Urban Regimes and Problems of Local Democracy

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Paper prepared for Workshop 6
Institutional Innovations in Local Democracy

ECPR JOINT SESSIONS
Turin, Italy
22-27 March 2002
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'Votes count, resources decide.' (Stein Rokkan)

'Politics ... can be simply defined as the activity by which differing interests within a given unit of rule are conciliated by giving them a share in power in proportion to their importance to the welfare and the survival of the whole community.' (Bernard Crick)

With local government continuing through an extended period of transition, particularly in Europe, much concern centers on the issue of democratic renewal.\(^1\) As conventional forms of participation and accountability give way to new practices, is local democracy advancing or receding? Are reforms addressing the right issues? In retrospect, we can see that conventional forms of representative government, long in place, were far from flawless. However, it also appears that many recent innovations themselves have inadequacies of their own.\(^2\) Even if forms of participation have expanded, Lowndes and Wilson observe, 'increased participation is not the same as increased democracy' (2001, p. 639).

In this paper, I put forward a case for seeing local democratic renewal in a context of major social and economic problems to be addressed. Because citizens do not act politically in a vacuum, reforms need to be weighed against their ability to empower citizens to take on the challenges they face. If practices have no consequences for the shared well-being of a citizenry, participation under those practices amounts to little.

Genuine political engagement is problem-solving (cf. Arendt 1968), and, for any locality, we need to consider what large problems it addresses and how. After all, concerns do not automatically take shape as public issues. In the form of bounded rationality (or narrow cognition), it is human nature to pay attention to what is at hand and personal. However, despite the fascination of some reformers with 'shopping democracy,'\(^3\) individual choices provide little leverage over many problems.

Collective political action provides the indispensable alternative. For all of their differences in particular interests, the people in a locality are interdependent. Many of their concerns are shared, even if experienced in ways that differ in detail from person to person. Politics is thus not about how individuals choose or behave. It is about people coming together to meet the difficulties they face as a collectivity (Crick 2000). We should, then, take stock of the circumstances faced and consider the capacity of various political practices to respond to the challenges therein.

In this paper, I assume that an effective problem-solving capacity cannot operate in a narrowly piecemeal fashion. It requires a sustained and concerted effort -- what in current British parlance is called a 'strategic policy direction.' Thus I contend that democratic renewal needs to take into account the politics of local agenda-setting, that is, the politics of embarking on a priority policy direction. To see why, let us look briefly at the structural foundations of local problems.
Structurally Based Problems

The word 'globalization' captures one important aspect of the structural forces affecting contemporary cities (Harding and Le Gales 1997). The mobility of capital, weakened attachment to place, and a restructuring of economies around the world have long formed a topic of concern. Economic change has given rise to massive populations shifts, initially from rural areas to cities, and now -- with the added disruptions of war and civil conflict -- across national boundaries on an unprecedented scale.

Economic and demographic changes have, in turn, undermined once vital social attachments, and, for the working class, with its special dependence on place-based attachments, this impact has been especially harsh (Lea 1997). With a weakening of social fabrics, problems of crime, persistent unemployment, youth alienation and social isolation assume a large place in the urban picture. If neighborhoods acquire a reputation as 'deprived,' they may find themselves in a downward spiral, with their social fabric weakening even further. In such areas, schools, policing and sundry services experience low performances, and these areas pose a special challenge to local governments and other service providers (Wallace 2001).

Given bounded rationality, people experience the urban condition not as a structurally caused condition, but as a series of discrete problems -- lagging business activity, a scarcity of shops and commercial services, joblessness, low-performance schools, idle and disaffected youth, vacant and dilapidated buildings and so on. The immediate impulses are to tackle them individually, and there is a long history of what Murray Stewart terms a 'fitful succession of discontinuous initiatives.' Yet today there is growing recognition that these problems are related and that they have deep structural roots. They constitute what John Stewart terms 'wicked issues,' by which he means complex and multi-faceted problems that cannot be solved by conventional means (Stewart 2000, p. 110). In response to long-standing failures to subdue such issues, the New Labour government came into office calling for 'joined-up' policies to meet 'joined-up' problems (Rochester 2001, p. 77). Still, to launch broad national initiatives is one thing, to have localities respond on more than a piecemeal basis is quite another. Many of themes sounded by New Labour under Tony Blair echo ideas behind the Great Society programs of President Lyndon Johnson in the 1960s (Marris and Rein 1982), and that in itself is a reminder that the distance between legislative enactment and local implementation is often quite far (see also Rothstein 1996).

