

**DECENTERING BRITISH GOVERNANCE: FROM
BUREAUCRACY TO NETWORKS**

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Introduction

British government has shifted, according to many political scientists, from the government of a unitary state to governance in and by networks (Rhodes, 1997; Rhodes 2000a; Stoker 1999 and 2000a). Yet the difficulties surrounding the term governance are considerable. It can refer to a new process of governing, or a changed condition of ordered rule or the new method by which society is governed (cf. Finer 1970: 3-4). One colleague described it as a 'weasel' word - slippery and elusive, used to obscure, not to shed light. In this paper we seek to trace and illustrate its several meanings. However, as authors, we do not seek to dictate what approaches and words mean. We have no wish to wear such a mantle of linguistic omniscience. We do not believe that our account should be privileged because, as political scientists, we have a means of deciding which accounts are true, which are false. Rather we provide an account of how elite political and administrative actors understand the term. In effect, we seek to replace current positivist accounts of British governance in and by networks with a decentred analysis that focuses on the various British political traditions and their several interpretations (and on decentred analysis see Bevir and Rhodes 2000).

Governance signals how the informal authority of networks supplements and supplants the formal authority of government. The governance literature explores the limits to the state and seeks to develop a more diverse view of state authority and its exercise. Broadly conceived, the concept of governance explores the changing

boundary between state and civil society. This broader notion of governance in Britain exercises historians of the twentieth century. José Harris (1990: 66-7) argues that one of the 'tacit understandings' about political community at the beginning of the twentieth century was 'a belief among politicians of all complexions that the relationship between government and society was essentially a limited one'. Civil society was 'the highest sphere of human existence', while the state was 'an institution of secondary importance'. The corporate life of society 'was expressed through voluntary associations and the local community'. She argues that these beliefs had 'enormous tenacity' (p. 69). Between the wars, they were sustained not just by professional civil servants, who favoured a return to more limited government, but also by the British public who 'resumed their Victorian habits of voluntary action and self-help' (p. 77). However, the Second World War led Britain to develop 'a far more powerful centralised wartime state than any of her more metaphysical-minded, state-exalting continental enemies' (p.91). It also fuelled a reformist mood, which led to a 'profound break with some of the major conventions of the previous hundred years' (p. 96). 'Promises, programmes and planning' became the new norm (p. 97). Harris concludes that by the 1950s, 'the common constitutional culture based on tacit acceptance of common history and unspoken assumptions about the nature of political behaviour which had been so pervasive earlier in the century had virtually ceased to exist' (p. 111). We should not write the history of the twentieth century as a battle between collectivism and the free market because they 'advanced in tandem at the expense of other more traditional social arrangements such as philanthropy, the family and the local community' (p. 113). 'The ethos of voluntarism was ... subtly transformed over the course of the twentieth century':

They [voluntary associations] were the very sinews of autonomous 'civil society', supported by the state only through a general framework of law. This unpretentious and invisible private collectivism continued in some spheres throughout the period, largely falling through the meshes of the history of government. In many voluntary organisations, however, such autonomy progressively dwindled: they became increasingly the agents and clients of the state, holders of state licenses, beneficiaries of state tax concessions, recipients and competitors for state financial aid - or simply pressure groups urging government to change its policies on some deserving cause. The boundary between public and private spheres became more confused than in the late nineteenth century (p. 114).

Harris is describing the spread of organisational networks tied to the state. These networks are common to both the days of centralised planning and giant corporations and the days of governmental minimalism and neo-liberal economics.

Rodney Lowe and Neil Rollings (2000: 101) similarly argue the balance between state and civil society, 'between government and governance', was disrupted by two contradictions. First, British government had a limited or minimalist role in practice but unlimited power in theory. Although there were no constitutional checks on the powers of government, 'public compliance depended on their non-use'. Second, the state was supposed to be neutral between classes but it was partial whenever it intervened on controversial economic and social issues. Britain enjoyed 'an exceptional degree of continuity and order', but this was 'an achievement of governance broadly defined, rather than government' (p. 105). The crisis of the 1950s saw the breakdown of this broader governance as the government responded to perceptions of relative decline by pursuing a policy of modernisation though

centralisation. Thus, the history of British government during the twentieth century appears as a shifting balance between government and governance.

