Community governance and democracy

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Abstract
This article reviews key issues of governance and democracy and asks what current theory and evidence have to teach us about how local governance should be changed in order to make it more conducive to human emancipation. A distinction is drawn between governance and metagovernance, and the potential is assessed for the democratisation of both at community level. Particular attention is paid to the 'persistence of oligarchy' and its manifestations at local level. The article concludes with suggestions on how to build countervailing power in order to achieve the democratisation that is deemed to be desirable.

Français
Cet article examine les questions clé de gouvernement et de démocratie et demande ce que la théorie et les preuves actuelles peuvent nous apprendre, en ce qui concerne la façon dont les gouvernements locaux devraient être changés, afin de les rendre plus propice à l’émancipation humaine. Une distinction est dressée entre le gouvernement et le ‘méta gouvernement’ et leur potentiel de démocratisation au niveau de la communauté est évalué. L’article insiste particulièrement sur la ‘persistence de l’oligarchie’ et ses manifestations au niveau local. L’article conclut avec des suggestions décrivant comment construire des pouvoirs compensateurs, afin d’accomplir une démocratisation jugée souhaitable.

Español
Este artículo evalúa temas claves de gobierno y democracia y se pregunta qué es lo que nos enseña la actual teoría y evidencia acerca de cómo el gobierno municipal debería de cambiar para que sea más conductivo a la emancipación humana. Se traza una distinción entre gobierno y metagobierno, y el potencial se evalúa por la democratización de ambos a nivel comunitario. Se presta especial atención a la ‘persistencia de oligarquía’ y sus manifestaciones a nivel municipal. El artículo concluye con sugerencias de cómo construir un poder compensatorio para conseguir la democratización que seguro es deseable.

Key words: community governance • metagovernance • oligarchy • democratisation • countervailing power
Introduction: governance and metagovernance

When modern nation-states were constructed from the 16th century onwards, a new world order was instituted in which “the aim was to create individuals in the mould of the state itself (the citizen-soldier). Cumulatively, over the long term, ‘government’ would give way to governance” (Douglas, 2000: 123; emphasis in original). The shift from government to governance so widely commented on today (see, for example, Jessop, 1994, 2000; Rhodes, 1994, 1996; Pierre, 2000; Stoker, 2000) is therefore by no means a recent phenomenon. The modern state has always comprised more than institutions of government and has included a wide range of techniques, beyond sovereign authority, designed to secure the achievement of its policy objectives. Foucault (1991) referred to these techniques as part of the ‘governmentality’ of the state, Althusser (1971) saw them as embodied in ‘ideological state apparatuses’, and Poulantzas (1979) viewed the state as a “relatively unified ensemble of socially embedded, socially regularised, and strategically selective institutions, organisations, social forces and activities organised around (or at least involved in) making collectively binding decisions for an imagined political community” (Jessop, 2003a: 1–2), i.e. a complex combination of governmental and non-governmental relations involved in political decision making.

A key question to ask concerns the balance struck by the state between ruling or controlling directly, through government institutions, and achieving its objectives indirectly, by ‘steering’, orchestrating or coordinating an array of operationally autonomous actors, organisations and functional systems. Selection of any particular such balance (or ‘collibration’ – Dunsire, 1996) between ‘government’ and ‘governance’ is a key part of the work of what has come to be called ‘metagovernance’ (Jessop, 2002). Jessop (2003a: 20–21) describes the following emerging metagovernance roles: they

... provide the ground rules for governance and the regulatory order in and through which governance partners can pursue their aims; ensure the compatibility or coherence of different governance mechanisms and regimes; act as the primary organiser of the dialogue among policy communities; deploy a relative monopoly of organisational intelligence and information with which to shape cognitive expectations; serve as a ‘court of appeal’ for disputes arising within and over governance; seek to re-balance power differentials by strengthening weaker forces or systems in the interests of system integration and/or social cohesion; try to modify the self-understanding of identities, strategic capacities, and interests of individual and collective actors in different strategic contexts and hence alter their implications for preferred strategies and tactics; and also assume political responsibility in the event of governance failure.

In short, metagovernance has to do with the strategic activities of the state in relation to governance, making decisions concerning the overall design, balance and coherence among different modes of governance (through hierarchy, market exchange and networks). Insofar as citizens are expected to comply with these decisions, it has been said that governance takes place “in the shadow of hierarchy”
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(Scharpf, 1994: 40), where ‘hierarchy’ is understood as ‘imperative coordination’ (Hirst, 1997). For this reason, metagovernance has been seen as a means of ‘restoring’ the sovereignty of the state, which has allegedly been lost as a result of the long-term shift from government to governance (Sorensen, 2003: 6). It may well be the case that the balance has shifted in this way, with the deployment of new techniques and the creation of new kinds of organisation and system for achieving state aims and objectives, but this does not in itself mean that the strategic capacities of the state have declined.

Sorensen (2003: 7–8) describes four ways of exercising metagovernance, in terms of: framing or game management – basically, setting and modifying the rules of the game; story telling – constructing narratives of collective meaning and identity; establishing and facilitating self-governing institutions and networks; and participation in self-governing institutions and networks – a strategy whereby state representatives follow the rules of the game in exchange for direct influence. In practice, therefore, metagovernance can be equated with political leadership. Selznick (1957) identified four functions of institutional leadership: the definition of institutional mission and role; the institutional embodiment of purpose (with ‘purpose’ being defined by Stone, 1989, in terms of ‘congruent goals’, so that leadership becomes equated with coalition building); the defence of institutional integrity; and the ordering of internal conflict. Where the institutions concerned are those of a state, these are functions of metagovernance.

A final important aspect of governance and metagovernance is territoriality. As Jessop (2003b: 1) says, “all forms of state are based on the territorialisation of political power”. Territory itself, however, can exist on a variety of geographical scales. The concept of multiscalar or multilevel governance therefore draws attention to the fact that the imagined political community on behalf of which the state acts is not a simple homogeneous Volk (‘people’) but has a diverse membership organised across different scales in complex relationships of hierarchy, exchange and interdependence. In general, national states continue to play a key role in managing relationships among these scales, i.e. in the coordination of the different forms of governance involved. This aspect of metagovernance has been termed ‘multilevel metagovernance’ (Jessop, 2003a: 27).

This article explores some of the implications of these ideas for our thinking about governance at local level. Specifically, the case is made for a thoroughgoing democratisation of both governance and metagovernance.

The significance of community governance

In this article, ‘democracy’ is understood in its integrative or participatory sense as a form of decision making in which all citizens are able to exercise control and influence over the conditions in which they live (see, for example, Sorensen, 2003: 10). The democratisation of governance and metagovernance therefore refers to a process of collective citizen empowerment throughout all institutions and levels of society, a process that Fung and Wright (2003) have called ‘empowered participatory governance’.

‘Community governance’ (Clarke and Stewart, 1994) is the term used to describe
the process of decision making that takes place on a scale appropriate for, and regarded as legitimate by, identifiable communities. Community governance can therefore be understood as a specific form of political governance (including metagovernance) that allows for the highest degree of democratisation: empowering the public as ‘community’ (Clarke and Stewart, 1992) or embodying the local democratisation of governance (Clarke and Stewart, 1997). This involves: “giving [the public] the right to participate in and wherever possible determine issues affecting the community through direct control and through such institutions as neighbourhood forums or community councils. Empowering the public as community involves the creation of new democratic frameworks which may be concerned with the full range of activities that can be undertaken by local authorities on behalf of their community” (Clarke and Stewart, 1992: 7). Under community governance, the community functions as the largest ‘stakeholder’ in the decision-making process. Other stakeholders could include those providing public and private goods and services to the community and stakeholders at other levels of governance (such as the local authority and national governments) to whom the community is accountable. Arguably, therefore, community governance constitutes an indispensable element of empowered participatory governance, focused at the scale of relatively small territories.