Structural Drift and Policy Response

From Herbert Simon onward, we have been taught that bounded rationality has profound consequences. As Bryan Jones argues, 'no individual can pay attention to all things of importance at once' (1994, p. 7). Politically this gives rise to dual processes. Much political activity occurs at the subsystem level, what Jones calls the parallel processing (i.e., co-existence) of narrow and specialized issue areas. With bounded rationality fostering a tendency to concentrate on matters of immediate interest, a series of highly circumscribed areas of concern emerges and gives an appearance of pluralism. In Who Governs?, Robert Dahl talks about 'spheres of influence' as a pattern of power in which 'control over any given issue area gravitates to a small group which happens to have the greatest interest in it' (1961, p. 191). In Dahl's treatment, the key factor is intensity of concern, and influence stems from a willingness to concentrate effort and available resources in a narrow area of policy. Because various segments of the community care greatly
about different things, subsystem governance consists of governance by small clusters of actors, varying issue by issue.\textsuperscript{6}

Though there is ambiguity surrounding the term 'policy network,' it too seems to refer mainly to subsystem politics, to specialized areas of policy into which a few actors direct their energies.\textsuperscript{7} Rhodes describes networks as 'closed to outsiders and unrepresentative.'\textsuperscript{8} Subsystem politics, as Rhodes views it, often turns on the ability of a few insiders to carve out an area of policy with actions so detailed and language so specialized that others are closed out. As Rhodes notes, networks flourish where 'professional discretion and expertise are core values' (2000, p. 81).

Although the 'parallel processing' of subsystem politics is a significant response to the complexity of modern society, it has limited capacity to address 'joined-up' problems. Subsystems direct energies into shaping their immediate environments, not big, cross-cutting issues. Moreover, as Rhodes observes, subsystem networks 'are rooted in the interests of a few privileged actors who equate their sectional interest with the public interest' (Rhodes 2000, p. 75). Further, they are agents of incremental change, not large-scale adjustments. Pluralists take comfort in the diversity of subsystems; advocates of democratic renewal likely see much less to celebrate.

Pluralism -- what Norton Long (1958) once characterized as 'an ecology of games' -- is not a hidden hand that somehow works for the best. As large forces of economic, demographic and social change unfold, they set in motion structural drift. Tending to matters close at hand fails to ameliorate intensifying problems. Put another way, structural drift builds, and cross-cutting problems accumulate. Single-shot and ad hoc responses hold little promise of making a lasting impact.

In such a context, we need to look at system-level politics and how it may differ from the subsystem level. In the broad arena of system politics, severe forms of narrow cognition (bounded rationality) cannot carry the day and leave the way open for a more far-reaching form of collective action to take hold. Here we confront a different mix of motivations from those evident in subsystems, and politics at the system level has a distinctly different character from the myopic politics of policy subsystems. At the system level, wider concerns can gain a hearing (and more minute matters can command little attention). Issues about locality-wide priority have standing. This is the agenda-setting arena. At this level, immediacy of concern gets drawn into larger considerations, and the details of action recede from the center of the picture. Motives to be engaged go through a different filter. Yet, bounded rationality works against the development of a comprehensive view of the community and its problems.

The politics of local agenda-setting is far from boundless. Agenda-setting is selective and often reactive. It involves what Bryan Jones calls serial processing -- the identification of a priority set of problems, often seen in a new light and linked to substantially new policy directions (Jones 1994; see also Baumgartner and Jones 1993). Because agenda-setting involves expanding cognition beyond its usual narrow bounds, the effort may well falter. The agenda can generate conflict, and it can find its momentum short-lived. Yet some agendas take hold and gain strength.