We try to ground recent changes in the boundaries between state and civil society in an analysis of patterns of government or the mechanisms for authoritatively allocating resources and for exercising control and co-ordination. In other words, we focus on hierarchies, markets and networks. Bureaucracy remains the prime example of hierarchy or co-ordination by administrative order. Despite all the recent changes, it is still a major way of delivering services in British government; for example, the Benefits Agency remains a large bureaucracy. Privatisation, marketing testing and the purchaser-provider split are examples of government using market or quasi-market ways of delivering services. Price competition is deemed the key to efficient and better quality services. Competition and markets are now a fixed part of the landscape of British government. It is less widely recognised that British government now works through networks characterised by trust and mutual adjustment to provide welfare services. The shifts from hierarchy to markets and then to networks involved changing the boundaries between state and civil society (and for a more detailed account see Rhodes 2000a). Indeed, the Conservative government explicitly defended its use of market mechanisms as a way of redefining the boundaries of the state, while New Labour is almost equally explicit about its use of networks.

We also ground our analysis of patterns of government in specific public sector reforms. Policies such as contracting-out are the specific means that brought about the change from hierarchy to markets. Thus, while we focus on governance, the study of the several rounds of public sector reform during the 1980s and 1990s is vital to an understanding of governance. Nonetheless, we do not use the examples of the civil service or public management reform for their own sake. Rather, we treat them as

instances of reforms to patterns of government and, therefore, to changes in the boundaries between state and civil society.

Narratives of Governance

There are four main constructions of British governance: intermediate institutions, networks of communities, reinventing the constitution, and joined-up government (see Table 1). For each construction we outline the relevant tradition and give examples of associated narratives. Our choice of traditions is conventional (see for example: Barker 1994). Equally, the table and our examples are not comprehensive. We are illustrating an argument, not documenting each narrative.

A decentred account should provide thick descriptions of governance using the accounts or texts of participants, not academic commentaries. Of course, there is often no clear-cut distinction between academic commentators and elite actors. So, for example, Lord Crowther Hunt was both a member of the Fulton Committee on Civil Service Reform and a Fellow of Exeter College, Oxford University. Subsequently, he became a political adviser to the Prime Minister Harold Wilson, whom he advised on implementing the recommendations of the Fulton Committee. Individuals can be academics, authors of official documents and political actors all at once or at different times in their lives. Also, there is a shared language about 'the system'. Tivey (1988: 3) deploys the concept of 'the image' to denote 'a set of assumptions about "the system" ... and how it works'. Each image contains 'operative concepts' or 'operative ideals': 'the views of the authors are taken', moreover, 'to be of some influence; what they have said has to some extent become operative'. Indeed, his images 'have gained currency among those who study politics, and diluted and distorted they have reached the practitioners' (Tivey, 1988: 1; see also Beer 1965: xiii and 404). In this paper, all

our examples, our shared images, are drawn from politicians and civil servants in this broad sense and from official sources.

Table 1: Narratives of governance.

TRADITIONS	TORY	LIBERAL	WHIG	SOCIALIST
NARRATIVE OF REFORM	Preserving traditional authority.	Restoring markets and combating state overload.	Evolutionary change.	The bureaucratic state.
NARRATIVE OF GOVERNANCE	Wrecked intermediate institutions.	Building networks of communities.	Reinventing the constitution.	Joining-up government.
EXAMPLES				
(a) Practitioner	Gilmour 1992.	Willets 1992	Bancroft 1983.	Mandelson Liddle 1996
(b) Official report	Anderson 1946	Efficiency Unit 1988.	Cm 2627 1994.	Cm 4310 1999

The Tory Tradition

The Tory tradition is elusive and relentlessly inconsistent (Honderich, 1991). All too often its proponents define it more by what it isn't than by what it is. Gilmour (1978: 121-43) argues the Conservative party is not averse to change (*ibid.*: 121), not a pressure group (*ibid.* 130), and not ideological (*ibid.*: 132). More positively, 'the fundamental concern of Toryism is the preservation of the nation's unity, of the national institutions, of political and civil liberty' (*ibid.*: 143). Blake (1985: chapter 11 and postscript) argues Conservatives are against centralisation, equality and internal splits but, to leaven the mix, they are for the national interest. Gamble (1988: 170-71) describes the British state as the Tory state with the defining characteristics of racial and national superiority, a deferential attitude towards authority, a secrecy

surrounding the practice of high politics, an anti-egalitarian ethos and a status hierarchy.

