December, there is a creeping sense of anticlimax. Many perceive a growing danger that the government no longer has the political energy to deliver serious reform. And, while all politics is necessarily a combination of the tactical and the strategic, short-term political factors increasingly look to be outweighing the logic of purposeful reform.

For those of us who believe that local democracy is important and who are ambitious for the future of local government, it is crucial that a new understanding of local government's role is developed. And we must put the sterile argument between centralists and localists behind us. Inevitably Clarke's (2006) "accommodation" between central and local government bears the pragmatic stamp of the politician. What we need is a full scale re-working of the relationship between institutions of government and citizens.

The current relationship needs to be re-imagined and reworked in three ways. We first need to recognise the limitations of government institutions to change the world. Second, we need to understand their existence as part of a network of institutions that form our modern governance. Third, we need to embrace the idea of a positive "civic dialectic" in which greater activism and institutional responsiveness mutually reinforce responsive government and communal citizenship.

Centralists and localists

Reading statements by pundits and political parties in the local government press recently, it would be easy to assume that we are all localists now. However, lying behind the apparent localist consensus are a number of different propositions and beliefs about the proper role of the state and the best form of local government. Of the two most obvious, one is "managerial localism". This holds that local control is best for organisational performance because it enhances managerial creativity and innovation. Ed Balls, writing in 2002 as chief economic advisor to the Treasury, gave an early boost to localism when he explained: "In today's complex world, it is simply not possible to run economic policy or deliver strong public services using the old, top-down, one-size fits all solutions. Excessive centralisation saps morale at local level. It destroys innovation and experimentation. It fails to allow different policy areas that must in fact be inter-connected to be joined up".

His focus is on localism as a means to other ends – it is a method, a way of organising what

will, in his view, get things done. It contrasts with the more principled localism of Simon Jenkins who believes that the centralisation of power and the decline of local democracy in Britain is no less than a denial of freedom on the grounds that "to deny mature citizens control over their immediate environment denies them the modern human right to self-determination" (Jenkins, 2004).

The distinction isn't absolute. Many localists hold both managerial and principled positions. But it does identify the different assumptions which come into play. And so for the centralists too. In a 2004 speech, Charles Clarke evoked the memory of Nye Bevin in his argument that central control, while in some ways regrettable, was necessary in order to ensure social justice and to improve managerial performance. Meanwhile, the centralist advocates like David Walker and Polly Toynbee argue that a fair and just society is impossible without centralised processes of equalisation and redistribution (Walker, 2002; Toynbee, 2006). As Toynbee pleads: "So who is going to stand up and say that government is a force for good? Who will say the blindingly obvious: there is no good society without a good strong state?" (Toynbee, 2006).

What keeps this debate alive is the apparent disagreement about the role of government and the state. On the one hand, its power is to be curbed and, on the other hand, its virtue is to be celebrated.

Minding which gap? They are two peas in a pod

Yet while ideology and politics divide centralists and localists, they share a straightforward belief in a central state as a united source of political power and that the state can enforce its will. They both believe there is a state that can coherently pursue objectives and alone has the power to do so. In other words they see the state, or the centre, as something that thinks and acts. While this is the traditional view, it needs challenging on multiple fronts.

For a start it exaggerates the state's capacity to achieve change. In many areas of social

policy the suggestion that there is such as a thing as "the government" or "the state" which as a centre of action can exercise authority coordinated over a particular territory seems untenable.

Take the health service for example. It is national only in name. While the department of health seeks to regulate the many thousands of different organisations that make up the health economy, the quality of services and "outcomes" are exponentially more dependent on a range of individual and communal factors. The influence of friends, family and neighbourhood; where people live, what their occupation is, how much they earn, what they consume and how much they move will matter more than anything emanating from Whitehall. There is no state department or body that can guarantee major changes in people's health on its own. Not only do results depend on multiple factors, but state actors don't even have unfettered control over resources. In the modern political community, networks of education professionals or head teacher bodies are just as important in the government of education as the department of state. Of course state actors are important, of course they need to fund hospitals and schools and run welfare programmes. The point is that we need to understand their role in the context of many more actors than the traditional view of the state typically does. State institutions and bodies are important but they are only part of the picture and we need therefore to look beyond institutions when we think about government's role in social change.

