The State of Welfare
Edited by Mary Langan

Nearly half a century after its post-war consolidation, the British welfare state is once again at the centre of political controversy. After a decade in which the role of the state in the provision of welfare was steadily reduced in favour of the private, voluntary and informal sectors, with relatively little public debate or resistance, the further extension of the new mixed economy of welfare in the spheres of health and education became a major political issue in the early 1990s. At the same time the impact of deepening recession has begun to expose some of the deficiencies of market forces in areas, such as housing and income maintenance, where their role had expanded dramatically during the 1980s. *The State of Welfare* provides a forum for continuing the debate about the services we need in the 1990s.

Towards a Post-Fordist Welfare State?

Edited by
Roger Burrows
and Brian Loader

ROUTLEDGE

London and New York

7 Restructuring the local welfare state

Allan Cochrane

INTRODUCTION

If pressed, most people would probably agree that local government in the UK is, and has historically been, part of the welfare state, but few have bothered to explore the broader implications of drawing this conclusion. Those (such as Cockburn (1977), Dearlove (1979), Saunders (1979) and Dunleavy (1980b)) who have attempted to do so have generally been side-lined in practice by the mainstream of local-government studies, even if the value of their contributions has frequently been acknowledged in principle. In practice dominant discussions of local government are still wrapped up in mythology about local democracy and infused with the notion that local government is best understood as a local version of central government.

Much of the controversy of the 1980s which focused on relations between central and local government (with the important exception of Rhodes (1988)) reflected this understanding, so that the conflict was often portrayed as being between different versions of the democratic mandate. Supporters of local government sought to produce evidence which showed that councils were more popular than central government and in some sense had more legitimacy in running their own 'communities' while critics took the view that central government had greater claims to democratic legi-timacy (e.g. Adam Smith Institute (1989), Duncan and Goodwin (1988) and Jones and Stewart (1983)). One implication which could be drawn from these debates was that if only the appropriate framework for com-munity government could be put together then problems would disappear (see Stewart and Stoker (1988), Young (1986) and the Widdicombe Report (1986) more generally).

These arguments are helpful insofar as they highlight the continued importance of local politics and the importance of conflicts over levels of expenditure, so they should not be dismissed out of hand. But if they are allowed to dominate discussion, as they have tended to, then they obscure

some of the more important changes which have been taking place. They leave critical commentators cheering from the sidelines for whichever set of politicians or (to use the word generally favoured in local-government studies) 'practitioners' they support.

Dunleavy criticised much of the academic writing on local government in the 1960s and 1970s for having been written from the point of view of the 'inside dopester', based on information drawn from close relationships with political and professional actors, rather than on any attempt to analyse their behaviour from a more critical perspective. Such writing, he suggests, was 'fundamentally concerned with the same goals and operating in the same ideological frame as local government itself (Dunleavy, 1980b: 7).

Dunleavy's criticism retains much force, and is reinforced by the extent to which much writing in the field continues to come from those who rely on close relationships with local government for training and consultancy contracts. Whilst there is no suggestion of direct corruption in this relationship, it does imply a rather narrow focus substantially driven by the concerns of those with whom continuing relationships have to be maintained (see also Dearlove's sharp critique (1979: 258-9)).

Locating local government explicitly as an integral part of the welfare state helps to bring out some of the key features of its development since 1945, as well as highlighting the ways in which it has been reshaped in the last twenty-five years. It makes it easier to explore and acknowledge some of the tensions between the different roles that it has been expected to play over the years. In the high days of the Keynesian welfare state, local government's spending rose and its sphere of influence increased. While it lost responsibilities for the provision of commodified services (such as gas and electricity) and for aspects of the health service in the immediate post-war years, it gained responsibilities for the provision of welfare services; that is, for the management of those aspects of the welfare state which required face-to-face 'professional style' involvement with people variously defined as clients, parents or tenants (in education, children's – later social – services, social housing and town planning). In many cities it also played the role of infrastructural investor, underpinning the schemes of private developers and construction companies, engaging in 'slum' clearance, reshaping city centres and constructing ring roads (see Byrne, this volume). Until the mid-1970s local authority expenditure as a proportion of national income seemed to be rising inexorably. In the late 1960s and 1970s local government's position at the heart of the British welfare state received official endorsement in a series of modernising legislative reforms, which culminated in local government reorganisation and the creation of new (generally larger) authorities designed to deal more effectively with the demands of managing social change.