Currently in the UK, community governance is conspicuous by its absence. Very little housing, health or education, for example, is provided on a democratic basis as defined above. Local management of schools represents a significant advance in democratisation but does not include the main stakeholder, namely schoolchildren. The NHS remains far removed from local community influence, and the latest government proposals for foundation hospitals will do little to correct this, because they will operate on a scale beyond the control of most citizens. Parish or town councils in England, and community councils in Scotland and Wales, are the only forms of political governance that are reasonably close to ordinary citizens, but they have very few resources or powers of any kind – on community councils in Scotland, see Raco and Flint (2001); on parish/town councils, see Bevan (2003). The latter, incidentally, identifies both governance and metagovernance functions of such councils, eg both responding to resident enquiries (governance) and developing a vision for their area and representing residents’ needs to other bodies (metagovernance). Although the strategic capacities of such councils are extremely weak, they remain in many cases the most obvious bodies for effective community governance.

The ‘community’ in community governance is typically (although not necessarily) a community of place, ie a locality or territory with which a community identifies and to which it is attached. In the UK, however, a considerable amount of empirical research has shown that the territories over which local authorities have jurisdiction do not correspond with citizens’ views concerning what would be an appropriate area for community governance, and consequently, those local authorities are lacking in democratic legitimacy. For example, Hampton (1970) found that people’s ‘home area’ was very localised and rarely larger than an electoral ward, and the Redcliffe-Maud Commission (1969) similarly found that about two thirds of respondents were oriented to an area the size of their ward or parish. Clearly, it is this localised community that could form the most legitimate basis for expressions of community
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governance such as democratically controlled neighbourhood management (Hampton, 1987) or parish councils (Boaden et al, 1982). These views of the British public have remained remarkably stable over the years: Hedges and Kelly (1992) also concluded that an individual’s ‘home area’ is typically smaller than that of current local authorities, and Young et al (1996: 27) noted that almost a third of people were not attached to the place where they live, at any spatial scale from neighbourhood to county, and so concluded that community identification could not be used as the basis for the construction of any feasible system of local government on the scale of presently existing local authorities.

Community governance is not only a necessary condition for democratic legitimacy, but there is also evidence to suggest that it produces greater benefits for the community. With regard to specific neighbourhood functions such as housing management, for example, it has been consistently demonstrated by research that democratically controlled resident organisations are more effective and deliver wider social and community benefits (Price Waterhouse, 1995; Somerville et al, 1998; ODPM, 2002). However, resident democracy continues to attract clear support from only a small minority of local authorities and housing associations (DETR, 2000; Aldbourne Associates, 2001; Cole et al, 2001), and is viewed with a good deal of ambivalence by central government (Mayo and Moore, 2001: 34; but contrast Blears, 2003).

Recent research on community governance has shown once again that the perceptions of local people are transformed where they form the majority on the board of a governance structure (Knox and Alcock, 2002 – using the example of Royds Community Association), and that other stakeholders need to be involved in order to ensure that residents have access to appropriate advice, guidance and expertise. This research also confirmed that it was the democratic election of residents to the governance board, with direct accountability to the community, that served to build a sense of legitimacy and authority. Where community governance structures lacked such democracy, the research team found evidence of resident alienation and disempowerment. Evidence also indicates that, when local people are presented with a decision to be made in which they have a real stake and feel that they can make a real difference, participation in terms of voting is far higher than in elections to their local council. For example, the election turnouts in ballots for the transfer of council housing to other landlords have been between 60% and 80%, whereas in local elections in the same areas the turnout has varied from 20% to 55% (Gibson, 2002).

Economic theory also throws important light on these empirical findings. Where public goods cannot be specified precisely, as in the case of education, health and safety, so-called incomplete contract theory states that the optimal owner is the one who attaches the highest value to the goods in question (Besley and Ghatak, 2001), even where they have no useful investment to make. Resource-poor communities can therefore still be optimal owners of community assets. This conclusion also provides economic support for the arguments of the New Economics Foundation (Mayo and Moore, 2001), Mutuo (Mayo and Moore, 2002) concerning stakeholder control and the mutualisation of public services: to perform best, public services must be placed under the control of their stakeholders according to the degree to which they are valued by those stakeholders, not on the basis of
how much those stakeholders contribute to the performance. Since those who are most dependent on the services are those who value them most highly, it follows that they should have the greatest say in how those services are run.

Communities are often in the best position to make decisions on matters that most concern them, for a number of reasons (Bowles and Gintis, 2000). They are more effective in fostering and applying the incentives that people have traditionally deployed to regulate their common activity: trust, solidarity, reciprocity, reputation, personal pride, respect, vengeance, retribution, etc. The high probability of repeated interaction within a community means that members have a strong incentive to act in socially beneficial ways to avoid retaliation next time. Frequent interaction lowers the costs and raises the benefits associated with discovering more about the characteristics, recent behaviour and likely future actions of other members. And free-rider problems are overcome by the direct punishment of others’ ‘anti-social’ actions – whether it be in work teams, credit associations, partnerships, local common situations, or residential neighbourhoods (Bowles and Gintis, 2000: 7).

Factors favourable to the overall long-term well-being of community members include community ownership of the fruits of their success or failure in solving collective problems, eg ownership of (or legal rights over) their housing, and of the assets with which they work, or whose value is affected by what the community does; a statutory environment favourable to their functioning, eg through regulations, resources and support, with government complementing the distinctive governance abilities of communities, which are based on face-to-face interaction; and active advocacy of an ethics of equal treatment and the enforcement of anti-discrimination (Bowles and Gintis, 2000: 16–17), although arguably equal treatment is not enough, and more proactive means of conflict resolution are required (see below). Also, both observational evidence and game-theoretical argument support the existence of a link between economic equality within the community and effective community governance (Bowles and Gintis, 2000: 17–19).

Further economic argument comes from Webster (2003), who has developed a theory in which the neighbourhood can be defined in terms of a combination of institutional properties arising from the attempts of different individuals and organisations to minimise their transaction costs. Such an ‘institutional fix’ could provide the basis for devolving decision-making power to the neighbourhood in relation to a wide range of activities relevant for residents, ie a form of community governance amounting to a genuine neighbourhood democracy or ‘citizen governance’ (see below). A similar logic could then be applied on a larger scale, eg a city-region might be characterised as the scale on which the transaction costs of workers and consumers are minimised, and could therefore be identified as the most appropriate scale for decision making on a range of activities relating to economic development, transport infrastructure, land-use planning, etc. Application of this logic to even larger scales such as the national state could prove to be too complex but, so far as it goes, this line of thought should be capable of providing substantive argument in favour of multiscalar citizen governance.
The persistence of oligarchy

It is one thing to demonstrate that democratic community governance is desirable, but it is quite another to explain why it is so difficult to achieve. For thousands of years now, with a few notable exceptions (eg ancient Greek city-states), human societies have been organised in such a way that they are dominated by small ruling elites. Modern forms of representative democracy have modified the situation to some extent, for example by holding ruling groups accountable in periodic elections. Paradoxically, however, such elections can serve to strengthen the rule of an elite by conferring on it added legitimacy (it becomes known, for example, as ‘the Establishment’).