Some strands recur in the Tory tradition. For example, Michael Oakeshott (1962 and 1975) provides the philosophical underpinnings for several raconteurs of Tory narratives. Ian Gilmour (1978: 92-100; and 1992: 272-3) adopts Oakeshott's distinction between the state as a civil and an enterprise association. An enterprise association is 'human beings joined in pursuing some common substantive interest, in seeking the satisfaction of some common want or in promoting some common substantive interest'. Persons in a civil association 'are not joined in any undertaking to promote a common interest ... but in recognition of non-instrumental rules indifferent to any interest', that is, a set of common rules and a common government in pursuing their diverse purposes (Gilmour 1978: 98; see also Mount 1992: 74-5; Willetts 1992: 72-3). So a free society has 'no preconceived purpose, but finds its guide in a principle of continuity ... and in a principle of consensus' (Gilmour 1978: 97). The Tory tradition favours civil association and only accepts the state as an enterprise association 'when individuals are able to contract out of it when it suits them' (Gilmour 1992: 272). Nonetheless Gilmour (1978: 236) accepts that some state intervention will often be expedient, practical politics, essential to preserving the legitimacy of the state. For all its hedging about the role of the state, the Tory tradition upholds its authority. People are self-interested and hierarchy is necessary to keep order. Scruton (1984: 111) makes the point forcefully: 'the state has the authority, the responsibility, and the despotism of parenthood' (see also Gamble 1988: 170). Strong leaders wield that authority to uphold national unity, to correct social and economic ills and to build popular consent.

Inspired by the Tory tradition, Gilmour (1992: 198-224), a former Cabinet Minister (1979-81), portrays the public sector reforms of the 1980s as a 'series of tactical battles' that wrecked Britain's intermediate institutions, such as the monarchy, the church, the civil service, the judiciary, the British Broadcasting Corporation (BBC) and local government. These 'barriers between state and citizen', he argues, were torn down in the drive to create an enterprise culture and a free market state. Gilmour values the pluralism of intermediate institutions and wants to return to moderation in the exercise of power. Similarly on civil service reform, Gilmour (1992: 185) regrets that civil servants abandoned their principal function of drawing 'attention from long experience to the flaws of instant panaceas' and decided that 'the way to live with ideology was to appear to share it'. So they 'executed ordained error without demur'. They neither retarded nor palliated. They did not resist reforms with a vigour nourished by a proper confidence in the old values of the British constitution.

There was never a neat divide in the Conservative party between the paternal statism of the High Tories and economic liberalism but during the 1980s and 1990s, the former was a submerged tradition. Official reports did not articulate the High Tory reverence for the old values. Of course there are many examples from earlier in the post-war period. A favourite example is the Anderson Committee because its truths were so self evident, it was never deemed necessary to publish the committee's report. It began work in November 1942 as a cabinet committee enquiring into the fitness of the machinery of government for the extended role of the state after the war. Its status as a cabinet committee ensured that the review lay in the hands of ministers and civil servants rather than outsiders. In effect, the committee carried out a 'survey for practitioners by practitioners' (Lee 1977: 18). Anderson submitted his report to

the prime minister in May 1945. It was never published (but see Anderson 1946). The following passage captures the tone of the exercise.

The Ministerial Committee was paralleled by a small official committee of three senior civil servants chosen by Anderson himself for their special qualities of judgement. This collated the views of people who were referred to as 'great and wise men' and gave ministers the benefit of their advice in confidence' (PRO/T222/71:OM 290/01 cited in Chapman and Greenaway 1980: 129).

The following passage similarly captures the tone and scope of the review's conclusions.

While I emphasise the departmental responsibility of ministers as a necessary and vital principle, I at the same time stress the importance, as a practical matter, of adequate machinery for making a reality of collective responsibility. As a means to this end, I would rely on the institution ... of a permanent but flexible system of cabinet committees (Anderson 1956: 156).

As Lee (1970: 151) concludes, the Anderson Committee was a 'special mixture of ambiguity in definition and ambivalence in discussion'. Turbulent times produced not a radical review, but a return to the eternal verities of the insiders of British government. The Committee sought to perpetuate such Tory themes and symbols as the generalist civil servant acting as Platonic guardian of an imagined, national good.

The Liberal Tradition

For Liberals such as Norman Tebbit, former Secretary of State for Trade and Industry and former chair of the Conservative Party, Gilmore's belief that intermediate institutions such as local government were a check and balance on Westminster is 'an entirely new and quite false constitutional theory'. No matter that Enoch Powell, former cabinet minister, former Conservative and life-long parliamentary romantic, could say that 'a "hatred of bureaucracy" was a common and continuing feature of Conservatism'. Until Margaret Thatcher's election, there was, at least to the more ardent neoliberals, little difference between, say, Edward Heath and the Fabian reforming agenda – both were technocratic and problem solving. The Thatcher reforms had twin roots in the economic liberalism of the Institute of Economic Affairs (see Niskanen et al. 1973) and a concern with bureaucratic inefficiency (see Chapman, L. 1978). In her own words, Margaret Thatcher (1993: 48) 'preferred disorderly resistance to decline rather than comfortable accommodation to it' and the civil service would not be insulated from her reforming zeal. Thus, began the era of corporate management, agencification and most notably marketisation. The key question became 'what public services must we keep?' The policies of privatisation and contracting-out redrew the boundary between the public and private sectors. 'Reformism gave way to revolution' as the government sought to create 'the minimalist state'. Some claim the changes wrought were as great as those of the Northcote-Trevelyan era.