THE CONTEXT OF RESTRUCTURING

It has recently become fashionable to suggest that the crisis of the Keynesian welfare state has been much exaggerated. Closer consideration of public expenditure figures has confirmed that welfare spending was not cut as much as might have been expected; indeed, it appears that most advanced capitalist countries continued to see real rises in expenditure in the 1980s, even if rates of increase were substantially lower than in the 1960s and 1970s (Hills, 1990; Pierson, 1991). More careful scrutiny of the promises made by political parties claiming the mantle of the new right and their programmes in government have also highlighted major gaps between rhetoric and the implementation of policy (Marsh and Rhodes, 1992). The extent of global consensus has also been questioned, with increased emphasis being placed on differences between states, rather than their shared features (Esping-Andersen, 1990; Pierson, 1991).

Despite these qualifications, however, there can be little doubt that the dominant assumptions of the first thirty years after 1945 which took welfare state expansion for granted have been called into question in an atmosphere of welfare austerity. In that sense there has been a significant change, since the political arrangements of those decades were based on such assumptions, whether (following Esping-Andersen, 1990) the welfare regimes they spawned are labelled corporatist, liberal or social democratic. However significant the differences were, there was a 'post-war consensus' around the mixed economy and the welfare state, to which almost all advanced Western countries subscribed to a greater or lesser extent' (Mishra, 1990: 1) and it was unable to stagger on into the 1980s. In the UK at least, economic failure and political failure were closely linked (Gamble, 1985; Leys, 1989). Economic growth had made it possible to incorporate representatives of major economic groups (including the trade unions) and even to appease those formally allocated a marginal role in the system (including welfare recipients and those – mainly women – restricted to the domestic sphere). That was no longer possible after the mid 1970s and new arrangements began to emerge. Although neo-liberalism and the new right may have succeeded in constructing an effective (or hegemonic) alternative paradigm the area of acceptable political debate began to shift.

Even if the final outcome remains unclear, there can be no doubt that major changes are taking place. As Esping-Andersen notes:

Ours is an epoch in which it is almost universally agreed that a profound realignment, if not revolution, is underway in our economy and society. The proliferation of labels, such as 'post-modernist', 'post-materialist', 'post-fordist' or 'post-industrial', often substitutes for analysis. But it mirrors the recognition that we are leaving behind us a social order that

was pretty much understood, and entering another the contours of which can be only dimly recognised.

(Esping-Anderson, 1990: 222)

There are direct links between the economic crises of the 1970s and late 1980s, the failure of social democratic approaches to resolve those crises and the state restructuring which has followed. Even if it is not possible to 'read off' political change from economic change the two are related in ways which confirm Jessop's understanding that the state still has to be understood as a capitalist state (Jessop, 1990b: 353–8). Elsewhere Jessop (this volume) suggests that it may be possible to identify a broader shift from a Keynesian welfare state to what he calls a Schumpeterian workfare state. This is a helpful suggestion because it highlights possible trajectories of change – in particular it points towards an increased emphasis on competitiveness and on a renewed role for the state in providing the context for continuing innovation. It emphasises the need to locate changes at local and national levels within wider processes of global change. The linkage between economic success and individual welfare is made increasingly explicit, not just at the level of the wider economy, but in terms of individual firms and at local level.

The key point of the emerging system is that priorities have shifted, so that welfare is explicitly understood as an almost incidental consequence of other ambitions rather than an aim in its own right. Of course, the needs of 'clients' or 'welfare dependents' were never paramount within the old structures of the Keynesian welfare state. On the contrary, one of the reasons it was so vulnerable to criticism from the right was that users frequently saw it as oppressive and tight-fisted, and it was already facing criticism from the left, from feminists and from anti-racist voices. But it is nevertheless important to highlight a couple of important differences in emphasis between the emerging system and its precursor. One is the rather peculiar feeling that the arguments of Marxists and neo-Marxists (such as Gough (1979)) that the Keynesian welfare state basically operated in the interests of the reproduction of capitalism (even if it could not always deliver what it promised) have become the unacknowledged orthodoxy of the 1990s, so that it has now become legitimate – indeed expected – for governments and business organisations to argue that this should be the case, even if they are less convinced that it already is.

The second is the extent to which it now seems to be accepted that welfare provision and welfare regimes are likely to vary between places, to reflect existing (and changing) spatial divisions of labour (Massey, 1984) and the extent to which different local formations of capital, interacting with other local social formations, may find expression in political regimes

able to articulate and define divergent local 'needs' in the context of increased competition between places. It is not only possible to identify differences between the welfare regimes which dominate in different countries, but also to explore differences between urban and local political regimes which have implications for the operation of local welfare states.

RESTRUCTURING IN PRACTICE

Local government in the UK has faced particular problems as an institutional expression of the welfare state. What had been constructed was a national, comprehensive and standardised system locally delivered through multifunctional organisations with their own territorially based political pretensions. The form taken by the local welfare state in the UK, with its basis in elected councils, made the tensions particularly sharp since they gave the institutions of the welfare state a relatively autonomous expression. Welfare bureaucracies were defended behind an ideology of local democracy, however limited democratic control was in practice. Territorial politics was interwoven with the professional politics of policy networks in ways which made it difficult to completely transform existing structures, and which seemed to confirm the extent to which the welfare state tended to operate in the interests of those who ran it (Rhodes, 1988). As a result the crisis of the Keynesian welfare state in its British variant was also fundamentally a crisis of local government, which has led to a substantial restructuring of the local welfare state.