Local agenda-setting poses two issues for democratic renewal. One is a question about the conditions needed to create a viable, system-level agenda. If the agenda is too narrow, it may simply fade away or become the center of a new subsystem, with all of the limitations of a narrow and closed sphere of policy activity. Subsystems leave the populace at the mercy of structural drift,
hence fail the empowerment test of democratic renewal. On the other hand, an overly broad agenda may either make issues less immediate to possible supporters or multiply potential areas of conflict. Without adequate support, an agenda lacks credibility and also fails the empowerment test.

The second issue concerns the question of representation. Because agendas are selective and reactive, they reflect some concerns and not others. Bias looms as a large possibility. Hence, even if an agenda proves viable, it may represent some segments of the population, but not others. It elevates some concerns while downplaying others.

The representativeness test for agenda setting has at least two elements. One is the principle that no segment of the population should hold a position of privilege that prevents the remainder of the community from acting on problems it faces. The second is the principle that no segment of the community should be relegated to the position of permanent minority -- none should be persistent losers in the weighing of policy matters. Although concrete cases turn on matters of degree, these two principles give us a useful standard against which practice can be weighed.

Notes on the British Experience

Britain's New Labour government has sought to promote democratic renewal and the revitalization of local government by a variety of measures. Two are of special interest here. One is in reaction to the committee system and the committee/department nexus. The White paper, Modern local government: In touch with the people, called for localities to adopt 'community plans,' embodying a 'strategic policy direction' (Leach and Wilson 2000, p. 76). Further, the White Paper identified elected councils as 'the organisations best placed to take a comprehensive overview of the needs and priorities of their local areas and communities and lead the work to meet those needs and priorities' (quoted in Leach and Wilson 2000, p. 76).

Before the publication of the White paper, some localities had already moved to the practice of formulating an explicit strategic policy direction and using the plan to establish priorities. And, as Leach and Wilson observe, 'a strategic agenda faces all authorities, whether they recognise it or not' (2000, p. 87). Some, however, make strategic policy choices 'in a short-term incremental fashion' (Leach and Wilson 2000, p. 74), and some may simply default on the opportunity and let happen what will. Much decision-making continues to be made at the subsystem level. Leach and Wilson observe that 'it would be premature to argue that linked departments and committees have ceased to be significant sub-units within local authorities' (2000, p. 78).

A second move with Tony Blair's strong imprint concerns cross-sector partnerships and alliances. As phrased in a speech launching the Social Exclusion Unit: 'Joined-up problems demand joined-up solutions' (quoted in Harris and Rochester 2001, p. 40). On another occasion, the Prime Minister declared: 'If local people are to enjoy a sound economy and a better quality of life and if communities are to deal with cross-cutting issues like youth justice, drug abuse and social exclusion, we have to harness the contribution of business, public agencies, voluntary associations and community groups and get them working on a common agenda' (quoted in Lowndes and Skelcher 1998, p. 316). Today in Britain, in order to qualify for various funded initiatives, localities are required to draw voluntary and community associations into partnership arrangements (Maloney, Smith and Stoker 2000, p. 810; see also Harris and Rochester 2001).
Although not employing the academic language used here, the New Labour strategy calls for a conscious effort to move beyond the subsystem politics of the committee/department nexus and engage in a deliberate process of agenda setting. Structural drift has given rise to a body of problems, recognized as interrelated and deeply entrenched. They therefore call for priority attention and extraordinary measures. As put by Lowndes and Skelcher, the intransigence of the 'wicked issues' now facing many localities 'can only be tackled by bringing together the resources of a range of providers and interest groups' (1998, p. 315).

Recognizing the depth and complexity of problems and seeing a need for a strategic response are not the same as executing the move. Reform never comes easy. Established patterns have staying power and are often guarded by vested interests. Long accustomed to monopolizing the representative function, elected officials do not readily embrace the idea of partnerships (Lowndes et al. 1997, p. 339; Lowndes and Skelcher 1998, p. 325). Nor do they naturally gravitate to the idea of a strategic vision, after a long tradition of tending to more immediate concerns, often times those identified by their constituents. (The practice behind the slogan, 'all politics is local,' is apparently not restricted to the U.S.)