'New Conservatism' revived the Liberal tradition by stressing freedom, applying the principles of freedom to the economy, and accepting the welfare state on sound Conservative grounds. Thus, David Willetts (1992), Conservative MP and junior

minister under both Margaret Thatcher and John Major, finds the roots of the New Conservatism in the One Nation Group's (1954) arguments against government intervention and in such philosophers as Friedrich Hayek and Michael Oakeshott. For Willetts (1992: Ch. 6) Adam Smith's 'system of natural liberty' provides the intellectual justification for free markets. Markets tap 'two fundamental human instincts'; the instinct to better oneself and the instinct to exchange. These instincts, when 'protected by a legal order which ensures contracts are kept and property is respected', are 'the source of the wealth of nations'. Big government cannot deliver prosperity, undermines markets and erodes communities. But 'rampant individualism without the ties of duty, loyalty and affiliation is only checked by powerful and intrusive government'. So, Conservatism stands between collectivism and individualism and 'Conservative thought at its best conveys the mutual dependence between the community and the free market. Each is enriched by the other' (Willetts 1992: 182). The Conservative Party's achievement is to reconcile Toryism and individualism. This achievement also belongs to Thatcher. Thatcherism is not the antithesis of conservatism because it too recognises there is more to life than free markets'; it too sought to reconcile 'economic calculation with our moral obligations to our fellow citizens' (*ibid.*: 47). It restores markets to their allegedly rightful place in Conservatism: it 'is within the mainstream of conservative philosophy' (*ibid.*: 54).

State intervention stultifies. Competition improves performance: 'free markets are ... the route to prosperity' (*ibid.*: 136). Bureaucracy was the problem. Marketisation was the solution to bureaucratic inefficiency (Thatcher 1993: 45-9). Sir John Hoskyns (1983) was one of several business leaders seconded to Whitehall. On leaving, he reflected in writing on his experiences. In doing so, he criticised the failure of government to agree and define objectives. He complained about the small world of

Westminster and Whitehall, and especially about a civil service closed to outsiders, lacking in confidence and energy, and serving political masters with whom it does not agree. He challenged the convention of political neutrality as leading to passionless detachment instead of radically minded officials, and to the low quality of much policy work. His main proposal for change is to break the civil service monopoly of top jobs and to appoint business outsiders on seven- year contracts. In a similar vein, Leslie Chapman (1978), a former regional director in the (then) Ministry of Public Building and Works, castigated the civil service for waste, inefficiency and inadequate management. His solutions included a new investigative audit department and better, accountable management. During the 1979 election campaign, he advised Margaret Thatcher on efficiency within the civil service (Metcalf and Richards 1987: 5-6). Although Chapman was widely tipped to become Thatcher's adviser on efficiency in government, that mantle eventually fell on Sir Derek Rayner, joint managing director of Marks & Spencer.

The recurrent liberal concerns with business-like efficiency, setting clear policy objectives and recruiting better managers, pervade various official reports of the last two decades. The Efficiency Unit (1988: 3-5) argues, for example, that 'senior management is dominated by people whose skills are in policy formation and who have relatively little experience of managing or working where services are actually delivered'. It strongly believes that 'developments towards more clearly defined and budgeted management are positive and helpful'. It accepts that senior civil servants must respond to ministerial priorities but argues the civil service is 'too big and too diverse to manage as a single entity'. So, it recommends setting up agencies 'to carry out the executive functions of government within a policy and resources framework set by a department'. Senior management will have the freedom to manage. So, there

will now be 'a quite different way of conducting the business of government'; a central civil service consisting of core departments servicing ministers and agencies at arms length with clearly defined responsibilities for service delivery.