One aspect of the changes which has already been charted extensively is the expansion of local economic policy (Geddes, this volume), the revival of civic 'boosterism' and an increased orientation towards economic growth as a legitimate aim for local government. Cooke (1989) has emphasised the possibility of proactive intervention by localities; Harvey (1989b) has pointed to the emergence of 'urban entrepreneurialism'; Totterdill (1989) has sought to draw out wider lessons for economic policy; Harding (1990) has focused on the spread of public–private partnerships; in a series of case studies, Harloe et al. (1989) have highlighted the possible range of local economic policies; and there has also been a substantial increase in the self-help literature of economic development (see for example Campbell (1990a) for a collection which crosses the academic/professional divide). The new situation implies a significant change at local level, since competition between places intra- and inter-nationally provides the political driving force and the direction taken by local economic policy-making is one expression of this.

But explicit economic policy-making has always been and remains a relatively minor part of local government activity, still at the margins of

local politics as it is popularly understood. If the local welfare state (and local government as part of that state) is being substantially restructured then it should be possible to identify a wider shift across policy areas more closely related to aspects of welfare provision. An increased emphasis on boosterism and on public–private partnerships to achieve growth may be an indicator of change, but an increased interest in the local economy in itself does not suggest a major shift in political approach or organisation. That would also require substantial changes in the core activities of the local welfare state. So it is on these that the remainder of this chapter shall focus.

The danger of overemphasising economic policy-making and growth-oriented politics is that it becomes easy to lose sight of the wider aspects of the 'business agenda' (Newman and Clarke, 1994) as it has developed at local level. This agenda has been constructed incrementally since the late 1970s and not as part of any clearly articulated grand plan of social change. Many of the direct pressures for change within the UK have certainly come from above; from initiatives sponsored by central government, particularly inspired by 'Thatcherism' and the ideas of the 'new right'. The key features have included attempts to reduce spending on welfare, helping to create a permanently beleaguered atmosphere of managing cuts within the local state; shifts in forms of provision, through attempts to create surrogate markets for example in the forms of privatisation, compulsory competitive tendering, the purchaser–provider split, fragmentation of providers, the removal of some forms of activity from local government responsibility and so on; and attempts to encourage business involvement in the civic arena (for example through TECs, Urban Development Corporations, City Challenge, support for enterprise agencies, direct involvement in schools and colleges through boards of governors and so on (Byrne, this volume)). The failure of the poll tax (see Bagguley, this volume) has ensured that the fiscal regime under which local authorities operate has become harsher and harsher in the 1990s. Not only are levels of local taxation limited through capping, but even where this is not the case few councils are able to use tax revenues to raise their budgets significantly, since income from council tax only covers around 15 per cent of their spending.

Although assisted by the initiatives of central government, business-based agencies at national and local levels have also been actively involved in the process of restructuring the local political agenda, as have many local authorities themselves desperate to generate social partnerships where none already exist. Jessop has noted the way in which the division between private economy and the state means that the latter remains dependent on the private sector as the source of economic well-being (Jessop, 1990a: 178–80). Although there is now no direct link between the success of local business and the tax income of councils, this wider dependence in the

context of increased (global) competition between places helps to give the 'business agenda' its powerful resonance at local level.

Business interests have set out to influence the welfare agenda at local as well as national level, through Business in the Community, the Confederation of British Industry, and the work of Chambers of Commerce (expressed, for example, in Bennett and Business in the Community (1990), Bennett (1991) and Christie *at al.*, 1991; see also Jacobs (1992: ch. 9)). At local level individuals identified as the 'movers and shakers' of the business community (Fogarty and Christie, 1990: 94) have taken on the role of helping to shape this agenda, with the cooperation of the institutions of central and local government and, frequently, with 'messianic zeal' (Fogarty and Christie, 1990: 91). But the active involvement of such individuals (however widespread) is not an essential component of the new arrangements. Even where it is difficult to find active individuals or organi-sations from the business community, local state institutions increasingly attempt to act in line with what their agenda is assumed to be, forming 'alliances' with the shadows of local (and multinational) capital even in their absence. Private consultancy firms are only too eager to act as surrogates in preparing business-friendly policy programmes.