A key concept for understanding the formation and maintenance of elite rule or oligarchy is that of regime. Commentators such as Stone (1989) have used the concept to refer to informal yet relatively stable coalitions for ruling territories, communities or societies. The basis of a regime’s power is sustained cooperation in pursuit of a clear strategic policy direction, and this in turn depends on its ability to mobilise resources commensurate with its main policy agenda (Stoker, 1995: 61) and on a common sense of purpose: “purpose provides a means for expanding awareness of what interdependence means and how well-being among members of an urban community is inescapably tied to their interdependence” (Stone, 2002: 9). The difference between an oligarchy and a participatory democratic regime can then be understood in terms of the extent to which such awareness of interdependence and common interest has been expanded – to an elite minority or to the community as a whole. A key point that Stone makes is that all regimes, even those that are more democratically inclusive, will tend to build their agendas around purposes that have priority for the rich and powerful, because it is the latter who can contribute more resources to achieve purposes of any kind (Stone, 2002: 10). As noted above, this leads to optimal outcomes for the elite and its allies because it is the purposes valued by the latter that drive the political agenda.

Since the 1960s, in most if not all advanced industrial countries, oligarchy, or rule by an elite minority, has been found wanting, for a number of reasons. It has failed to achieve effective trans-sectoral, trans-scalar or trans-functional integration (so-called ‘joined-up working’ or system integration), and it has failed to achieve sufficient social integration to ensure its political legitimacy (examples include internal political divisions and increasing popular resistance). As a result, it has been found that governments cannot be trusted to represent the people, to follow due process (for example, because of the tendency for executive power to be increased), or to protect the rights of minorities. In general, it can be said that national states have experienced increased difficulties of governability. In some countries, therefore (for example, Norway – Pierre and Peters, 2000: 35), the state has chosen to involve a large number of interest groups as legitimate participants in the political process, resulting in a limited form of participatory democracy.

In the UK, although it is essentially a neoliberal regime with a certain ambivalence with regard to people power, New Labour has created a number of opportunities for democratisation (see Somerville, 2004). Given nationally defined targets such as on child poverty, educational attainment rates and health improvement, agencies operating in local areas, whether they be public, private or voluntary, as well as...
local communities, are encouraged to develop their own solutions, eg through local strategic partnerships and other networks and markets, using their own initiative, innovation and enterprise. The general effect of this is to spread the responsibility for meeting the government's strategic targets as widely as possible among citizens and communities. The government never specifies that agencies responsible for delivering its strategic targets need to be democratically controlled by their members, but it is at least possible that so many citizens become involved in these service-providing organisations and so many of these organisations adopt open and inclusive methods of decision making that an appearance of participatory democracy develops. In this way, even though key metagovernance functions remain centralised, participatory governance can develop, which can give citizens a taste for more genuine democratic control.

The strategic choice by the state to work through autonomous organisations leads to a certain blurring of the line between political elites and other elites (eg ‘captains of industry’): “… it brings about a cosy, snug relationship between various types of elites” (Etzioni-Halevy, 2003: 12). This is properly regarded as an expansion of the ruling elite itself, as more and more non-governmental elites are included within the regime. There could even come a point where so much of civil society is incorporated in the regime that it ceases strictly to be a form of oligarchy and turns into a form of participatory democracy. As Etzioni-Halevy (2003: 14) and Fung and Wright (2003: 265) all point out, however, this is a form of participatory democracy in which civil society’s ability to exercise countervailing power to that of the state has been reduced. It is also important to note that, although this shift involves a dispersal of decision-making power throughout society (upwards, downwards and sideways – see Jessop, 1994; Rhodes, 2000: 71), core political functions of metagovernance are retained within the national state apparatus – for example, target setting, monitoring and overall policy direction. Governance is being democratised to a certain extent, but metagovernance is not. Oligarchy persists partly because of elites’ ability to retain control of key metagovernance functions.

A different way of looking at the situation is to consider what means are used to legitimise a regime through involving its citizens in the political process. Scharpf (1999) distinguishes two such means: first, what he calls ‘input-oriented’ means, referring to formal procedures securing the self-determination and authentic representation of the governed (government by the people); and second, ‘output-oriented’ means, involving developing the regime’s capacity to respond to emerging wants and needs (government for the people). Arguably, legitimacy requires the development of both input-oriented and output-oriented means, of both representativeness and responsiveness – a regime must show itself to be democratic in how it works and it must achieve democratic goals (Klausen and Sweeting, 2003: 7). The shift towards governance, however, has involved primarily an increase in the use of output-oriented means, with the creation of new hierarchies, markets and networks emphasising service delivery. This in turn indicates a focus on strategic coordination (to ensure that services to citizens are seamless and cost-effective) rather than participatory democracy. More strictly, we should say that it suggests a possible democratisation of governance (through involving the mass of the population in deciding on what their needs are and proposing how they should be met) but not of metagovernance (which involves decisions, for example, about...
how need is to be defined and whether or not to accept the verdict of public opinion).

From a Foucauldian perspective on governmentality, oligarchy can be seen to be reinforced and reproduced through processes of recentralisation, responsibilisation and privileged access to decision making (Taylor, 2003). All governing coalitions tend to favour their own people (privileged access), to exercise control from the centre (centralisation and recentralisation) and to mould citizens in their own image and likeness (responsibilisation). Arguably, ‘Third Way’ politics involves just such an extension of ‘citizenship’ in order to enhance the power and legitimacy of many current regimes (Rose, 2001; Barnett, 2003).

**Local oligarchy**

The focus of this article is on current changes in local governance but, for a more detailed account of these changes, the reader is referred to Leach and Percy-Smith (2001) and Rao (2000). Arguably, the new options that have been made available, such as an elected mayor with or without a cabinet, and a cabinet with a leader, cannot plausibly be represented as advances in democratisation. A telling comment in Rao (2000) shows how the New Labour government (NLG)’s proposals do not even begin to address the criticisms of current local governance that have been mentioned above, such as the inappropriateness of the territorial scale on which such governance is organised (too far removed from community values and identities and too little open to local community influence), its capture by the rich and powerful and well organised, and its inherent inefficiency and ineffectiveness. Rao (2000: 163) points out that key decisions in the British system of local government are made behind closed doors by the majority group (councillors belonging to the ruling party), and then presented to committee and to the council as a whole to be formally taken. This means that local authorities are not so much decision-making bodies as decision-taking bodies, with key proposals for action first being decided on by an elite and then rubber-stamped by the system of representative democracy. Other commentators have pointed to the fact that the NLG’s proposals involve concentration of power in fewer hands (Latham, 2001), and the implementation of the policy for US-style executive mayors in particular has proved to be “an unmitigated disaster for New Labour” (Latham, 2002: 26). Far from being enhanced, therefore, democracy at local authority level appears to have been even further eroded and undermined as a result of the NLG’s interventions.