Second, the traditional view overplays the unity of the government and of government institutions. There is no government – there are only government departments. And they have interests and agendas at odds with one other. As SOLACE's David Clark always says, "the government thinks" is an oxymoron.

The media often depicts British government becoming more and more and more "presidential" with power more concentrated in the hands of the prime minister and his office and the role of cabinet diminished. However,

this is only a variation on the Westminster model of government and really only concerns the policy and presentation of a small number of high-profile issues – for example foreign policy, schools, health targets. It ignores one of the distinguishing factors of modern government, which is that teachers, social workers, doctors, police officers and psychiatrists do as much to influence our conduct as MPs, prime ministers or council leaders.

The "presidential" view of British rule also ignores the fact that government remains as driven by departmental sub-departmental agendas (ie those of junior ministers and/or civil servants) as ever. The cabinet may be less collective than 30 years ago, but it does not follow that the administration of government is any more corporate or "presidential".

The state is not unified and power is more dispersed than the traditional theory of state sovereignty imagines. To paraphrase the famous French philosopher Michel Foucault, we have to cut off the king's head in public policy – and stop believing that governments control the world. As long as we sustain this fantasy we cannot think about what they actually do, and even perhaps about they should do.

The centralist's mistaken belief leads to a disjuncture between the aim of equity, and the ability of central state institutions to achieve it. It may only be the Treasury that can tax and redistribute on a national scale, and only No 10 that can try and control the message. But it is not the Treasury that creates taxable wealth, or creates sustainable jobs in cities or produces people with the skills and motivation to go to work. And it is not No 10 that determines the culture of the different organisations or which motivates the system to achieve. These are the products of a multiplicity of factors that it is wrong for the state to pretend it controls.

So the centralist mythologises the state, but the localist's dreams can be equally fantastic. Power dispersed does not mean that power localised. Localists are keen to point to the inability of the centre to control all it surveys – but this logic cuts both ways. Localists may speculate an ideal size of authority that can reconnect to authentic communities or build a New Jerusalem ... if only the centre would leave them alone and let them get on with it! But the picture is more chaotic than either centralists or localists assume. There is no single location of sovereign power – central or local – that can take action that will have unambiguous social effects. If power is dispersed then it is difficult to organise around it. It needs flexibility, it needs co-operation. It needs forms of organisation that are adaptable and light-footed. But as much as it would help, there is no one best way and there is no toolkit.

The modern state and modern life

It is not that government institutions are irrelevant or unimportant – just that they are hollower than they, and we, assume. And it's not just that institutions have been hollowed out by the market and by globalisation, but that there are fundamental limits to their power. They must recognise these limits and be humble about what they can achieve on their own. They must see their reliance on others.

Tony Blair says he understands this – he wants to "develop an argument about the changing nature of the state and government in the modern world, of which the issue of healthy living is actually a prime illustration". "Government", he says, "can't be the only one with the responsibility if it's not the only one with the power ... Government can give people information, legislate and regulate to encourage sustainable living, help business to function in a more environmentally responsible way: work with other nations to develop the right international framework. But it can't 'do it' by itself. 'Doing it' will depend on the decisions and choices of millions of individuals and companies" (Blair, 2006).

Whether or not that is the authentic voice of the prime minister and whether or not that is how he has acted in office, it illustrates a powerful break with the view of the government as the principal author of social change. This analysis suggests that social change is a matter of "coproduction" based on a multi-dimensional relationship

between citizens and government institutions. It also suggests that the solutions to public policy problems lie not just with holders of state or governmental power (as our behaviour too often suggests) but in the shared space between state institutions, civil society and private individuals who are making choices about how they live.

The conceptual framework employed in the current debate of "either local or central" is inadequate to produce imaginative solutions. Instead, we need a framework that can take account of the deep cultural changes brought about by the simultaneous coming together of private, civil and political actors. That is why it is so difficult.