In extreme cases the whole issue is turned on its head, so that welfare provision is justified largely because of the way it make places more or less attractive to business. In one report (commissioned from consultants but sponsored by local government and the London Docklands Development Corporation) which focuses on the need to develop policies to ensure that London retains its status as a 'world city', for example, concern is expressed about the extent of urban deprivation experienced by the Bangladeshi community of Spitalfields, not because of the problems they face, but because it might reduce the quality of life for higher status residents and encourage businesses to relocate (Kennedy, 1991: 73–4). Similarly the discussion of the need for affordable housing has less to do with those who can be expected to live in it and more to do with the needs of employers, since 'the market's inability to provide housing for lower income households should be recognised as an impediment to London's development prospects' (Kennedy, 1991: 209).

Even where attempts are made to incorporate social regeneration more centrally into programmes of change the emphasis shifts because it is integrated into a business-oriented vision. Sheffield's strategy for the year 2000 was prepared through the Sheffield Economic Regeneration Committee (itself often put forward as a model of public–private partnership (Fogarty and Christie, 1990)) and includes a well-developed commitment to social regeneration (SERC, n.d.). In a sense, however, this positive expression helps to illustrate the extent of the changes and the

ways in which they have influenced interpretations of 'welfare' as well as interpretations of 'enterprise' and economic regeneration. Sheffield's strategy is organised around a 'vision' and has five main themes that come together to provide objectives, described as the 'Vision Becomes Reality objectives' because when they have been achieved the 'vision' will indeed have become reality. Sheffield is to become: a natural centre for business and industry; a new decision centre; an international centre for business and industry; a new decision centre; an international centre for sport, leisure and tourism; an international centre for teaching, learning, research and technology; and a 'city of life'.

It will be clear simply from reading the overall titles given to these themes that the first two are explicitly oriented towards business: the first affirms the desire to sustain and expand existing manufacturing, commercial and service industries and to attract new employers; the second builds on this to make claims to a share of office development and particularly the headquarters of national and international businesses. The second two, in practice, have a similar orientation since aiming to become an international centre for leisure and sport reflects ambitions to change the image of Sheffield (and the quality of life it has to offer) as much as any ambition to improve locally provided services. The stress on teaching, research and technology also reflects the selling of the city as one in which innovation and enterprise will flourish. In other words, the city's leisure and educational policies are seen as part of the selling of the city and an essential element of business infrastructure rather than being seen as something provided for residents (the idea of providing anything for anybody is by now – of course – in any case almost universally derided within the new orthodoxy as a symbol of Fordist paternalism to be avoided at all costs). The final theme is more explicitly aimed towards social regeneration, looking to create 'a positive environment for the health, benefit and enjoyment of all Sheffield people'. But even this positive expression is prefaced by the desire to 'foster a vibrant and dynamic city' (SERC, n.d.: 21) which implies a continued concern with image that owes more to business than to the needs of residents. Where the argument about social regeneration is developed further, again stress is placed on the need to link economic regeneration and social regeneration, with the implication that the latter is dependent on the former, even if the obstacles which make it difficult for one to lead to the other still need to be overcome.

But not all aspects of the local welfare state lend themselves quite so easily to direct business involvement and influence. The linkages may be rather more subtle, suggesting changes in the dominant common sense or what is taken-for-granted as much as any direct business involvement. It is this that helps to make the 'agenda' more pervasive and unchallengeable. Bennett and Krebs (1991) argue strongly that one of the tasks of local

government is to become more 'business-like' in order to ensure that more effective collaboration with business is possible on a range of issues. In this they are merely echoing the more widespread common sense of the 1980s which contrasts the perceived inefficiency of the public sector – and particularly welfare bureaucracies – with the perceived efficiency of the private (business) sector. This has, of course, found its clearest expression in the privatisation policies of recent Conservative governments, but it has also influenced organisational changes in what is left of the public sector.

Business models have increasingly been appropriated within local government for the organisation of its own activities – from strategic policy-making and mission statements, down to the issuing of contracts and the monitoring of service provision. In the 1960s the language of management was utilised to justify expansion (Friend and Jessop, 1969), but this time it is being taken up in the context of contraction. The influence of popular management texts has been widely noted, and, perhaps unsurprisingly, Tom Peters' notion of 'Thriving on Chaos' seems to have struck chords with some senior managers (Smith, 1989) while Moss Kanter's identification of post-entrepreneurial styles of management offers still more possibilities (Moss Kanter, 1989) pointing to the extent to which they may be able to find increased 'freedom within boundaries' as an alternative to strict bureaucratic hierarchies (Hoggett, 1991b: 250). At least some public-sector managers seem to be drawing on these approaches to escape from the neo-Taylorist implications of the reforms of the early 1980s with their rather narrower stress on targets and performance measurement (which are considered by Pollitt (1990)). Local government's own writers on management have not been far behind in reinterpreting the new approaches for public-sector consumption (Brooke, 1989; Clarke and Stewart, 1990; Hambleton and Hoggett, 1990; Stewart and Walsh, 1989). Major consultancy organisations such as Price Waterhouse (now with the help of the one-time leader of Islington Council) and Coopers and Lybrand have played an increasing role in providing advice on management and organisational restructuring, as carriers of blueprints from the private sector.[1]