Using Scharpf’s criteria of representativeness and responsiveness, Leach and Percy-Smith (2001) have further noted that local authority decision makers are representative of their constituencies in neither a legal nor a statistical sense (being neither mandated to perform specific acts nor broadly resembling their constituents in terms of gender, age, class, race, etc). In general, opportunities to participate in decision making are argued to be inadequate since about half the population think local taxpayers do not have enough influence over local authority decision making (Miller and Dickson, 1996). In terms of responsiveness, a significant number of local authorities perform well, so long as they have effective mechanisms for finding out in detail what citizens and communities need, what their priorities are, and their
aspirations in relation to the local area and local services (Leach and Percy-Smith, 2001: 122). However, accountability mechanisms (in the sense of mechanisms available to the public for holding the authority to account for its performance – Stewart and Davis, 1994) are extremely weak in all types of public authorities (for a useful summary, see Leach and Percy-Smith, 2001: 104–5). Even so, non-elected institutions of local governance are generally even less representative and less accountable (see Leach and Percy-Smith, 2001: 123).

There is some evidence that the NLG’s local government reforms may be intended to strengthen local authorities’ role in metagovernance rather than, or as well as, in governance. This can be seen, for example, specifically in its policies on Best Value and on developing the local authority’s role as ‘community leader’ (Leach and Percy-Smith, 2001: 80), and more generally in an increasing emphasis on formulating strategies and business plans. As mentioned above, political leadership, or the leadership of a political community, can be equated with metagovernance. In relation to local authorities in particular, Leach et al (2003: 17) have identified four key leadership tasks: maintaining the cohesion of the regime; developing the strategic policy direction, eg by defining key priorities and values, budget allocation principles, etc; representing the authority in the external world, eg the media, local strategic partnerships and regional networks; and ensuring task accomplishment (through the right ‘balance’ of approaches). These are all clearly metagovernance functions at the local level, concerned with promoting social order, purpose, participation (in self-governing networks in return for direct influence) and collaboration.

This new emphasis on metagovernance, however, sits uneasily with the NLG’s failure to allow local authorities sufficient freedom to develop this role as they see fit: governance and metagovernance at local authority level exist in the shadow of hierarchy imposed by the national state. In this environment, it is to be expected that the strategic capacities of local authorities will remain very low. Hence the NLG’s approach has been characterised as ‘steering centralism’ (OPSR, 2002; Corry et al, 2004) or ‘new centralism’ (Lowndes, 2002: 136), in which local government’s new ‘freedoms’ are effectively circumscribed or disciplined by national objectives, priorities and targets and national systems of auditing and regulation. Furthermore, this process coincides with increasing de-democratisation and de-statisation of local governance as governance functions are transferred to “local partnership bodies and a variety of front-line service-delivery institutions” (Lowndes, 2002: 146).

The argument that municipal power needs to be strengthened as a counterbalance to the power of the national state is the position taken by the ‘new localism’ (Filkin et al, 2000; Corry and Stoker, 2002; Corry et al, 2004). The ‘new localists’ want to develop a form of ‘steering localism’ to counterbalance ‘steering centralism’, where accountability will be primarily to the local rather than the national electorate, and the goals will be mainly set by local rather than central government. Essentially, they see ‘steering centralism’ as inappropriate for modern governance, because neither effective delivery of public services nor horizontal coordination (or co-governance – Kooiman, 2002) at a local level can be achieved by central government ‘steering’, no matter how light the touch may be on the tiller.

From the perspective of this article, the problem with the new localism is its lack of a clear agenda for deepening the democratisation of local governance. It is possible, for example, that strengthening the power of local authorities may serve
only to reinforce the position of local elites, i.e., a more pluralist approach to national metagovernance could strengthen local oligarchies. It is important, as Stewart (1995) recognised, to counterbalance not only the power of national elites by building power on a municipal scale but also the power of local elites by the creation of other centres of power at a local and sub-local scale. Such alternative power centres could include democratically controlled structures at sub-municipal level (e.g., area committees, neighbourhood committees, neighbourhood forums); decision-making functional bodies on which stakeholder interests are represented (e.g., school governing bodies, health boards, community safety partnerships and mutualised public services generally); and structures to secure accountability for local authority decision making (e.g., scrutiny committees, citizens’ panels). There is some evidence of the development of such alternative power centres (Daly and Davis, 2002) but so far it is at a very embryonic stage and the level of countervailing power remains very low. In the absence of such power centres, the pursuit of new localism is likely to lead only to the reproduction of ‘steering centralism’ at a local level – which could be called ‘steering municipalism’.

From a community governance perspective, the major problem with the NLG’s approach to local government is its failure to recognise any more local basis for democratic authority and legitimacy than that of existing local councils. It envisages strategic partnerships on a local authority-wide scale but nothing comparable at a neighbourhood scale, where it talks not of democracy but only of joined-up service-based management arrangements, i.e., neighbourhood management. The government recognises that, for its own newly created neighbourhood state institutions such as New Deal for Communities (NDC) projects (and more recently for foundation hospitals), democracy in some form may be necessary, perhaps as compensation for the loss of democratic involvement from the local authorities in which the NDCs are situated. It does not, however, extend this reasoning to other neighbourhood institutions. By such inaction, national governments leave local oligarchies essentially unchallenged from below, no matter how successfully they may control them from above.

Apart from this lack of national drive for local democratisation, a host of other factors have been cited to explain the widespread lack of effort by local authorities to deepen democracy, with the consequent persistence of local oligarchy. Burgess et al (2001: xx), for example, suggest that many local authorities fear that devolved forms of local governance, based on territorial or cross-cutting measures, will prove more expensive than traditional approaches, introduce an unwieldy level of complexity and raise expectations that cannot be met from existing budgets. Alternatively, it could be argued that local authorities have taken advantage of the new emphasis on their corporate strategic role to reassert their key role in the metagovernance of the territories in which they operate. This would mean that they do accept that they do not have to deliver everything, but they do not accept that they do not have to control everything. Goss (2001) identifies processes such as continuing professionalisation, managerialisation and departmentalism within both local and central government. These processes can also be interpreted as evidence that local as well as national elites continue to assert their key metagovernance roles, with ‘leadership’ being understood in the traditional sense of imperative coordination.
Finally, Peck and Tickell (2002: 393) point to the importance of increasing competition among urban authorities in particular in driving the agendas of local elites, effectively reinforcing their position as key actors in local political arenas, while at the same time subjecting them to a form of market discipline:

The logic of inter-urban competition turns cities into accomplices in their own subordination, a process driven – and legitimated – by tales of municipal turnaround and urban renaissance, by little victories and fleeting accomplishments, and ultimately also by the apparent paucity of ‘realistic’ local alternatives. Thus, elite partnerships, mega-events and corporate seduction become, in effect, both the only games in town and the basis of urban subjugation. The public subsidy of zero-sum competition at the inter-urban scale rests on the economic fallacy that every city can win, shored up by the political reality that no city can afford principled non-involvement in the game.

The realisation of community governance

Sullivan (2001a: 35) has outlined three approaches to developing community governance: the municipalist perspective (represented, for example, by the new localists), which assumes that existing local authorities are the most appropriate bodies on the basis of which to develop community governance; the ‘network’ perspective (represented, for example, by the mutualist or ‘stakeholder’ perspective espoused by Mayo and Moore, 2001, 2002), which is centred on service users and emphasises the role of non-state agencies; and the ‘citizen’ perspective (represented, for example, by Ostrom et al, 1988; Bennett, 1989; and Box, 1998), which focuses on the scale that is most appropriate for citizens – typically, a neighbourhood. On the basis of these three perspectives, Sullivan (2001b) has described three frameworks or models of community governance, which she calls ‘community government’ ‘local governance’ and ‘citizen governance’, respectively.

