

# Community Development and the Politics of Local Government

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## **Introduction**

In this article, I want to discuss professional community development in relation to the changing political context of local government. The central argument I wish to make is that community development, both at the level of policy and practice cannot be understood, without also understanding the ways in which the role of local government has been transformed in recent years. Whilst Community development often means many things to many people, I want to argue that a narrow view of community development has been constructed by local authorities who have drawn upon its language and methodology in order to restructure the local state and more recently, to facilitate spending cuts. When politicians, policy makers and career civil servants, whose central function is to implement cuts and manage reduced budgets, start to talk the language of ‘empowerment’, ‘capacity building’, ‘renewal’, ‘self determination’, ‘co-production’ etc, then it is time for practitioners to inject a healthy dose of scepticism into the discussion. Scepticism is of course different from cynicism. Sceptics ask questions. And a pertinent question to ask is how professional community development relates to the politics of local government.

## Community Development: The policy context

For the best part of a decade, policies and national standards framed around community development have been at the heart of public policy in the community. The most notable of these has been Community Planning, enshrined in the Local Government Act, 2003, which created a new policy context for professional community development. Recently, community development has been given renewed impetus. In Scotland, the Christie Commission on the Future Delivery of Public Services (2011) emphasised the importance of local authorities planning services around the needs and aspirations of local communities. In addition to this, the Scottish Government’s proposed Community Empowerment and Renewal Bill, is constructed in a vocabulary familiar to most practitioners and even from a cursory reading it is clear that ‘community’ is once again at the heart the matter. Moreover, the Conservatives have conceptualised what they call the ‘Big Society’ with its emphasis on localism and community - what David Cameron calls ‘compassionate conservatism’. More recently, a new term has entered the lexicon, that of ‘co-production’, which calls for greater public involvement in the planning, design and delivery of services. ‘Community’ it seems is everywhere and community development appears to be at the centre of things, not just an ‘add on’ to be afforded

during the good times, but central to public policy in the community. Yet, in order to truly understand why community development has become so important in policy, we must locate it within the political context of local government and the restructuring of the state.

### **The politics of Local Government**

Local authorities across the country are currently in the process of implementing spending cuts imposed by central government. We know that cuts disproportionately affect poorer and disadvantaged communities because they rely more on public services. Opposition to the cuts, particularly from elected members has been minimal. Councillors argue, and they are correct to a point, that there is little room for manoeuvre. I would argue that this is by design and not default. For three decades central government has systemically taken away many of the powers of local government. The current council tax freeze, a form of rate capping, is part of a historical process of denying local government the capacity to act independently and raise its own finances. Other examples include the removal of controls to vary business rates as a means of generating income. Moreover, in the 1980s and 90s severe restrictions were placed on the amount local authorities could borrow for capital investment projects. This was a deliberate policy of forcing councils into adopting the disastrous Public Private Partnerships, whose enduring legacy is cash strapped councils owing huge debts to private corporations that will last a generation. The irony is that, whilst local authorities have preached localism and participation, the practice, certainly in economic terms, has been for greater centralisation and a removal of power from elected community politicians. Any serious student of politics will tell you that, without economic power, political power is ineffectual - even meaningless. To put it simply, local government administrates but it does not govern, hence the reason why calling it local government is something of a misnomer.

The outcome is a crisis in local democracy. Scotland is one of the least democratic nations at local level in the European Union (EU), according to research by the recently established policy forum, the Jimmy Reid Foundation (2012). Scotland has fewer councils and fewer elected representatives than its European neighbours. Furthermore, Scotland's councillors preside over constituencies that are some of the largest in the EU. The number of people it takes per head of population to elect a single councillor is ten times greater than the EU average. Local elections in Scotland are the least competitive in the EU and are dominated by the mainstream political parties, with turnout woefully low. In fact, more than half of the electorate do not vote on polling day in council elections. Meanwhile, public participation in local politics, including community governance is far lower than the European average. Take Community Councils for example. Whilst there are over 1200 Community Councils in Scotland they have very little power and minimal influence over policy. On average, they tend to be unrepresentative of the communities they purport to serve with their members usually elected unopposed. 1 person in every 4,270 people is an

elected community politician in Scotland, compared to 1 in 125 in France and 1 in 200 in Austria. According to research by the Joseph Rowntree Foundation (2006), a small number of people, described by the Foundation as the 'consultative elite', are disproportionately involved in community politics. Furthermore, research by Professor John Mohan of the Third Sector Research Centre (2010) highlighted that volunteering and participation in community governance structures is more noticeable in middle class areas than in working class or poorer communities.