These changes have been reinforced by a more subtle form of shift in agenda, as actors within the state have begun (despite frequent hand-wringing about the importance of maintaining professional standards) to take on a rather different understanding of their role. Strategic managers have begun to make claims to higher status. They have increasingly moved away from the notion of local government as self-sufficient provider to that of local government as 'enabler' which – in principle at least – allows them to have a much greater influence as well as giving them a status closer to that of senior managers in large private-sector organisations rather than

the more traditional welfare-state role model of senior civil servants. However illusory their hopes may turn out to be in the harsh light of the 1990s, they present themselves as being at the centre of complex networks of influence. They alone, it is argued (Brooke, 1989; LGTB, 1987; Stewart, 1989), have the potential to embody the overall interests of their areas (and 'communities') and so to manage the contributions of a range of agencies and interests to achieve the best possible welfare outcomes. They are the defenders of 'quality assurance'. Senior managers in local government (and chief executives, in particular) are now able to claim a powerful role with a higher status than that of the welfare professionals they have had to manage so frustratingly since the 1960s.

The link between these changes and the business agenda is made easier by the way in which managerialism has become the evangelism of the new age, linking private and public sectors, and helping to erode the older hierarchies of welfarism, while replacing them with new and apparently equally unchallengeable hierarchies. Pollitt highlights the power of managerialism as an ideology because of the way in which it emphasises the importance of managers in all organisations, whether in the public or private sectors (Pollitt, 1990). It links the public and private sectors in ways that help to give local government managers external and personal legitimacy in the new climate of welfare. Clarke and Newman note the evangelical tone of the new management literature, and echoes of this are apparent in all the 'visions' and 'strategies' which are proliferating throughout local government (Clarke and Newman, 1993). This can probably be illustrated well enough with the help of just one example. The vision of Buckinghamshire's Social Services Department is: 'To be the best and give of our best'. And its Mission is:

to enable people who are in need because of disability or vulnerability to achieve, maintain or restore a defined level of social independence or quality of life. It does this by identifying and assessing needs, and by making the best use of available resources to provide access to appropriate individualised services.

As usual these broad statements make no reference to actual resources and – above all – no reference to the difficulties of providing individualised services of a high standard when available resources are significantly (and increasingly) constrained. In the longer term it is difficult to avoid the conclusion that 'needs' will only be identified if the resources to meet them are available.

Within local government, stress is increasingly placed on the need to change existing organisational cultures and the move to managerialism has become a key element in the reshaping of welfare, challenging the service professionals. As Newman and Clarke note:

Management is the necessary corollary of the dismantling of the familiar structures of bureau-professionalism. Managers are those who 'understand' markets; who can extract the untapped potential from the 'human resources'; who are sensitised to the 'needs of the customer'; who can deliver 'results' and who can be relied on to 'do the right thing'.
(Newman and Clarke, 1994)

In this process central government has played a rather more subtle part than is normally credited to 'Thatcherism' and the new right. The Audit Commission set up in 1983 to explore and monitor the 'economy, efficiency, and effectiveness' of local government and the health service has succeeded in carving out a relatively independent role for itself, feeding into both detailed discussion of particular service areas and more general discussion of local government organisation. While it may not have had the effect originally intended, which seems principally to have been to reduce costs in the name of 'value for money', it has certainly helped to reinforce moves towards managerialism by suggesting that generic expertise in accountancy and management is powerful enough to question (welfare) professional practice across the board. Although largely funded directly by central government, as a representative of local authority employers, the Local Government Management Board (formed later in the decade) seems to have taken on a similar role, seeing itself – to use its own slogan – as 'promoting better practice' by encouraging substantial organisational change and managerial 'innovation'. Again it is assumed that the new management has messages which cut across old professional boundaries, like the Audit Commission, however the Board is not commenting from the outside but is itself part of the national local government system (Walker, 1992).

THE CHANGING WORLD OF SOCIAL SERVICES

So far, the focus of this chapter has been on the local welfare state as a whole, but looking more specifically at the experience of the personal social services is helpful in highlighting some of the main directions of change. The personal social services became a core part of the local welfare state in the 1960s and 1970s, receiving departmental status in the wake of the Seebohm and Kilbrandon reports. Social workers were expected to work directly with 'clients' and the departments were expected to provide services and support to them. But within the 'enabling' authority, the role of social services departments is expected to be a rather different one. They are now seen to be responsible for managing rather than providing welfare or – to use the language which has increasingly been adopted – care

services. Legislation and government guidelines on community care now talk of care managers, rather than social workers. The Griffiths report argues strongly for more management training in qualifying and in-service training for social workers to cope with these changed responsibilities (Griffiths, 1988). Social work – which has effectively been defined as a 'bureau-profession' through employment within social services departments – becomes redefined as 'a provision in its own right, to be commissioned by the care manager, although the role of care manager may well encompass a degree of counselling and support' (Audit Commission, 1992: 27).