This state may be hollowed out, but it is still not empty. Public bodies have unique access to resources. They have many formal powers to employ and they should be the focus for coordinated action. Institutions should be the co-creators of value in civil society. They can help construct the engagement of the whole political community by providing forums for democratic engagement and for building social capital.

The state's role is to maintain a community of citizens who are both free to pursue their own individual needs, but also understand their part in a broader political community in which interests are both shared and contested. And where the state wants to pursue social objectives, these can only be achieved by harnessing people's genuine motivation. This needs a positive civic dialectic.

The need for a civic dialectic

This government has been highly influenced by the work of Robert Putnam and his analysis of the collapse of community in post-war America. According to David Miliband, Putnam's notion of social capital – networks of trust that bind communities together – "stands alongside financial capital and human capital in explaining economic and social history in industrialised countries" (Miliband, 2006).

The significance of Putnam and his analysis is that while in its first two terms the government focused on economics and economic regeneration as the key political goal (combating poverty, unemployment etc.), influential members of the government have now identified the revival of community in Britain as essential to the progressive social change they want to see in the future. They argue that while post-war social changes have led to greater wealth, they have also led to a more atomised society characterised by a collapse of social networks. While social bonds within communities can remain strong, bridges between different communities have weakened. As Tony Blair's former head of policy, Geoff Mulgan, wrote recently: "Britain, by and large, is a contented society. But for all the huge social advances of the past 50 years, it is clear that some things have gone badly awry. We have become a less integrated society: more divided by class, income and geography. Inequalities persist, our lives are more fractured ... Mutual support and neighbourliness have declined; isolation is increasing; mental illness is more prevalent than it was half a century ago; the signs of day-to-day anger and tension are everywhere ... Remaking these soft, often invisible social supports, so essential to the quality of our lives, is one of the great challenges of this century." (Buonfino and Mulgan, 2006).

This analysis underpins the Department for Communities and Local Government's (DCLG) approach to local democratic and public service institutions reform – the "Copernican revolution" in which citizens replace producers at the centre of the new public service solar system.

Of course, whatever plans there were to achieve this revolution by structural, institutional reform have been blown off course by events. And 2006 is not the first time that government's proposals for local government reform have been derailed because of their focus on institutions. In 1971, the *Political Quarterly* recorded that "The proposals for some form of neighbourhood council have been overshadowed by the need to reform the major institutions of local government. The debate has centred on the conflict between those who prefer a unitary system and those who prefer two-tier structure" (Hampton and Chapman, 1971). These

sentences could have been written today. It is apparent, however, that while the proposals for neighbourhoods have been overshadowed by the debate about structures, the DCLG's imminent white paper will contain proposals to give certain powers to formalised neighbourhood bodies.

Putnam writes about the case of Portland, Oregon, which established an Office of Neighborhood Associations in the early 1970s. According to him, this decision has led to a "positive epidemic of civic activism in Portland". Putnam's study of Portland makes clear that civic activism does not mean universal happiness or contentment with the system and many Portland citizens still doubt their power to influence government. But he insists that for the most part the "civic dialectic in Portland has led to positive feedback: More grassroots activism has (often through conflict) led to more responsive public institutions, and more responsive institutions have in turn evoked more activism" (Putnam and Feldstein, 2003).

Putnam's notion of the civic dialectic is his attempt to show the interconnectedness between people, civil society and political institutions. He holds an equivocal view of the ability of national state institutions to revive community. Institutional reform is necessary, but it is not sufficient and it is secondary to the importance of people and culture. The positive capacity to change and improve society is shared between the networks of people, civil society institutions and the government. Government can influence some of the environmental conditions through its spending programmes over the long run, but in the short term its main role is persuasion, encouragement and stimulation of people to act.

The first implication for policy is that institutions matter, but that pinning hopes of reform on structural change is bound to lead to disappointment. It is not the shape or form of institutions that create a positive relationship with citizens. It is what organisations do and the way that it is done that ultimately has an impact. Government must act, but government's actions are inadequate on their own.

The second is that government and public institutions must guarantee the universal rights of democratic participation and promote integration and cohesion through the value of citizenship. Local authorities and other public institutions must promote the rights of individuals and groups and their freedom to do so within the context of the wider political community. This means transforming the ways in which local government sees its role to promote activism and citizenship.