At the heart of ‘community government’ is the principle of strengthening accountability to the people through greater citizen participation (Sullivan, 2001b: 13). In its most recent version, the ‘pluralist approach’ (Corry et al, 2004: 36), local government acts as a key coordinator, “as the director of the local priority hub, and body to articulate overall local voice” (Corry et al, 2004: 37). Specific functions/services/policy areas are devolved as much as possible to democratically controlled and democratically accountable bodies, with the choice of governance structure being made by local communities. This approach therefore supports the principle of enhancing local democracy and limiting the power of the national state, and it provides a realistic and practicable means of embedding democratic bodies both vertically and horizontally. Unfortunately, however, Corry et al (2004: 41) are content to leave it to local authorities themselves to decide whether and how to devolve power within their areas. We have already seen that the prospects for such local authority-led democratisation to deeper levels are not good: there are potentially serious limitations to the capacity of local authorities to adopt community government and “to develop the capacity to lead rather than attempt to control the structures and processes associated with governing” (Sullivan, 2001a: 45). Essentially, therefore, this approach is a version of steering municipalism (as discussed
above) and sidesteps crucial issues of local oligarchy and its resistance to democratisation. Unlike Goss (2001), the work of Corry et al contains no sense of lessons having been learned from the decentralisation failures of the 1980s (see, for instance, Burns et al, 1994) and no real challenge to current municipal orthodoxy.

The ‘network’ or mutualist perspective, leading to ‘local governance’, is based on network governance. It argues that institutions should be controlled by their ‘stakeholders’, organised on the basis of mutual benefit for all (which would confer both legitimacy and authority on the institutions concerned), and integrated within a regime of participatory multi-stakeholder governance. At a local or community level, stakeholders could include residents and service users, local enterprises and employees, and individual and collective representatives of a wider community (see Mayo and Moore, 2001, 2002). A similar tradition has long existed in the US of holding that institutions should be democratically controlled by their stakeholders according to the size of their particular ‘stake’ (Albert, 2003). So far, however, there has been little in the way of coherent attempts to measure the relative sizes of these different stakes, let alone to coordinate proposed democratisations of the different territorially based and functionally based governance institutions. In the local government literature, there is uncertainty and disagreement about how local authorities should relate to other key stakeholders in their areas in such network governance arrangements, and this has prompted an emphasis on the need for extensive deliberation in order to achieve effective local governance (Stoker, 1996).

In practice, many institutions that participate in such networks are not democratically controlled, or at least not easily made accountable to the people affected by their actions, and it is unclear how communities on a sub-municipal scale will be involved in such networks (Sullivan, 2001b: 14).

Partly in order to solve this problem of a democratic deficit in local governance, Mayo and Moore (2001: 26) seek to develop a ‘new mutuality’ in which public services are reconstituted as self-governing social enterprises, with any surpluses being reinvested socially, in the service or in the community. Equal participation rights are guaranteed by granting membership of the enterprise to every member of the community. The interests of other stakeholders such as public service workers are protected by requiring that any transformation from state service to social enterprise should have the support of a majority of such workers in a formal ballot (Mayo and Moore, 2001: 28). For more complex, cross-cutting issues, it may be necessary to have multiple decision-making bodies, such as customer and user forums, staff committees, and a community committee, whose members all report to a stakeholder council, which provides feedback to a central decision-making board (Mayo and Moore, 2002: 7).

The mutualist approach goes back to Hirst’s (1994, 1997) account of associative democracy. Hirst saw the national state as having responsibility for setting minimum standards (Hirst, 1997: 16), with voluntary associations taking charge of the delivery of services in civil society. He envisaged these associations as being democratically controlled, answerable to those they serve as well as to those who participate in them, and as replacing all existing organisations, ie private corporations as well as public service bureaucracies, marking a clear and decisive break from neoliberalism. He foresaw a situation when the dividing line between the public and private sector would become extremely blurred, thus allowing for the possibility of effective
trans-sectoral democratic institutions. His vision is essentially one of a revitalised, comprehensive and victorious cooperative movement.

The weakness of Hirst’s model of associative democracy is that it is itself based on a single sector, namely, the voluntary sector, and appears almost to call for the colonisation of the public and private sectors by pioneering volunteers – a kind of Third Way alternative to state sector only or market sector only provision. The problem with this, in terms of governance, is that it appears to deny the existence of hierarchical and market modes of governance and rely solely on network governance. In reality, an association could be engaged in hiring and firing staff, and in procuring services available in the market, as well as in voluntary networking activity. The point is that people who are paid by the cooperative to deliver services, whether as employees or as contractors, clearly have a ‘stake’ in the cooperative, so arguably should be represented in the cooperative’s decision-making processes. Fair treatment of both employees and contractors should also be ensured by effective state regulation. Also, there may be a need in some cases (where services are delivered to people who are not members of the association) for service users to have separate ‘stakeholder’ representation. Ideally, therefore, cooperative governance requires a balance to be struck among stakeholders of different kinds: volunteers, paid workers, contractors, the ‘community’ directly affected by the cooperative’s activities, funding agencies, and regulatory authorities (the latter two types of stakeholder can defend their ‘stake’ without having to participate directly in the cooperative’s decision making).

The mutualist approach has been recently embraced by New Labour, for example, in its proposals for foundation hospitals. Leading New Labour figures such as David Miliband and Hazel Blears want to see local communities being given direct powers over the management and funding of a wide range of public services, including hospitals, policing, housing, schools, and transport: “… it is about taking power away from the politicians, the ‘experts’, the bureaucrats and the officials, and passing it to the people” (Blears, 2003: 4). This agenda, however, falls well short of Hirst’s associative democracy, since it applies only to the public sector, and arguably only represents a radical responsibilisation of the users of public services, not a true form of citizen governance (see below). Corry et al (2004: 34) have dismissed it as ‘mutualism gone mad’. From their point of view, no doubt this ‘madness’ stems from its lack of any connection with local government as currently constituted – indeed, it appears to suggest almost the abolition of local government as we know it. At the very least, it is not clear what the role of local authorities is to be in the new networks of mutually controlled services, nor how the newly mutualised services are to relate with one another. With no clear framework of local governance, and the use of the term ‘community’ as an empty signifier (Laclau and Mouffe, 1985), unrelated to any substantive evidence on community identities or aspirations, Corry et al are probably correct in their judgement.

The citizen perspective, leading to forms of ‘citizen governance’, is based on the principle that governance institutions should be controlled by communities themselves, with communities being understood as being primarily neighbourhood based. Citizen governance can be seen as supportive of mutualisation, as described above, and of an enhanced role for local government, but as involving, in addition, a democratisation of metagovernance. The activities of the self-governing mutuals
on different spatial scales need to be coordinated at community level, and the mutuals need to account to communities for those activities. Each community therefore has to develop its own strategy, and the strategies of different communities need to be coordinated with one another and embedded within strategies on a larger scale, at municipal and national level. In this model, the purpose and activities of local authorities are transformed.