The key skills are increasingly identified as those of assessment, of managing a range of different providers (preparing plans for individual cases) and of being able to engage in inter-agency working. The assumption seems to be that outside a strictly limited area in which specialist expertise may still be required (for example working with child abuse (Pietroni, 1991)) the bulk of social services work can be dealt with under the supervision of care managers by relatively 'unskilled', low-paid and part-time labour or through 'informal' arrangements (usually by mothers, sisters or daughters). In this expression of the managerial revolution, managing includes the 'human resource management' of a much more complex 'labour force', much of which is no longer directly employed by the agencies formally responsible for managing it. The traditional bureau-professionalism of social work is significantly undermined, not least because the 'bureau' on which it depends is substantially fragmented. It becomes much more difficult to defend a generic set of professional skills when the new arrangements implicitly suggest that some of them are little more than common sense. While a recognition of the importance of informal care may raise the status of those previously defined as experts (see Cochrane (1993) for a more extensive discussion of these issues). The rise of care management can be seen as a means of undermining social work as a profession by constructing an alternative professional discourse.

These legislative changes are the end product of debates which have gone on through the 1980s, at local and national levels, within policy networks and professional communities as well as in party politics. As Hudson (1990) stresses in his discussion of the community care legislation, they are not simply the product of a 'new right' policy agenda. There is not a high degree of party political controversy surrounding the legislation itself. Nor – except in terms of the individual responses of social workers having to deal with the changes in local authorities – has there been any significant professionally based resistance. On the contrary, most

professional commentary has been concerned to identify the positive (or 'progressive') points of the legislation and to focus on how it may be used most effectively, or to complain about financial resources allocated to its implementation. This may or may not be an appropriate response to the legislation but it certainly illustrates one of the ways in which managerialism works as an acid with which chains of welfare professionalism may be dissolved, to the extent that welfare professionals themselves seem unable to present an alternative vision.

Although local authority social services departments are formally given a leading role both in the fields of community care (in the National Health Service and Community Care Act, 1990) and child protection (in the Children Act, 1989), in practice the legislation helps to fragment responsibility between agencies, only bringing it together in forms of collaboration and joint working. In community care this has been particularly focused on collaboration between the local authorities and health authorities, but, of course, other agencies have also been involved, from voluntary bodies to the private sector, for example through direct negotiation over residential care with private-sector homes. Even the police have begun to make claims to social-work expertise and they have, of course, begun to play an increasingly important part in child protection investigations, particularly where they involve the interviewing of children on video (Brake and Hale, 1992: ch 4; Home Office and Department of Health, 1992). In the field of child protection the growing stress on inter-agency cooperation changes the position of social services departments in rather a different way, since it implies that no one agency has the necessary expertise in the area and that the ability to negotiate with others to produce consistent child-protection plans is more important than any specific expertise. In both cases managerial rather than professional skills become more highly valued. A recent survey of existing research evidence on the gains of collaborative working in child protection points out that the results are equivocal (Hallett and Birchall, 1992: 97). But – of course – that's not necessarily the point of the changes.

The parallel changes taking place in the health service with their increasingly complex divisions of responsibility between fund-holding general practitioners, health authorities (including family health service authorities), hospital and community health service trusts and purchasing agencies have begun more clearly to break down traditional local government dominance within the local welfare state. The division of responsibility between personal social services and health services has become increasingly unclear and this has been encouraged by the community care reforms, even if the lead role is formally allocated to local government agencies. Joint planning and consultation through Community

Care Plans are now the norm as networks of collaboration and negotiation are constructed to reinforce the position of strategic managers in the different agencies (Allen, 1991). At a more basic level, the assessment role formally given to 'care managers' and frequently assumed to be that of social services departments is also claimed by health professionals. General practitioners are, for example, often given a key role in the assessment process within community care (Buckinghamshire Health Plan, 1992: para. 79).