Not all Liberals focus on reforming public management. Willetts (1992: 71) wants to claim community as a core principle in the Liberal tradition. He rejects the idea of community embodied in the nation state for the notion of an 'overlapping network of communities'. He denies that free markets destroy community. On the contrary, liberalism reconciles markets and community with the idea of 'micro-conservatism' or 'the particular network of communities which gives each individual life meaning'. The role of the state is to sustain 'a political order in which this multiplicity of communities can survive' (p. 105). Micro-communities populate the boundary between state and civil society, an image with a close affinity to nineteenth century notions of governance as private collectivism.

The Whig Tradition

This tradition emphasises the objects that are the historic heart of political science - the study of institutions or the rules, procedures and formal organisations of government, constitutional law, and constitutional history. It also has an idealist strand that focuses on the interaction between ideas and institutions. Its most famous expression is the Westminster model of British government which, at times, comes perilously close to telling the story of a single, unilinear, progressive idea, reason or spirit underlying the evolution of British government. It emphasises gradualism and the capacity of British institutions to evolve and cope with crises. It provides 'capacity for independent action, leadership and decision' while ensuring that 'British political institutions would remain flexible and responsive'. This implicit Whig historiography

probably added to the appeal of the model for political scientists who 'were largely sympathetic', 'convinced that change needed to be evolutionary', and willing to celebrate 'the practical wisdom embodied in England's constitutional arrangements' (Gamble 1990: 411 and 409).

There was a time in the early 1980s when it seemed as if the Conservative maelstrom would sweep aside the traditional civil service. Lord Bancroft (1983: 8), a former head of the home civil service, reflected on these changes in true Whig style:

I am reminded that Abbot Bower of Inchcolm, commenting on the legislative enthusiasm of James I of Scotland in the Parliament of 1426, applied what he thought an apt quotation: "to enact new laws with facility, and to change the old with facility, is marvellous damaging to good order". He was quoting Aristotle. We are heirs to a long inheritance.

Lord Bancroft, again like a true Whig, contrasts his argument 'for organic institutional change, planned at a digestible rate' with a defence of the status quo. Indeed, he explicitly criticises 'the overnight fever of a new department here and a new agency there, in order to accommodate a transient personal whim or political tantrum' (see also Bancroft 1984; and the concluding remarks in Dale 1941: Appendix C; and Sisson 1959: 153). He wants gradual evolution through sympathetic reforms that work with, and so perpetuate, all that is salutary in Britain's constitution and political practice.

The White Paper, The Civil Service: Continuity and Change (Cm 2627, 1994) reflects on a decade of change, and, in true Whig fashion, seeks to consolidate the changes in the broader heritage and pattern of historical development. The White Paper's

summary of the role and functions of the civil service claims that the civil service has ‘a high reputation, nationally and internationally, for its standards of integrity, impartiality and loyal service to the Government of the day’. It suggests, ‘the particular standards that bind the civil service together are integrity, impartiality, objectivity, selection and promotion on merit and accountability through Ministers to Parliament.’ Although recent reforms delegated management responsibility to agencies, the government acknowledges ‘the need to ensure that the defining principles and standards of the civil service are not relaxed’. The White Paper instances the new, unified Management Code (1993), which lays down the relevant standards, and promises a statutory code or a New Civil Service Act. The proposed reforms are meagre. The White paper even phrases its proposals for open competition for top jobs cautiously:

Departments and agencies will always consider advertising openly at these (senior management) levels when a vacancy occurs, and then will use open competition wherever it is necessary and justifiable in the interests of providing a strong field or introducing new blood.

Such words hardly herald an open season on top posts in the civil service. Equally, the White Paper remains silent on measuring and improving the work of permanent secretaries. The White Paper’s title is an accurate reflection of its contents. The Whig tradition’s response to public sector reform, to return to the example provided by Hennessy, is ‘wherever possible’ to use ‘traditional and familiar institutions for new purposes’ and so to ‘go with the grain of Westminster and Whitehall and their traditions’. Empathy with the British constitution leads to an organic reinvention of that constitution.

The Socialist Tradition

The Socialist tradition, with its structural explanations focused on economic factors and class and with its critique of capitalism, mounted a prominent challenge to Whig historiography. The historical story of the socialist tradition is often ambivalent about, or even hostile to, that of the Whigs. For example, David Marquand (1988: 198), former Labour MP and European Union official, comments:

The old Whig historians were not wrong in thinking that Britain's peaceful passage to democracy owed much to the hazy compromises which unprobed ambiguities make possible. By the same token, however, once these compromises cease to be taken for granted ... arrangements of this sort are bound to run into trouble. ... Respect for the rules of the game will ebb away. ... In doing so, they have focused attention ... on the hidden presuppositions of club government itself ... And, as a result, these presuppositions have started to come apart at the seams.