The committee system and councillor preoccupation with the immediate concerns of individual constituents are both based in bounded rationality. They are what come naturally to busy people operating under time constraints and the pressure of multiple demands. New Labour rhetoric notwithstanding, elected councillors may not be well positioned to assume a broad community leadership role. While 'entrepreneurial zeal' on the part of a council leader is a helpful ingredient, it can only go so far without a reliable base of support (Leach and Wilson 2000, p. 80). Central government pressure for local authorities to take on a community-leadership role can have some impact, but it sometimes elicits resentment. Indeed in one characterization, it is 'control freakery' (Lowndes and Wilson 2001, p. 644).

Multiple forces make it difficult to bring local actors together around a strategic policy direction. Differences between organizations in practices and traditions constitute one counterforce (Alexander 1999; Lowndes et al 1997, p. 338). Another is the scarcity of time and resources for more consultative forms of decision-making (Lowndes and Wilson 2001, p. 636). Small businesses and small city actors more generally may simply lack the resources to invest in collaboration (Cole and John 2001, esp. pp. 111-117; Davies 2001, passim.). Where various local jurisdictions are non-congruent, the cost of collaboration goes up (Cole and John 2001). The list could run on. As Dahl observed long ago, centrifugal forces are 'persistent and powerful' (1961, p. 204).

The interesting question concerns the conditions that support coming together around a strategic or direction-setting agenda. As one set of authors point out: 'Investing in a network or partnership imposes short-term costs in the hope of longer-term benefits' (Lowndes et al 1997, p. 240). Since the pursuit of longer-term benefits runs counter to the usual pattern of preoccupation with more immediate consequences, we need to consider what conditions might be conducive to sustained collaboration.

Some Lessons from the Study of Urban Regimes

The study of urban regimes offers one perspective on civic cooperation. Much of this work is based on American cases (Elkin 1987; Ferman 1996; Stone 1989), but the regime concept has
attracted significant attention in Europe. With interest in partnerships growing, it is important to consider what the potential for non-coercive cooperation is. Regime analysis is a promising place to look.

Let me begin by defining an urban regime as the set of informal but relatively stable arrangements by which a locality is governed. By govern, I mean bringing together the resources needed to pursue, as the British now put it, a strategic policy direction. Lowndes and Skelcher define governing as 'the purposive means of guiding and steering a society or community' (1998, p. 318). Governing, then, is not the comprehensive oversight of all decisions, many of which occur through the parallel processing of subsystems (as described by Bryan Jones). But governing does entail establishing a direction-setting agenda. To be direction-setting, an agenda has, in the main, to hold locality-wide priority -- the stronger the regime, the firmer the priority. If the agenda's priority claim is weak, the regime is weak.

As in Blair's call for 'joined-up' efforts, a key assumption is that the resources needed to establish a strategic policy direction must come from both non-governmental and governmental sectors. Indeed, if this were not the case, one would have no need to employ the term 'regime.' We would simply talk about the institutions of government.

Regime arrangements are informal because there is no overarching power of command. Cooperation stems from a non-coercive inclination to work together. If that inclination is weak and unsteady, as it often is, the regime is weak. However, even strong regimes are looser arrangements than one would find in a formal organization. 'Urban regime' is not a synonym for a covert and tight-knit elite.

Since the actors in a regime arrangement cannot command one another, cooperation rests on a coalition foundation. Some partners in the coalition may hold more resource 'cards' than others -- hence equality may not prevail. Nevertheless a compelling agenda can cement a coalition. As a mixture of governmental and non-governmental actors, the governing coalition in a regime is not a single-minded group. Tensions run through any coalition, even if members have loyalty to the partnership and give it special regard as a means for accomplishing important policy tasks. The diverse affiliations of coalition members work against taut unity even in strong regimes. Coalition members do not necessarily hold a common ideology, and their political identities may differ along important dimensions. It is, then, a shared agenda that holds a governing coalition together.