Arguably, key institutions for developing citizen governance are forums or arenas that cut across different networks and contain mechanisms for resolving conflicts among individuals and groups (see, for example, Allen and Cars, 2002: 104). Amin (2002: 11) argues that what is required is “the habit of interaction in ‘micro-publics’ where ‘prosaic negotiations’ are compulsory: sites such as the workplace, schools, colleges, youth centres, sports clubs and other spaces of association”. Misunderstandings between members of diverse groups have to be actively broken down in order for new collective actors and identities to form, and this involves “placing people from different backgrounds in new settings where engagement with strangers in a common activity disrupts easy labelling of the stranger as enemy and initiates new attachments” (Amin, 2002: 12). Examples of such ‘banal transgression’ can be found in projects such as communal gardens, community centres, neighbourhood watch schemes, childcare facilities, youth projects, regeneration projects and legislative theatre (see Scott, 2003, for a review of the literature concerned with how the building of social trust serves to promote social order across communities).

It is important to bear in mind, however, that, just as a more pluralist approach to national metagovernance could strengthen oligarchies at local authority level, so a more pluralist approach to local metagovernance could allow freer rein to self-appointed ‘community leaders’ and worse (see Pike, 2003). The extent to which either community identification based on a shared sense of ‘place’ or the building of social trust through everyday transgressive interaction can provide an adequate basis for the construction of a workable system of democratic governance on a neighbourhood scale is, indeed, debatable. Clearly, much depends on the strategic role played by community governance institutions and, in particular, on how those institutions are embedded within the wider political system. In Los Angeles, for example, Weare et al (2003: 27) concluded that the creation of such institutions (neighborhood councils) would be very unlikely in itself to promote greater representation of the poor or of traditionally disenfranchised minority communities.

Strategic work is therefore also required in order to ensure genuine citizen governance, involving setting the rules for community governance institutions to follow and long-term resource planning for the neighbourhood. Examples of such strategic regulation include specifying that the institutions must conduct regular outreach to all stakeholders in the neighbourhood, to ensure inclusion of all groups in community decision-making processes; and specifying the government departments and other agencies at all levels that must establish ties to community governance institutions, to create ‘ladders’ that connect those institutions to relevant sites of political and economic power (Weare et al, 2003: 28). In the UK, the responsibility for regulation of the first kind would appear to sit most appropriately with local government and, for the second kind, with national government. These therefore represent examples of metagovernance at local and national level,
respectively. Examples of governance at these levels would include ensuring that community governance institutions follow due process (in the UK, this means the principles for the conduct of public life set out by the Nolan Committee, 1995), disseminating the lessons generated by the experience of those institutions, holding them accountable for their plans and promises, and progressively distributing capacity to those who are less advantaged (Fung, 2001: 4).

**Multiscalar democratisation: the embedding of community governance**

From the point of view of governance democratisation, therefore, both the steering municipalism of community government and the fragmented and unaccountable networks of local governance must be regarded as problematic, mainly since neither of them involves a genuine democratisation of metagovernance activity (the former effectively supports local oligarchy, while the latter advocates a form of local pluralism, which, even in its more democratic, mutualist versions, makes it more difficult to mount an effective coordinated challenge to national oligarchy). From the former, however, we take the concept of a single source of democratic territorial decision-making authority on a community or neighbourhood scale (to ensure coordination and accountability of governance activity); and from the latter, we take the idea of community control over all the activities affecting community members (to ensure that decision making by that authority is fully democratic). Taking community governance seriously, then, must involve an emphasis on developing citizen governance, and developing it in such a way that it is fully embedded within processes and institutions of democratic governance on all scales: municipal, regional, national, continental, etc. To achieve this, however, raises a host of further issues that have to do with building an alternative to currently established power.

Essentially (although this is easier said than done), in order to succeed, counter-hegemonic forces at neighbourhood level need to be integrated, both horizontally and vertically, within a distinctive *movement* at national, continental and even global level. At the same time, in order to be effective, this movement must engage strategically and democratically with dominant corporate and state power. The movement must operate within established institutions, in order to transform them, but it must also be autonomous, in order not to be co-opted into those institutions. In Touraine’s (2002) terms, it must be both a *social* movement, directly contesting established power as embodied in existing social institutions, and a *political* movement, bringing together a diversity of actors, from different social contexts, in public arenas, in order to challenge established power at key sites and moments.

An obvious way of starting to build such countervailing power is to increase the range and depth of decision making that is open to democratic participation. At a local level, Lowndes et al (2002) identify three significant institutional filters facilitating political participation: open political institutions; the use of innovative citizen-oriented management techniques – informal conventions just as much as formal structures; and civic infrastructure, ie formal and informal mechanisms linking different local organisations and their activities, and providing channels of
communication with local policy makers. These mechanisms include: councils for voluntary service, chambers of commerce, local faith networks, parish and town councils, new partnership bodies, and some local authority organisations. Of course all these institutions are themselves prone to being dominated by elites of one kind or another but the point is to see them primarily as means to the end of enabling greater participation in decision making.

Such organisations are potential ‘anchor organisations’ (Nicholls and Beaumont, 2003; see also Bellair, 1997, 2000, on ‘community anchors’ or ‘network hubs’). These may be based in established institutions such as trades unions and community organisations but provide valuable resources for counter-hegemonic activity and act as key links between formal and informal networks. They are therefore capable of acting as bedrocks for the growth of a distinctive counter-hegemonic movement (for examples from the UK, see Wills, 2001, 2002; for examples from Reggio in Italy, Indianapolis in the US, Denmark and Sweden, see Martin, 2002; for the rapid growth of the community cooperative movement in Argentina, see Klein, 2003). Again, anchor organisations themselves may be dominated by elites but they should be judged not by the nature of their inputs but by the outcomes of their activities, for example, whether they produce and sustain durable forms of citizen governance.

Another obvious way of building countervailing power is to build strong democratic organisations of local people so that they can negotiate more effectively in the political process of resource allocation (Knight, 2001). This involves community development in a traditional sense, with support from a number of different sources, including both central and local government as well as specialist consultants and volunteers, although lessons from the past teach us that such development must be situated within a clear strategic approach if it is to be sustainable (Henderson and Salmon, 1998). A strategic approach could mean that the development is carried out as an integral part of a process of deepening democracy and improving services and quality of life for all. For example, Meegan et al (2002: 10), in a consideration of how social capital can be developed, argue that: “What seems to us as important is the ‘scaling up’ of locally based networks of social capital to create organisations which are linked into wider power relations and thus more able effectively to engage in regeneration activity”. This can be done by making strategic choices on a number of key issues, such as: the geographical scale of operations for the organisations, eg the small neighbourhood level or a larger neighbourhood, a single organisation or a network of organisations; the functional focus of the activity, eg housing, health, education, etc; the public forums within which decision making is to take place; the anchor organisations that will help to link the grass roots into wider power relations, eg political parties, trades unions, community empowerment networks, cooperative development agencies; and the participatory techniques and mechanisms to achieve the required ‘scaling up’, eg participatory budgeting, participatory appraisal, citizens’ panels and juries, and interactive websites (see, for example, Lowndes et al, 1998: 16).