The Whig tradition collapses because it confronts a heterogeneous, pluralistic society in which authority has been de-mystified, cultural values have changed, the political system has lost legitimacy, and territorial politics is in disarray (*ibid.*: 199-204).

From the earliest days, a central strand in the Socialist tradition is the role accorded to bureaucracy. For example, the leading Fabian, Sidney Webb, identified socialism with the efficient organisation of society conceived as co-operative and co-ordinated organisation with state activity (Bevir, 2002). The Fabians, he implied, should act as positivist experts, providing information and policies to diverse politicians. Although Webb believed in liberal democracy, he suspected that it would bring a welcome move away from political conflict towards a rule by an administrative and managerial elite. He had a strong faith in experts as a source of neutral compelling advice,

although he always restricted their role to providing advice and implementing policies. Making decisions had to remain the provenance of elected representatives. Contemporaries such as Graham Wallas (Qualter 1980: 99 and 162), and inter-war Fabians such as Greaves (1947), shared Webb's strong faith in a science of public administration, according bureaucracy a central role in achieving political ends.

Here, because our concern is governance and recent public sector reforms, we focus on the New Labour strand in the Socialist tradition. New Labour reinterpreted the concerns highlighted by the New Right from within the socialist tradition (Bevir and O'Brien, 2001). The Old Labour model built on the Fabian's faith in experts and resembled a top-down, command-style bureaucracy based on centralised rules. The Party became associated with hierarchic patterns of organisation in which co-ordination is secured by administrative orders. The New Right rejected this model, arguing it was inefficient and it eroded individual freedom. The Thatcher governments tried to make public services more efficient through privatisation, marketization, and the new public management. Citizens became consumers able to choose between arrays of public services. Although command bureaucracy remains a major way of delivering public services, privatisation, the purchaser-provider split, and management techniques from the private sector have become an integral part of British governance.

New Labour does not defend the command bureaucracy associated with Old Labour. Rather, we can identify a shift in the socialist tradition inspired in part by the New Right's concerns with market efficiency and choice. For example, Peter Mandelson, former Secretary of State for Northern Ireland, and Roger Liddle explicitly reject the 'municipal socialism' and 'centralised nationalisation' of the past (Mandelson and

Liddle 1996: 27). New Labour 'does not seek to provide centralised 'statist' solutions to every social and economic problem.' Instead New Labour promotes the idea of networks of institutions and individuals acting in partnerships held together by relations of trust. New Labour's concern with networks based on relations of trust does not exclude either command bureaucracy or quasi-market competition. Rather, New Labour proposes a mix of hierarchies, markets, and networks, with choices depending on the particular nature of the service under consideration. Government policy is that 'services should be provided through the sector best placed to provide those services most effectively', where 'this can be the public, private or voluntary sector, or partnerships between these sectors' (Cm 4011 1998). Even a simple service is liable to display a mix of structures, strategies, and relationships.

Equally, New Labour embodies a critique of the New Right's model of public service delivery. It suggests the New Right has an exaggerated faith in markets. New Labour believes individuals are not just competitive and self-interested but also co-operative and concerned for the welfare of others. So, public services should encourage co-operation while continuing to use market mechanisms when suitable. For example, David Clark (1997), then the Minister for Public Services, explained that policies such as market testing 'will not be pursued blindly as an article of faith' but they 'will continue where they offer best value for money'. New Labour insists markets are not always the best way to deliver public services. They can go against the public interest, reinforce inequalities, and entrench privilege. Besides, much of the public sector simply is not amenable to market competition. Indeed trust and partnership are essential. Without the conditions for effective markets, one has to rely on either honest co-operation or specify standards in absurd detail. Far from promoting efficiency, therefore, marketization can undermine standards of service quality.

New Labour's emphasis on individual choice and involvement overlaps with themes found in the New Right. In promoting customer-focused services, New Labour adopts features of the new public management when it considers them suitable. However, New Labour's model of service delivery does not follow the New Right's vision of the new public management. On the contrary, New Labour argues that many features of this new public management, such as quasi-markets and contracting-out, maintained an unhealthy dichotomy between the public and private sectors: public bodies did not work with private companies but merely contracted services out to them. This argument is used, for example, to justify abolishing the internal market within the National Health Service. The Third Way, in contrast to the vision of the New Right, is supposed to develop networks that enable public and private organisations to collaborate. Examples of such collaboration appear in the partnerships between the public and private sector that are so important to the delivery of the New Deal for the unemployed.