If the agenda is too narrow, then it lacks a capacity for direction-setting and has a weak claim for priority status. The supporting arrangements will either dissolve or devolve to subsystem standing. If the agenda is too broad, it may lack focus and lose its staying power. For a governing coalition to be sustained, its agenda must possess credibility as a concrete course of action that can yield results.

The New Labour call for British localities to develop a community plan embodying a strategic policy direction and involving wide use of partnerships contains the key elements of an urban regime -- a distinct agenda with priority standing, the engagement of non-governmental actors, the absence of an overall command structure, and arrangements capable of sustained action rather than ad hoc reactions. New Labour's notion of a network of partnerships approximates the regime idea of a governing coalition.
Time will tell whether the New Labour initiative is workable. Complemented by its regulatory power over local authorities, the Blair government offers significant resources as an inducement to local actors to develop cooperative relationships. This is a significant force in the right direction, and in some cities there is promise of robust coalitions around urban regeneration policy. Partnerships, however, are no magic bullet. Lowndes and Wilson see a risk surrounding ‘imposed’ solutions, and they caution against the ‘one-best-way reflex.’ In their view, it is best to think about process rather than a particular institutional design (2001, p. 645).

The less structured experience in the U.S. points to the key elements of purpose (congruent goals), complementary resources (agendas do not live by money alone), feasibility and a sustained mode of cooperation. Atlanta’s long-lasting biracial coalition has rested on the congruent goals of economic growth and racial change (Stone 1989). The city’s business sector has contributed money, investment capital and financial expertise, civic prestige, political access to state government, and a network of civic organizations as well as having made corporate staff available for specific civic tasks. The African American community has contributed crucial electoral support for change-minded officials, a network of civic organizations along with higher-education based expertise, and key actors for specific civic tasks. The affluent and white middle class was once a crucial voting bloc -- less so as the city became majority Black, and it has provided an important source of actors for a variety of civic tasks. From this brief account, we can see that the twin pillars of economic and electoral clout have been reinforced by a ready supply of individuals able and willing to make a process of civic cooperation work.

Congruence of purpose was captured by the slogan, ‘the city too busy to hate.’ It brought together the major elements in the coalition and their resources that could make feasible the pursuit of an ambitious agenda of racial change and economic growth. The agenda has been sufficiently broad, yet focused, to accommodate a long succession of individual projects and initiatives, on which a tradition of biracial cooperation now rests. Although the coalition has gone through episodes of conflict, the enduring mode of cooperation has been behind-the-scenes negotiation. Over the years, biracial bargaining around specific goals and compromises has provided the kind of experience needed to staff and sustain a governing coalition.

Atlanta’s biracial coalition is not, however, a ‘wonder’ regime, able to solve all problems. While it could host the 1996 Summer Olympics, it has not been able to launch an effective program of school reform (Stone et al 2001). It has no significant and sustained anti-poverty program (Stone and Pierannunzi 2000; Stone 2001). Its one-time effort to expand the supply of low-income housing has yielded to a renovation program of selective attention to small, mixed income projects aimed more at accommodating the middle class than housing those of lesser income (Stone and Pierannunzi 2000).

Over time, the policy-relevant resources in Atlanta’s African American community have come to be concentrated in the middle class, and a large, lower-income population lacks policy standing, though the city’s Concerned Black Clergy give occasional voice to their needs. Atlanta is not alone. In a recent cross-national study, Jeffrey Sellers found that U.S. cities, unlike German and French counterparts, seem unable to expand their agendas beyond economic growth (2002).

Social exclusion and environmental improvement are foremost among the ‘wicked issues,’ New Labour seeks to tackle. The U.S. experience should caution against great optimism.
Intransigent issues that hold promise of results only over the long run, if at all, are not strong contenders for a central place in a priority agenda.