Perhaps the most interesting shift is the way in which health authorities, rather than local authorities, have begun to take new initiatives, building on responsibilities for primary health care to develop wider programmes. Emphasis is increasingly placed on primary health care and holistic approaches, rather than hospital-based (or secondary) care. The new emphasis (encouraged by government documents such as Home Office and Department of Health (1992)) insists that ordinary life rather than medical intervention is the key to health. This suggests that health authorities are likely to have an increasing interest in areas previously defined as local government responsibilities: an increased interest in primary care and health promotion, for example, may encourage a focus on housing, on community facilities, on child care and on education. The new health services orthodoxy using the language of 'empowerment' presents itself as setting out to elicit views and gain input from local service users through forums of different sorts (Buckinghamshire Health Plan, 1992: paras 81–2). Health authorities have already begun to draw other agencies into a processes of 'locality planning'. In North Staffordshire and Newcastle, for example, neighbourhood forums have been set up involving professionals (from the statutory and non-statutory sectors), community representatives and local residents. The aims of these forums have been to feed into health authority (general manager) decision-making, to allocate small amounts of resource at local level and to bring different agencies together. The forums have opened up some aspects of decision-making to wider discussion, and seem to have been welcomed at local level, although levels of community involvement remain modest (Gott and Warren, 1990).

In one sense welfare provision has become more integrated, potentially managed more effectively through a network with strategic managers at the core (or in multiple cores linked through forms of inter-agency working, in which the dominant partner may vary over time). But this has also been accompanied by an increasing institutional fragmentation, characterised by the growth of a multiplicity of providers of one sort or another – from housing associations to health service trusts, from locally managed and grant-maintained schools to training and enterprise councils, from not-for-profit welfare agencies providing residential care to enterprise

agencies. State expenditure is increasingly being channelled back to the private sector or to state-based private-sector-like agencies through contracting out. Although this was originally most obvious for activities such as street cleaning, refuse disposal and housing maintenance, it is inexorably spreading into other areas such as residential care, casualised social-work services and even architectural services.

STRATEGY AND 'EMPOWERMENT'

Within the changing system the key decisions about resources are taken by the strategists, the budget setters and the representatives of major interests. The fragmentation of the local welfare state, because it leads in turn to a greater emphasis on networks linking and cross-cutting different parts of the public, voluntary and private sectors, helps to confirm these shifts. It moves key decision-making into increasingly enclosed arenas, such as the joint committees bequeathed by the abolition of the metropolitan counties and the inter-agency bodies demanded by child protection work, even while parents are expected to 'participate' in child protection conferences. There is a proliferation of strategic committees and strategic plans, for health care, for community care, and for housing. Professionals and managers involved in these networks are likely to become increasingly concerned with finding technical solutions to the difficulties of operating in a world with no clear hierarchy in ways which make accountability still more difficult to identify (Alexander, 1991).

Alongside these moves, however, there is also a growing rhetoric of 'empowerment'. The new arrangements emphasise the role of the strategists, who seem to operate outside traditional forms of political control, particularly electoral accountability. But they also point to the need to more actively involve users, consumers and communities. In a sense, of course, by doing so they further undermine notions of accountability through the electoral system on which existing forms of local government have been based. Again the example of 'Sheffield 2000' is interesting here. Stress is placed on notions of 'community empowerment' which is intended to ensure that decision-makers listen, but also effectively shifts responsibility to them and makes it easier (for business and local government) to license particular groups by stressing the extent to which they require financial support. The discussion of collaborative work in 'Sheffield 2000' indicates that:

Communities and the voluntary sector need to make links with businesses and other enabling organisations to work in collaboration. The voluntary sector needs to be clear about its role and its limitations

to enable effective participation. An initial and pervasive difficulty is the imbalance of power between participants, particularly when community groups work with large and powerful organisations. Powerful agencies will therefore need to resource their less powerful partners for effective participation.

It is easy and probably right to be cynical about the claims made for 'empowerment', particularly when the terms on which it is to be encouraged are substantially limited by decisions (and strategies) already made elsewhere. The warning that those being 'empowered' need to be aware of resource limitations is usually either stated explicitly or taken for granted as part of the new common sense. But the rhetoric may foster the growth of rather different sets of political movements, too. Fragmentation may even encourage the growth of more challenging politics by breaking the atmosphere which suggests that users of welfare services should be grateful for everything they receive. The introduction of the poll tax provides an example of the way in which some reforms may have unexpected consequences. It was originally intended to 'empower' local tax payers by building an alliance between a central government opposed to wasteful spending and local residents opposed to paying higher rates of tax. Although in practice important questions about the funding of the local welfare state were raised through the politics of the poll tax, the questions were directed towards central rather than local government. Equally important, it encouraged the development of locally (often neighbourhood) based political movements which played an important part in forcing the government to retreat (Bagguley, this volume).

Attempts to have licensed 'empowerment' in other areas may have similar consequences, since it is unclear that user groups will accept the secondary, 'responsible' part they are expected to play. The evidence so far is, at least, equivocal. While moving responsibility for service provision to voluntary organisations relying on state funding may save money, it may also result in fierce resistance when cuts are proposed, particularly if the voluntary organisations have – as the rhetoric suggests they should – been successful in putting down roots in the communities of which they are a part. If they have been successful, they are unlikely to accept the legitimacy of decisions taken by politicians and managers who emphasise strategic issues. In some cases, too, the 'empowerment' may encourage the growth of independent organisations not solely reliant on state funding and prepared, therefore, to present alternatives which may be embarrassing to their sponsors. Organisations such as Women's Aid, for example, continue to operate as a critique of more official responses to the problem of domestic violence. Even opening up the possibility of assessing 'need'

within the community-care legislation may backfire, if those whose 'needs' are being assessed fail to accept a passive role and seek to play a part in identifying their own 'needs'. They may even refuse to acknowledge that resource limitations are important in this process.