Geoff Mulgan writes about participation and civic commitment in his book, Good and Bad Power. He talks about the ways in which the internet and associated technologies can be used constructively, providing fair chances for everyone to express an opinion. He concludes that soon "simple majorities of referendums, elections or opinion polls [will not] look like adequate ways to resolve complex choices. Instead the most successful methods will combine dialectical reasoning, open conversation and the aggregation of opinions in ways that tap the full intelligence of a community – something that the political methods of the nineteenth century so signally fail to do" (Mulgan, 2006).

Towards a new political community and the co-production of citizenship

My purpose here is to argue that our current discourse of modern government – exemplified by the debate between centralists and localists – does not capture the reality of government today. We too often focus on institutions, or individual politicians and we do not pay enough attention to the wider ways in which governing – the way in which our conduct is conducted – takes place at different levels in society.

I have tried to show that government, including local government, must reimagine its role as part of political community, not the master of it, in a way which explicitly recognises the interconnectedness of its constituent parts.

The notion of a shared political community, however, is starkly under threat in modern Britain. As Finlayson and Martin say in this pamphlet, "Civic republican fantasies of virtuous

municipal citizens are appealing but rarely have a grounding in reality". So the challenge is to promote a sense that we hold something in common – even if it is only the mutual impact that have on one another – while not retreating into an image of a past good life. We need a sense of political community that is based on an understanding of the present and the actual strife and difference that exists in many real communities. But this only reinforces the idea that there is a non-contingent link between self and society. We must avoid overstating the extent of what is communal but we must recognise that *what others do matters to us.* Short and simple. A political community is therefore not just the "kaleidoscope of groups and individuals" (Hilder, 2006) that exists in modern communities because it must at least embody a sense of the interconnectedness of our private, civic and political aspirations. What we do matters to others. What others do matters to us. What is good for us and what is good for our communities are all contested and subject to disagreement. That is rightfully the stuff of politics. But a top priority for all public bodies must be to establish credibility in a system of politics that supports public contestation of interests. Without it greater fragmentation and division is likely.

Key to this is a notion of citizenship that is as much created as given. There are rights that all citizens hold. But there are also advantages and benefits that you only get if you act. British citizens have a right to democracy, but they can only influence their government if they do something: voting or protesting, speaking or writing. We should be wary of exclusively equating civic activity with political activity, or citizenship with voting. But there is a citizenship that comes to those who act that strengthens both them and the broader political community.

Taken together with a government and public institutions that find better ways of conversing with people, citizenship can be seen as something far more than constitutional rights. Citizenship isn't just given and inherited. It is either built and sustained or it falls into a state of neglect with only the foundations remaining. Seen as a combination of opportunities to influence and acts of influence, citizenship becomes a more dynamic concept where the power to produce strong civic commitment is shared by both institutions and individuals.

What is to be done?

It is not good enough for local government to pretend that central government is only an interference. Equally central government must better understand that it is not the sole arbiter of the national interest and that it needs to recognise its reliance on others in the development and implementation of policy.

Government is a complex set of activities undertaken by a wide range of bodies, institutions and citizens which seek to shape people's conduct for a range of definite but shifting ends. There is no single sovereign power or a state view. Rather, there is a wide range of different actors and agents pursuing different interests, which overlap but have no ultimate congruity.

For local government and the forthcoming white paper this means recognising that good government and citizenship are constructs which we need to work to create. In the modern idiom, they are co-produced. They are not in the gift of the DCLG or other government departments. Neither would they exist in a pure and natural form at the local level. Once this is accepted more widely we may be able to do more produce practical mechanisms that recognise the interconnectedness of government, community and the citizen. This should mean a stronger central/local partnership involved in joint planning and policy development; a more sincere commitment to involving citizens in the whole of the policy process; and a recognition that they are the key to achieving any kind of change.

Government would surely be improved by an explicit recognition of the mutuality between the different elements of the political community and by an attempt to raise the consciousness of this reality in the public as a whole.

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