The Dynamics of Agenda-Setting

Various scholars have explained agenda-setting in sundry ways -- political culture, a hegemonic ideology, the functional requirements of a capitalist system, the elements of a 'garbage can' model and others. Urban regime theory makes use of a structure-and-agency approach. Larger structures give rise to both problems and a distribution of resources. Yet, what is made of those problems and how additional resources are generated through aggregation and development are matters of human agency. Structures provide a framework; agency modifies the particulars of how these structures operate and the impacts that they have. In Britain, through the agency of Thatcher's leadership, central government made fundamental alterations in local government and opened the way for an expanded role for business actors. Blair's New Labour government brings a different strategy to bear on local government reform, making new resources available and providing inducements for a wider array of partnerships.

Important as the particulars of each nation may be, regime analysis makes use of a few basic elements to explain the setting of strategic agendas. First, regime analysis accords an important role to purpose. It is not the case that, even in rational choice theory, human beings are motivated only by regard for immediate forms of self-interest. Purpose occupies a significant place.

In their study of local leadership in the U.K., Leach and Wilson found that 'a coherent and innovative programme of action' contributes to building support (2000, p. 170). In particular cases they note that the ability of a council leader to present a policy vision 'generated enthusiasm and commitment among their colleagues (Leach and Wilson 2000, p. 171).

Though purpose can give rise to feelings of civic duty and social responsibility, it is not a free-floating force. Purpose is not a synonym for altruism. Its place in regime analysis is more one of enlarging understanding of interest. In this sense, it is a counterforce to bounded rationality. 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. Of course, broad purposes or not, no one can claim to be a fully impartial judge with an omniscient vision of what is best for the collectivity.

Discourse can, however, broaden cognition. Expanded awareness may develop slowly, and understanding is always incomplete. Atlanta's biracial coalition began as a matter of bargaining, of somewhat wary actors trading concessions. (In a coalition, wariness seldom completely disappears.) Over time, bargaining in Atlanta gave rise to an appreciation of the ways in which racial change and economic growth could contribute to one another. Eventually, 'the city too busy to hate' became a matter of civic pride to the point of changing attitudes among members of the white business sector.

Purpose can thus lead to the discovery of new preferences, and it can link into broad sentiments such as civic pride. As a motivating force, purpose has a flexible character. All that
said, I use the term, congruent purposes, as a way of acknowledging that purpose does not so much override interest as expand (and in some cases, change) understanding of what interest entails.

While purpose in one sense is a counterforce to bounded rationality, in another sense is is a manifestation of bounded rationality. Purpose makes an idea or value aspiration concrete, and the appeal of purpose rest partly on its concreteness. Sometimes a purpose or cause gains additional concreteness by becoming closely associated with the words and deeds of a leadership figure. Yet, concreteness by itself is not enough. A purpose takes on strength when it is both concrete and feasible,25 and one function of leadership is to make a cause credible. Purposes seen as futile have little appeal no matter how noble the aim nor how well it might serve the interests of potential supporters. Feasibility is thus another important element in regime analysis, and it is tied closely to resources.

The 'iron law' of regime theory is that in order for governing arrangements to be viable, the governing coalition must be able to mobilize resources commensurate with its main policy agenda' (Stoker 1995, p. 61; Stone 1993, p. 21). Resources thus shape feasibility, and it easiest to build an agenda around purposes that have urgency to actors who are resource rich. Consider the tendency for economic development to occupy a central place on local agendas. Concerns about employment opportunities along with tax-base considerations weigh heavily for local governments, and they are strongly inclined to promote a favourable climate fore business (Lindblom 1977). For its part, the business sector sees economic development as a high-priority matter. Local-government and business actors variously possess resources useful for the pursuit of economic growth, and together these two sets of actors appear to hold an ample supply of the resources needed to pursue the goal. Hence the task does not seem impossible, and, at least initially, the promise of immediate results can seem strong. Moreover, with economic restructuring occurring on an international scale (Harding and Le Gales 1997), economic development has obvious urgency and the need to court investment appears straightforward.

Taking on such 'wicked issues' as social exclusion offers no obvious or quick solution. The disadvantaged population that experiences the issue most directly is on most counts resource deprived. Moreover, for a time, efforts to provide extra benefits or resources to the poor were seen as strictly redistributive. As such, they posed the possibility of driving wealth-producing elements away and giving cities a greater and greater concentration of the poor (Peterson 1981). Given economic competition among localities, actors making such an assumption would be unlikely to build a coalition around an agenda with social exclusion as a central item.