CONCLUSION: THEORIES AND PRACTICES

Although many of the arguments of this chapter are consistent with some versions of post-Fordist theorising, it will be apparent that no explicit attempt has been made to refer back to those theories. In large part this reflects a concern that they are too often used to avoid a more direct engagement with the analysis of processes of restructuring. There are too many versions of Fordism and post-Fordism to allow any confidence in utilising the theories: every time one is criticised the hydra-headed beast seems ready to produce another offspring with the same name, but a different content. It is difficult to avoid the suspicion that instead of providing useful guidance in the analysis of the changes which – undoubtedly – are taking place, the theories either provide an excuse for not looking more closely at them or actively obscure the nature of those changes by imposing some pre-ordained direction on them (see Cochrane (1991: 285–90) for a further discussion of these concerns in the context of local government). This chapter has had rather different ambitions.

Before constructing a fully developed theoretical analysis of the changes which have taken place, it is necessary to be rather clearer about what has been happening. With the help of such a focus it should be possible to develop what might be called 'middle-level concepts' to assist us in understanding those changes and locating them more effectively within broader theoretical approaches. This chapter, therefore, has set itself the theoretically rather modest – if by no means straightforward – task of identifying some of the main features of change within the UK's local government system, as well as suggesting some ways of analysing the processes underlying them.

So, what are the middle-level concepts that are likely to be helpful in analysing the changes which are taking place? It is clearly necessary to move beyond straightforward notions of local government. Elected local government is only part of the wider network of relations which currently constitutes the local welfare state. But some notions originally developed for other purposes are useful in characterising and exploring the new world.

There has sometimes been a tendency to represent the (old) British welfare state as a monolithic and hierarchical structure, a bureaucratically organised delivery system linking Whitehall to the individual welfare 'client'. Recently, however, it has been argued that it might more

accurately be understood as a mixed economy of welfare, since care in the domestic sphere has always been the major (unrecognised) foundation of welfare, alongside state and voluntary sector provision and a continuing private sector. The nature of that mixed economy, however, has been changing over time (Clarke and Langan, 1993) and the changes are particularly clear at local level. Focusing on the local welfare state helps to clarify the extent to which the mix varies between places. The notion of welfare regimes originally developed by Esping-Andersen (1990) to deal with differences between national systems is helpful in understanding the nature of these differences, particularly if it is used to highlight the necessary linkages between national and local levels, while allowing a substantial degree of autonomy at local level. There is substantial scope for difference between places even within an overarching national welfare regime and that scope may be increasing.

At local level it may also be helpful to build on notions of urban regime (particularly if they are not narrowly restricted to cities). These urban (or local) regimes may be defined as 'the informal arrangements by which public bodies and private interests function together in order to be able to make and carry out governing decisions' (Stone, 1989: 6). Focusing on urban regimes makes it possible to explore the precise balance between key interests at local level (including tensions between different sections of the business 'community'), although there may be a danger of slipping into a form of pluralism in which a series of interests is identified and it appears that each of them has much the same chance of influencing outcomes. Here the notion of a 'business agenda' is helpful in indicating how politics may be shaped by business interests, without necessarily implying an active participation by business groups. It highlights the importance of continuing linkages between economic and political restructuring. It is part of the process that helps to confirm the local welfare state's position as part of a wider capitalist state.

Elsewhere I have used the term 'local corporatism' to categorise the new world, but that may imply too tight a set of arrangements organised through a set of rather formal public–private structures. It is important to recognise the more amorphous and all pervasive features of the new arrangements instead, since they run through a range of institutions and relations, shaping a new common sense without necessarily implying a more centralised set of structures at local or national level. The new arrangements are clearly structured within the context of a changing capitalism and clearly, too, they reinforce the power of some at the expense of others. Above all, they clearly distinguish between the managers and the managed, promising the end of traditional forms of politics and promise the end of conflicts over the allocation of resources. It may be, however, that the managed are not

prepared to play according to the rules of the game, and that in practice new opportunities for locally based political movements open up in the 1990s.

ACKNOWLEDGEMENTS

NOTE

1 It is difficult not to see parallels with the role played by consultants in the late 1960s and early 1970s (and charted, for example, by Cockburn (1977: ch. 1)). The proposals may change dramatically, but the message remains the same: if you want to know how to manage, the private sector knows best.