New Labour's networks for public service delivery are supposed to be based on trust. Prime Minister Tony Blair describes such trust as 'the recognition of a mutual purpose for which we work together and in which we all benefit' (Blair 1996: 292). Trust matters because we are interdependent social beings who achieve more by working together than by competing. Quality public services are best achieved through stable, co-operative relationships. Blair talks of building relationships of trust between all actors in society. Trust is promoted between organisations through the Quality Networks programme: organisations should exchange information about their practices to facilitate co-operation. Trust is promoted inside organisations through forms of management that allow individual responsibility and discretion increasingly to replace rigid hierarchies: individuals should be trusted to make decisions and

implement policies without the constraint of strict procedures. Trust is promoted between organisations and individuals through the Service First programme: citizens should trust organisations to provide appropriate services, and organisations should trust citizens to use services appropriately.

So, the Labour government uses networks based on trust to institutionalise its ideals of partnership and an enabling state. Blair (1998b) stated the aims succinctly: 'joined-up problems need joined-up solutions.' This theme runs through the Modernising Government White Paper with its frequent references to 'joined-up' government and 'holistic governance' (Cm 4310 1999; see also Cabinet Office 1999 and 2000; and Rhodes, 2000b). The term covers both horizontal joining-up between central departments and vertical joining-up between all the agencies involved in delivering services. So services must be effective and co-ordinated and the principles of joined-up government apply across the public sector and to voluntary and private sector organisations.

Joining-up takes various forms. For example, there are area-based programmes or 'action zones' (26 in health, 25 in education) linking central and local government, health authorities, the private sector and voluntary organisations; and group focused programmes such as the 'Better Government for Older People' pilot. The state is an enabling partner that joins and steers flexible networks and the civil service must adapt. The task is to build bridges between the various organisations involved in designing policies and delivering services. In future civil servants will manage packages of services, packages of organisations and packages of governments.

Conclusions

In an important sense, there is no such thing as governance, but only the differing constructions of the several traditions. There is no necessary logical or structural process determining the form governance takes, neither a process based on the intrinsic rationality of markets nor one on the path dependency of institutions. In an equally important sense, however, governance is the diverse actions and practices inspired by the varied beliefs and traditions we have discussed. Patterns of governance arise as the contingent products of diverse actions and political struggles informed by the beliefs of agents as they arise in the context of traditions. These conclusions apply, moreover, whether we are talking about the civil service, public sector reform, governing structures, or state-civil society relations. There may be some agreement that the boundary between state and civil society is being redrawn, and that the form and extent of state intervention is changing, but there is little agreement on how, why or whether it is desirable. At the outset, we noted the emphasis of historians on a broad concept of governance as the relation of the state to civil society. Although the historians we referred to differ in detail, they share the theme of governance as private collectivism being eroded by successive periods of centralisation fuelled by the two world wars. The reinvention of the minimal state by the New Right and the discovery of networks by New Labour are attempts to find a substitute for the voluntaristic bonds diminished by state intervention and the erosion of intermediate institutions such as local government. We are witnessing the search for an extended role for civil society in an era of large organisations. Appeals to networks can be seen as a counterweight to the centralisation of the 1960s and 1970s.

Our decentering of British governance provides a valuable corrective to both the traditional Westminster model of British government and more positivist accounts of governance itself. It offers the hope of finding 'new, better, more interesting, more

fruitful ways of speaking about' British government; it is an exercise in 'edification' (Rorty 1980: 360). It does so by decentring networks as well as exploring how their informal authority supplements and supplants the more formal authority of government. We use the notion of governance to develop a more diverse view of state authority in its relationship to civil society.

Our decentering of British governance offers a distinctive narrative. It also raises important issues for further research. For example, although there are equivalent trends towards markets and networks in other advanced industrial democracies, we know little or nothing about how national governmental traditions shape responses to these trends. We might perhaps distinguish here between the Anglo-Saxon (no state) tradition; the Germanic *rechtsstaat* tradition; the French (Napoleonic) tradition; and the Scandinavian tradition, which mixes the Anglo-Saxon and Germanic. In the Germanic tradition state and civil society are part of one organic whole; the state is a transcendent entity. The Anglo-Saxon pluralist tradition draws a more distinct boundary between state and civil society with contract rather than natural law as the basis to the state. Civil servants have no constitutional position. The Napoleonic tradition sees the French state as the one and indivisible republic, exercising strong central authority to contain the hostile relations between state and civil society. The Scandinavian tradition is also 'organicist', influenced by the ideas of the *rechtsstaat* tradition, but differs from the Germanic tradition in being a decentralised unitary state with a strong participation ethic.