In many ways the matter seems straightforward. On its own, capitalism promotes a strong a bias toward the perpetuation of inequality. If bounded rationality goes unchecked, arrangements bestow a place of special privilege on business and render the poor a permanent minority whose well-being is largely excluded from local policy consideration. In a strict equality-efficiency trade-off, capitalism favors efficiency hands down -- at least in the short run.

Redistribution versus Social Investment

With accumulating experience, it is apparent to some observers that the 'wicked issues' cannot be treated as simple matters of redistribution. In order to be attractive as a place for investment, a city needs to score well on livability, and such problems as environmental
deterioration and concentrations of poverty detract from livability. Moreover, disaffected youth and an inadequately educated workforce are not attractors of business investment, and they do nothing to anchor existing businesses in the area. Ignoring these issues has consequences, even if indirect.

The problem of social exclusion and the challenge of promoting livability can be seen, not as matters of negative-sum redistribution, but as questions of social investment. Both local government and the business sector have a stake in putting 'wicked issues' on the strategic agenda. For that to happen, one crucial step is to see addressing social problems as congruent with the goal of promoting a favorable climate for business. This is a step the New Labour government has encouraged, and it has taken the follow-up step of putting resources into the promotion of a social-investment agenda.

A remaining difficulty is that money alone is an inadequate resource for addressing the problems of social exclusion. Indeed, money by itself may simply be grist for corruption. Consider the scope of social exclusion. Economic restructuring not only changes the nature of jobs; it also alters patterns of social life, including the path from youth to the adult world of work. For example, Davies points out that some industries in the old economy encouraged an employment climate which placed a low value on formal education, but that mattered less in days in which occupations, such as fishing, were passed down from generation to generation. Formal qualifications did not enter the picture (2001, p. 153). However, when economic restructuring eliminates traditional jobs, it also disrupts a family bond and puts barriers in the way of the transition to adulthood. Alienation among young people can take on a life of its own. For working-class youth, who often have a strong attachment to place, economic change can therefore be especially disruptive (Lea 1997). Much of life, especially among the non-affluent turns on relationships in the 'informal sector,' -- that sector where needs are 'met by households, families, friends and neighbors' (Harris, Rochester and Halfpenny 2001, p. 2). These relationships have been important resources in the past, and their weakening under the pressures of economic and technological change has left segments of the population with a diminished capacity for coping with life's demands. The informal sector provides less support than it once did, and those with little money and limited formal education have nothing much to fall back on in today's world. Recent concern over social capital may well be tied to these changes and an accompanying sense that in civil society not all is well, at least not for the working class (Hall 1999).

Merely involving voluntary associations or creating new ones is not a sure way to enhance community capacity. Some observers, in fact, worry that increased involvement of voluntary groups as social-policy partners changes the nature of the sector. Heightened use of contracts and formal agreements, in particular, may weaken the small, less-professionalized groups that are closest to the kinds of household and neighborhood form of helping so important in the past (Harris and Rochester 2001). If lower-income communities are to be contributing partners in coalitions to address issues of social exclusion, then they may need to engage in a process of grass-roots organization and community development (Robinson and Shaw 1991; Cortes 1993; and Parkinson 1998). It is not clear, however, that central governments, particularly through their administrative channels are sensitive to this need (Smith 1998). One observer calls attention to the emphasis on short-term measurable results, and he notes that 'evaluation requirements of funding agencies raise greater difficulties for longer-term projects' such as community development (Sheaff 1997, p. 149).

If lower-income communities themselves are to be contributors to the building of livable cities and the counteraction of social exclusion, then they need to contribute vital resources 'Self
help' is the catch phrase that points to the need, but the social harm inflicted by economic and technological change -- especially when aggravated by the disruption accompanying large-scale population movements -- leave these communities with a diminished capacity for dealing with contemporary circumstances. External resources and sensitive forms of service intervention can provide a needed boost (Colenutt and Cutten 1994; Medoff and Sklar 1994), but, if intervention is done clumsily, it may not open the way to capacity building.\(^2\) It may even aggravate rather than ameliorate problems.