An example of such ‘scaling up’ is the way in which small-scale movement bodies seek to be horizontally linked in groupings such as confederations (eg the Confederation of Cooperative Housing for housing cooperatives) and social movement organisations (eg TAROE for the tenants’ movement). These confederations exist on both a local authority and a national scale (and even
international, as in the case of the International Union of Tenants). Such linking is situated firmly outside of the structures of local government, and is essentially solidaristic, concerned with building social capital, which can enable such organisations to resist being co-opted into municipal and other established political structures. The development of such linkages, however, does not preclude these bodies from participating actively in these established structures: indeed, it can give them the strength to participate more effectively. Perhaps paradoxically, therefore, stronger neighbourhood or community bodies, whether functional or political, by being linked together within their own characteristic social or political movements and standing in opposition to established power, could lead to fairer and more effective local (and national) decision making than if they were to accept the local authority-led, fully embedded co-governance approach being advocated by the New Local Government Network (Corry et al, 2004).

But what does deepening democracy actually mean, in practical terms? One issue is that of the balance to be drawn between direct and representative democracy. Clearly, there are problems in moving from the very small scale of a neighbourhood of hundreds of people to areas of tens of thousands (electoral wards), and thence to city-regions and beyond. At some point, it becomes impracticable for all decisions to be made in one general assembly (the direct democratic ideal). The usual solution is to adopt some form of representation, whereby, for example, a cooperative sends one of its members to represent it on a body operating on a wider geographical scale. There are, however, at least two different kinds of representation here: one is in the traditional political sense of representing a constituency to a ‘higher’ decision-making authority, and the second is in a more functional sense of participation in, for example, a cross-community gathering or ‘secondary’ cooperative or confederation of cooperatives, which is responsible for supporting and regulating ‘primary’ cooperatives that operate on the basis of direct democracy. Representation is necessary to ensure, on the one hand, that the needs and concerns of cooperatives are fed into a wider process of decision making and, on the other, that the activities of cooperatives are effectively funded and regulated. Representation in this context is a technique that allows a two-way linking between participatory democratic bodies on a small scale and larger-scale institutions, in such a way as to extend the democratisation of public life. Typically, cooperative housing works in this way (see Duncan, 2003).

The distinction between functional and political representation is akin to Touraine’s distinction between social and political movements mentioned earlier, and the issue is the same, namely, how to integrate one with the other. Neither form is adequate on its own. The problem with functional representation is that the appropriate territory for representation varies according to the function: for housing, it is the size of a single development scheme; for schools, it is the catchment area of the school; for primary healthcare, it could be, similarly, the area served by a general practitioner’s surgery or health centre; for policing, similarly, it could be the area served by a local police station; and so on. Democratising along functional lines therefore risks producing a wide variety of sizes of territorial authority, with few coterminous boundaries, resulting in confusion and lack of coordination across functions. The problem with political representation, on the other hand, is that it leads to oligarchy,
as discussed earlier. To correct this, citizens need to be able to hold their representatives to account, and this means that they must have the power that can only come through control of key assets and services (i.e., functions). Political representation therefore serves to ensure coordination of (functional) democratic decision making, while functional representation serves to tame oligarchy, i.e., to maximise the citizen base of the political process. Successful citizen governance must involve a combination of the two.

Of course, citizens must not only have such power (to hold their representatives to account), they must also exercise that power on a regular basis. Here, research has shown that high levels of participation (e.g., in terms of standing and of voting in elections) can be achieved under the following three conditions: transparent democratic processes, with clear and direct lines of accountability from representatives to the represented; participation by non-representative stakeholders who provide appropriate advice, guidance, and expertise for the benefit of representatives (Knox and Alcock, 2002); and perceptions by the electorate that they have a real stake in the decisions to be made and that their vote can make a real difference (Gibson, 2002). It follows that current lack of participation and alleged political apathy can be explained largely in terms of the rational choices of citizens. If the conditions are changed so as to make participation potentially much more beneficial for participants, then such apathy will tend to disappear.

Arguably, local authorities and other public authorities such as health authorities could play a key role in building countervailing power. They could, for example, act as anchor organisations in support of labour and community mobilisation. They could act as “higher level” authorities supporting and guiding more local decision-making bodies. They could transfer assets of different kinds (land, buildings, staff, budgets, etc.) to new institutions (for example, community trusts) controlled by local stakeholders. They could facilitate active community participation, joined-up service provision, and beneficial use of key local private and voluntary sector skills. In reality, however, few public authorities operate in this way, and even these are generally reluctant to transfer assets.

Paradoxically, it could be that a way forward is to strengthen local authority power (relative to that of national governments, but not relative to local communities) rather than weaken it (which could mean strengthening of national governments with no corresponding empowerment of local communities) – just as citizen governance can be made more effective through increasing community ownership (the mutualist approach), so it may also be assisted by new forms of community government. Newman (2002), for example, has argued that local councils should be given a power to veto proposed constitutional changes unless local electors agree; they should be required to enhance deliberative democracy and give all citizens equal voice in decision making; and elected representatives should be given increasing support in terms of finance, training, etc.

In principle, these proposals could increase the power of representation and participation in local government (thus legitimising what Corry et al., 2004: 35, call the “Full Municipal Model” of local governance). However, they do not explicitly address many of the criticisms of local government cited earlier, such as inappropriate boundaries of jurisdiction, lack of councillor representativeness, and failure to relate constructively to grass-roots democratic bodies. Arguably, therefore, stronger
measures are needed to ensure that local authorities encourage and develop forms of citizen governance: for example, they could be required to conduct feasibility studies into the possibility of devolving power and authority to smaller-scale territorial and other bodies, and to act appropriately on the basis of the findings of such studies (a useful model for this could be the community options studies advocated by the Confederation of Cooperative Housing – HACAS Chapman Hendy, 2003). This introduces a second paradox, in that such stronger measures must inevitably involve a certain strengthening of national government in relation to local government, which could work to the detriment of local communities (eg if local authorities merely ‘go through the motions’ of devolving power, or if they devolve only governance and not metagovernance, or if they devote resources to the process that could have been used more effectively for other purposes). There is a complex three-way dialectic of power here, which is not at all well understood.

A number of commentators have argued for the abolition of local authorities as we know them and their replacement by single-purpose bodies or by more fluid governance arrangements. Ostrom et al (1988), for example, argued that an effective system of participatory democracy would involve a pattern of small, irregularly sized, overlapping, functionally based local authorities. Again, Bennett (1989) argued that the efficiency, effectiveness and accountability of public bodies require flexible decentralisation plus flexible aggregation, with small governance units joining together as and when necessary for specific tasks. In contrast, citizen governance, although it involves a transformation of the local authority’s role, has the merit of retaining a clear territorial basis for local governance (on a municipal as well as neighbourhood scale) and is therefore arguably the most appropriate for effective metagovernance – the other options would involve greater difficulty in trans-functional coordination and the achievement of common purpose.

Conclusion

Successful community governance involves a blend of all the three forms described by Sullivan (2001b) – community government, local governance and citizen governance. It requires a single source of a democratic territorial decision-making authority on a suitably local scale, fully accountable to communities, neighbourhoods and citizens within the territory; it needs community control over functions operating on a community scale, but involving politicisation rather than depoliticisation of public and community service (ie with greater rather than lesser involvement of elected representatives of the people), and with an emphasis on functional integration rather than fragmentation (ie addressing issues in a holistic manner rather than in separate compartments); and it needs democratic decision making at neighbourhood and community level to drive the process of political and policy change by using appropriate strategic vertical and horizontal embedding.