The crisis in local democracy has been caused in part by the transfer of power from elected politicians to central government, the market and QUANGOs (Quasi-Autonomous Non-Governmental Organisations). This is connected to a neo-liberal restructuring of the local state and is part of a historical process started by the Thatcher government in the 1980s. In the book, *In Place Of Austerity* (2012), a book that should be essential reading for anyone working in the public sector, Dexter Whitfield, Director of the European Services Strategy Unit, discusses three phases of neo-liberalism, and locates current policy within a broader neo-liberal narrative and framework.

### **The neo-liberal re-structuring of the state**

'Neo-liberalism', according to Whitfield,

... is based on *reducing state intervention in the economy, opening up new markets in public services and deepening business involvement in the public policy making process* (my italics).

The first phase of neo-liberalism occurred between 1979 and the early 1990s. It involved the wholesale privatisation of nationalised industries including gas, electricity, railways and telecommunications, and the transfer of economic power from the state to the market. A pre-requisite for cementing the influence of neo-liberalism in Britain was a fracturing of the British Trades Union movement, with the defeat of the miners strike in 1984-85 proving pivotal in paving the way for privatisation and a low wage economy based around the services sector.

The second phase, often referred to as 'modernisation' was overseen by both Tory and New Labour governments. Internal or quasi markets were introduced into both the town hall and the NHS. Meanwhile, public bodies became 'commissioning agents' rather than providers of services. Commissioning is based on the belief that it does not matter who provides a public service, which created the perfect mindset for privatising certain public goods and services. Service users were constructed as 'consumers' and 'customers', with privatisation of public services window dressed as 'consumer choice'. Whitfield explains how public services became quantified and organised in order to be readily specified into a contract, with operational values remoulded to meet commercial criteria. Risks were commoditised so they could be priced and grants were replaced with contracts: a process that resulted in a growth in

both bureaucracy and middle management. The role of the public sector manager was transformed; not only expected to manage a service, the new public servant was called upon to oversee 'service reviews', 'options appraisals', 'business cases' and 'tendering procedures', as business values and practices became mainstreamed across all services and embedded in public management. Where the private sector could not make a profit, the voluntary sector was brought in as a cheaper alternative to local government. This resulted in a cultural takeover of the voluntary sector by business values and practices. Paid staff chasing external funding became the norm. With over 100,000 paid workers now working in the sector in Scotland it is more often than not referred to as the 'third sector' with the larger organisations competing with one another to win crucial contracts in the 'public services delivery market'. According to Whitfield, contracts are typically awarded to organisations that reduce the cost of labour and employ fewer staff.

Neo-liberalism's third phase started in 2010 with the election of the Conservative-Liberal Democrat coalition. Con-Dem policies are founded on the useful myth that the national debt is out of control and that a cash strapped country must reduce public spending. Yet wealthy individuals and corporations can continue to expect lower taxes whilst the banks, it seems, are important enough to bail out - but not the public sector. One astute commentator described this state of affairs as austerity for the people but welfare for the banks.

Although still in its infancy neo-liberalism's third phase offers both continuity and change. The Big Society discourse, for example, is based on a critique of the centralised state. According to this discourse, the state is too bureaucratic and remote from the concerns of ordinary people. Professionals are constructed as a vested self-interest group and a potential block to reform. The narrative is that professionals are elitist and whilst they may talk about the 'public good' the reality is they are motivated more by bureaucratic than social goals. This discourse influences contemporary discussions about breaking up the social state and traces of it can be found in the ideas of 'co-production', a new concept doing the rounds in public sector management. Yet despite the philosophical niceties of the 'big society', the driving force behind the rhetoric is the aim of reducing public spending and managing neo-liberalism's third phase. Not long after coming to power the Con-Dem coalition increased funding for social enterprises, co-ops and mutual organisations to take over the delivery of public services. Whitfield (2012) argues that the aim is to reduce the cost of public services by hiving off responsibility to community organisations whilst exploiting the use of free labour by volunteers.

Asset transfer is a major driver of neo-liberalism's third phase and potentially involves the whole-scale transfer of state assets including libraries, swimming pools and community centres to third sector and even private providers. According to Whitfield this would mark the completion of the Thatcherite ideal of 'real public

ownership'. Whitfield argues that asset transfer is a blatant attempt to divert attention from the impact of Con-Dem spending cuts. He also makes the point that something more insidious is occurring in public policy. The obsession with localism, community budgets, social enterprise and asset transfer, he contends, is a diversion because the bidders for larger contracts where big profits are to be made are inevitably national and trans-national companies. The French multi-national, Atos Healthcare, is just one case in point. The government awarded Atos a contract valued at £100m a year to assess those on incapacity benefit deemed 'fit for work'. Whilst many on incapacity benefit have been forced off benefit, often unfairly as recent appeals victories suggest, the Chief Executive of Atos was awarded a £1m bonus on top of his already annual pay packet of £1m per year. Moreover, the company recorded record-breaking profits for last year.