National traditions shape patterns of governance. The new public management (NPM) is often treated as an example of globalisation but, even allowing that the term refers to a discrete set of reforms, there are marked differences in the way individual

countries respond to the 'same' international pressures. For example, the Danish government sought to preserve a popular welfare state by selected reforms aimed at getting better value for money. Public sector reform was characterised by a negotiated consensus and a pragmatism, which avoided clear winners and losers. The choice of means was a technical matter, not dictated by party ideology. So, privatisation and marketisation were but two choices among many, to be used when there was agreement they were the best way forward. User and citizen roles in public sector service delivery were strengthened (and for a more detailed comparison of Britain and Denmark see Rhodes 1999).

There are other gaps in our knowledge. Although we can identify different approaches to network management, we know that all these tools of central steering meet problems. Although there is a large democratic shortfall in governance, we know little about the prospects for democratising particular domains. Also we know little about the ethnography of government. Although reducing the size of the civil service and improving efficiency are long-standing policies, we do not know how such change has affected the beliefs and practices of middle-level managers, supervisors and employees. All policies have multiple stakeholders. A decentred approach provides thick descriptions focusing on the beliefs and preferences of these stakeholders. No such accounts exist, whether the subject is management reform or minister-permanent secretary relationships.

We had no expectation that we could provide a true account of an objective process unaffected by the mentalities of particular individuals. Rather, we have related governance to the actions of many individuals; described the conflicting but overlapping stories that inform the actions of these individuals; and we have used the

concept of tradition to explain why these actors construct their worlds as they do. Individuals are bearers of traditions and they enact and remake structures in their everyday lives. We argue governing structures can only be understood through the beliefs and actions of individuals located in traditions. Political ethnography enables us to tell the stories of different individuals. Historical analysis is the way to uncover the traditions that shape these stories.

We prefer an interpretative approach with its decentering of governance to the positivism lurking within most accounts of British government for two reasons. First, the governance narrative is comparatively accurate and comprehensive in its coverage of shared ‘facts’. We believe the story of a shift from hierarchies to markets to networks commands a large measure of agreement between academics and practitioners, even if the language varies, encompassing terms such as joining-up, holistic governance, and partnerships. Second, we believe our approach will prove to be fruitful, progressive, and open. It will open a wide range of new areas and styles of research about the beliefs, preferences, and actions of many political actors – from Prime Minister to individual citizens – as they preserve and modify traditions and practices – from Toryism and Parliament to, say, New Age travellers and forms of protest.

To end, we turn to the implications of our governance narrative for practitioners. New patterns of governance bring new problems. Marketisation undermines trust, co-operation and reciprocity in networks. Organizational complexity obscures accountability. The search for co-operation impedes efficient service delivery. Perhaps, as Stoker (2000b) suggests, all we can tell the practitioner is to ‘keep on “muddling through” ... in an appropriately thoughtful and reflexive manner’. Perri 6

(1997: 70) accuses this analysis of fatalism. Yet he is insufficiently cautious about the provisional nature of knowledge in political science and his optimism for the latest managerial fashion is almost certainly misplaced. But his tool view of governance, with its stress choosing between and managing resource allocation structures, is widespread. Its prominence is clear from the large and growing literature on how to manage networks. We would argue, in contrast, that the research frontier for the study of governance should not be drawn this tightly. Steering networks is not the only or even the most important question. While a preference for relevance has always been strong in the study of British government, governance is not just about corporate management and marketisation but also the changing nature of government, how we are governed and how to understand such changes. Our decentered theory, as we have shown, suggests several ways of broadening the research agenda to encompass these topics.

Besides, one important lesson of a decentered approach for those advising government is that there is no tool kit they can use to steer networks. Practitioners might learn from political scientists by listening to and telling stories. Although we can offer only provisional knowledge, this awareness of our limits does not render such knowledge useless. If we cannot offer universal solutions, we can define and redefine problems in novel ways. We can tell policy makers and administrators distinctive stories about their world and how it is governed. The language of networks challenges the language of managerialism, markets and contracts. The language of decentering and narratives challenges the language of positivist political science.

In short, therefore, we provide a language for redescribing the world. We open the door to an understanding of how several actors have constructed the meaning, and so

nature, of recent government changes. Simple solutions such as joining-up or holistic governance may have an appealing elegance. Governments will always seek simplicity - but they should distrust it. Our decentering of governance makes no apology for describing a complex world in at least some of its complexity because there are no simple solutions whether based on hierarchies, markets or networks. We hope that our narrative is edifying. We are convinced it is provisional.

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