Additionally, successful community governance requires the building of a movement, on all scales, that will be both political and social. This involves:

• the building of a political alliance, dedicated to the principles and practice of participatory democracy; members of this alliance can work within a number
of different political parties but with common objectives with regard to the transformation of UK political institutions and beyond;

- programmes for making UK institutions, both public and private, more democratically controlled and accountable to the people, e.g. through processes of mutualisation.

There is an expanding literature concerned with how such a movement can practically be developed. This literature highlights the need for such things as: quick wins; building grass-roots political parties; the maintenance of high standards of participatory democracy within the movement; thorough understanding of the operations and effects of oligarchical regimes; the development of the movement’s capacity for strategic action; and widespread mainstreaming of participatory democratic action. Local authorities and other public authorities have a major role to play as democratically controlled bodies supporting and guiding democratic institutions at grass-roots level. Currently, however, in the UK, the performance of these authorities falls far short of what is required, in terms of democratic accountability, representativeness and participation, and there does not exist any clear model of democratic neighbourhood governance to which they could relate as supporting and regulating authorities.

In view of this huge gap between present realities and what needs to be done, the achievement of democratic governance might appear to be a utopian project. It is therefore salutary to point out that the New Labour project is itself utopian. Essentially, the government has committed itself to what it calls a ‘tight–loose–tight’ approach (SEU, 2000, 2001), involving: ‘tight’ national objectives and priorities such as the minimum wage, the strategy to abolish child poverty, the national curriculum, and the NDC programme – with clearly specified floor targets on jobs, health, education and crime; ‘loose’ control of local agencies, to allow local communities room to develop local solutions, e.g. through local strategic partnerships and other partnerships; and ‘tight’ audit and accountability, to ensure the targeting of the most deprived areas and that real change occurs, e.g. through Best Value, Ofsted, etc. The key problem with this, however, is that leaving aside the government’s failure to ‘join up’ its ‘tight’ national objectives with local priorities and needs, and assuming that it did actually ‘loosen up’ its control of local agencies, this would be likely to result in increasing diversity, making ‘tight’ audit and accountability increasingly difficult to achieve. At some point (probably sooner rather than later), the different directions taken by local agencies would become so numerous and extensive that effective steering from the centre would become impossible, creating a new crisis of governability. At this point, devolution of power to grass-roots democratic institutions might begin to look more attractive to government.

In this context, the approach of the New Local Government Network (Corry et al., 2004) can be represented as a new New Labour strategy of localisation, whereby New Labour’s steering centralism is transferred from the national to the local state. This is a clear advance in terms of democracy, because it involves a certain devolution of metagovernance functions to the level of an elected local authority (whose members tend to be closer to the people than are MPs or ministers), and this aspect of the ‘new localism’ is worth exploring further. However, state-regulated pluralism on such a local scale is not necessarily superior to state-regulated pluralism on a
national scale. In both cases, there is something problematic about the nature of the leadership involved, namely a small elite dominating the politics of the territory in question and gradually extending its tentacles into every nook and cranny of our civil life. A particularly insidious feature of this ‘steering localism’ is its potentially large capacity to co-opt grass-roots democratic activists and movements into New Labour’s localisation project.

A consideration of the prospects for democratic transformation suggests that there are grounds for both political pessimism and social optimism: political pessimism, because of the current weakness of progressive opposition to New Labour rule, but social optimism, because of New Labour’s continuing pressure for institutional change and the opportunities such change offers for real democratic innovation. On balance, the former would appear to outweigh the latter, but the risks inherent in New Labour’s overall approach, and the volatility of the political situation that results from this, should never be underestimated. From the point of view of a national New Labour regime, there are also serious risks with the New Local Government Network’s approach, as well as with Blears’ (2003) radical communitarianism: in the former case, arising from the potentially increasing ungovernability of local authorities; and in the latter case, risks of excessive political fragmentation and mounting organised resistance to the New Labour regime itself. The regime cannot, in the end, allow the policy of ‘let a thousand flowers bloom’ to undermine its core strategies and targets but, on the other hand, the blossoming of these flowers can lead to institutional innovations that stimulate the growth of movements that eventually produce regime change.

In pointing a way forward, it is easier to identify approaches that should not be followed rather than to recommend one particular line of action. For example, it seems clear that all approaches to democratic transformation that are based on the dominance of one particular sector are unworkable, whether it be the voluntary sector (associative democracy), the local authority sector (‘new localism’), the national state (‘democratic centralism’) or the private sector (neoliberalism). The precise nature of this unworkability, however, may need some further elucidation. The approach taken in this article has been to focus on ‘bottom-up’ democratisation, involving the creation of small-scale democratic bodies, in all sectors and across sectors, which are either fully participatory or at least closely representative of the people. These bodies take a plurality of forms but include some that are trans-sectoral and multifunctional, with significant decision-making powers. On a larger scale, these bodies are envisaged as being integrated vertically into economic, social and political governance structures, and horizontally within groupings such as federations and social and political movements, as well as through a variety of market and network arrangements. The precise constitution of such bodies will vary according to (among other things) the scale of their operations and the nature of the participation in their activities, eg whether participation is functional (service-based) or political, or whether the participants are stakeholders or electors. The full democratisation of public life requires the creation of such bodies in all areas of social activity.
Notes

1 A national state, as distinct, for example, from a local or continental state, is one based on territorial sovereignty deriving from the global interstate system established by the Treaty of Westphalia. A national state typically rules one dominant nation but can involve a plurality of nations. For example, the UK national state governs the territories of the nations of England, Wales, Scotland and (Northern) Ireland.

2 Most recently, for example, the Audit Commission has heartily endorsed the benefits of resident involvement but makes no mention of resident control (Audit Commission, 2004).

3 This is, after all, why national regulation is necessary in the first place, to protect individuals and communities against arbitrary decisions at local level (see, for example, Skelcher, 2003: 7).

4 They argue that mutuality has been well tested on a small scale, up to 400–600 people, for example in relation to individual schools, hospitals and housing developments, but appears to be of more limited value on a large scale. They propose two measures to deal with this problem: first, the demerger of large national public services such as the National Health Service into more manageable units, which could be established as self-governing mutuals (Mayo and Moore, 2001: 33); and second, the transformation of local authorities into secondary mutuals, with responsibility for supporting and regulating primary mutuals (for example, local education authorities acting as secondary mutuals for schools as primary mutuals) (Mayo and Moore, 2001: 35).

5 In this model, developed in the US, decision making is devolved to citizen boards, and the local authority acts as a ‘community coordinating council’ with the power to review board decisions, and council officers or consultants (‘experts’) act as ‘helpers’, informing and advising citizens, and ensuring that they have opportunities to participate in decision making (Box, 1998: 119).

6 Democratic institutions below local authority level, such as community councils, housing cooperatives, and community trusts, have clear democratic advantages over local authorities. They can be more easily held to account, because either all their members actually participate in decision making or their representatives are easily approachable and accessible to the membership. They are more likely to be representative, in that their decisions are more likely to reflect the needs, understanding and aspirations of their communities. They are more likely to embody the ideals of participatory democracy insofar as they are created and sustained from the grass roots. And they are likely to be more responsive to their members’ concerns and needs simply because they are closer to those members (see the discussion of Bowles and Gintis, 2000, above). It does not follow from any of this, however, that they are more likely to make charitable and enlightened decisions!
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