This is just the tip of the iceberg. Many multi-national corporations are hoping to capitalise on the break up of the state. Some have their eyes on 'lucrative markets' in health care and are trying to end the 'state's monopoly' over provision. We should note that the attempt to contract out the local community centre or library is driven by the same agenda and principles that allow private companies greater involvement in the NHS and other aspects of social welfare where profit can be made.

### **Implications for community development**

Community development cannot be separated from the politics of local government and the re-structuring of the local state. Shaw (2012) notes that community work developed within the politics of the modern state, adding that 'that its activities have, historically, been circumscribed by a predominantly instrumental rationality to fulfil pre-determined outcomes'. This is an astute point. From this perspective, community development is constructed as an active agent of neo-liberal modernisation. Here community development has played the role of bringing the 'community' to public policy. Furthermore, community capacity building (CCB) has been interpreted so narrowly that wider social processes and purposes are often ignored. Whitfield (2012) notes that on occasion CCB work has been reduced to simply making voluntary organisations 'better contractors' to meet the demands set by commissioning bodies.

'Capacity building' has become a useful phrase for public sector managers wishing to cut back on services. It is often used as if it is a 'magic wand' which, when waved, will enable communities to become equipped to be potential deliverers of public services. This is problematic for a number of reasons. Firstly, it ignores the low level of involvement in community governance structures in working class and poorer areas. The result could be that in areas where 'capacity cannot be built' then services are lost altogether. Secondly, working class and poorer communities often refuse to 'play the capacity building game'. There is widespread anecdotal evidence to suggest that many folk in Scotland remain stubbornly social democratic and committed to the ideal that the state should provide in times of need. Whilst this is often dismissed as

‘unrealistic’ or encouraging a ‘dependency culture’, we should note that it is informed in part by the egalitarian view that public services should be available to all and funded out of general taxation. Thirdly, contracting out services fuels the myth of a ‘social economy’ and the illusion that community and civil society organisations are somehow unaffected by wider market forces. In addition to this, if goods and services were once provided ‘in house’, then contracting them out provides no real additional value in terms of economic indicators.

Finally, there is the democratic argument! Services and assets will no longer be controlled by democratically-elected Councils, but by small groups of management committees, often unrepresentative of the wider communities they serve. Shaw (2011) suggests that this may result not in a ‘Big Society’, as the Tories imagine, but rather a ‘small-minded society’ of ‘fragmented neighbourhoods’. Finally, as Whitfield notes, the search for funding from a conservative charity and trust sector could result in a rightward shift in the politics of community and civil society campaigning. Certainly the scope for advocacy work and campaigning will be reduced as communities devote their energies to managing or ‘co-producing’ services.

### **Conclusion**

I want to end by arguing that the community empowerment agenda, or big society, or co-production – call it what you like – is driven by an economic rationale of cutting back on public services. These discourses help to mask fundamental structural inequalities in society. As noted earlier, income tax for the wealthy and corporations remain low, which means that the tax burden falls on everyone else’s shoulders. The result is a regressive system of tax whereby those at the top actually pay less as a proportion of their income than those at the bottom. The rich get richer and everyone else suffers. According to the 2010 Sunday Times Rich List, the collective wealth of the 1,000 richest people in Britain increased by 30% in one year alone, the biggest increase in the history of the list. At a time when benefits are being attacked and low paid workers are forced to suffer the indignity of poverty wages, the average FTSE Chief Executive continues to earn a salary 200 times greater than the average worker.

The poverty and social inequality to be found in Britain today can only be addressed by an interventionist state. History is the most reliable witness. The great depression of the 1930s led to the triumph of three ideals associated with the political left: state planning, public investment and the establishment of the welfare state. The tragedy of the 21<sup>st</sup> century depression is that it is being used by the Right to undermine the very things that got us out of previous slumps. We should also remember that the great expansion in public services occurred only after the majority of people had secured the vote. Ordinary people secured with their votes that which they could never afford to buy in the market place: schools, hospitals, community centres and so on. From this perspective, the cuts are not just an attack on public services they are an attack on the democratic process.



I want to end by making a point about language. Shaw (2011) believes that language has been a critical weapon in the modernisation arsenal. Language neutralises debate or in some cases it serves to win consent for a reactionary agenda. In regards to the latter, some practitioners have unwittingly bought into a neo-liberal narrative because it has been presented in cosy terms such as ‘empowerment’, ‘renewal’, ‘self-determination’, ‘co-production’, etc. In the current context, to window-dress the management of public sector cuts as community ‘empowerment’, ‘renewal’ or ‘community capacity building’, is to engage in self deception. George Orwell once wrote that at a time of universal deceit, telling the truth is a revolutionary act. This is something that community workers should keep in mind as we navigate our way through increasingly difficult times.

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