There is a 'Catch-22' to be overcome. In the absence of external intervention, communities with high levels of deprivation are weakly positioned to contribute toward achieving social inclusion. Yet, without a significant resource base in lower-income communities, it is hard to put together the kind of coalition needed to support an agenda of social inclusion. Supra-local resources, along with measures that counter tendencies toward the social isolation of the poor, have a potential to move localities in the right direction. But at some point, in lower-income communities, the informal sector or its functional equivalent needs to be rebuilt on terms that provide a substantial degree of self help. Without that foundation, people of lesser income are not in a position to contribute to the locality's strategic agenda and claim a position in its governing coalition. However, if disadvantaged communities are not in a position to contribute and have no part in the governing coalition, then efforts to promote social inclusion are badly hampered. How to overcome the initial condition of exclusion is not well understood, but the logic of regime politics tells us that resources and agenda have to be commensurate. Only with lower-income communities as contributors can a social-inclusion agenda become viable, but only some initial investment in rebuilding their capacities will put them in a position to be contributors. That is the 'Catch 22.'

Consider again the structure-and-agency framework. Congruent purposes, resource sufficiency (in amount and kind), and perceived feasibility are key tools with which political agency operates and around which modes of cooperation are built. These are the means for constructing a coalition in support of a strategic agenda. They work most easily around an agenda focused on economic development, but accumulating experience teaches us that ultimately a favorable climate for business investment requires *livable cities*. Structural drift, however, has given rise to major problems of social exclusion, and they undermine livability. There is a case to be made, then, that the interest not only of local government, but also of business ultimately calls for social investment to address these problems.\(^2\) That thread is the one that can tie together congruent purposes, which, in turn, can attract resources and provide a basis for cooperation. Difficult as a social inclusion aim may be to bring off, the future well-being of cities may falter if the effort is not successful.

Certainly local democratic renewal falls short if the 'wicked issues' are kept off the strategic agendas of localities. If only those rich in resources can make claims on the strategic agenda, then a segment of the population is left out of the process of governance. Representation fails to measure up to democratic standards.

**Conclusion**

Politics is the core activity in human agency. It is the means by which we avoid structural determinism. Politics provides the opportunity for a people to act together to change what would otherwise be the course of events. In the face of large structures, individuals are powerless. Collectively, through what Peter Bogason calls 'the public power,' people have a capacity to bring
about change (Bogason 2000, pp. 68-73). Politics, Hannah Arendt argues, is a creative process, in which we 'call something into being which did not exist before' (Arendt 1968, p. 151). That is precisely what a strategic agenda is about. It sets a policy direction that otherwise would not have been established.

If shares in governance are so skewed that some hold a special place of privilege while others receive no consideration, politics fails to pass the elementary test of democracy. The strategic agendas of localities are one test. If they are weak or non-existent, the citizenry lacks political power and an important aspect of democracy is not at work. An abundance of subsystem activities may suggest pluralism, but does not constitute democracy. Furthermore, if local agendas serve only the immediate interests of business and fail to attend to issues of social exclusion, bias, not democracy, is at work.

Bounded rationality tends to confine people to concerns about immediate impacts. If we are unable to stretch beyond those narrow limits, local democracy lacks vitality. Agenda setting moves us into broader deliberations. By calling for community plans around a strategic policy direction, New Labour, in Britain, opens the way to a more vigorous practice of local democracy. Still, the exercise can be pro forma, and it can be hampered by an unnecessary degree of regulation.29

Regime analysis highlights the crucial question of resources. Stein Rokkan's aphorism -- 'votes count, resources decide' -- is a keen reminder that inequalities in resources can undermine political equality (Rokkan 1966). Tackling social exclusion and other 'wicked issues' involves more than recognition and discussion. Putting 'wicked issues' on the agenda, regime theory holds, will only occur if resources can be mobilized that are commensurate with the problem-solving tasks that these issues entail. Here is the 'catch.' For such an agenda to be perceived as feasible, lower-income neighborhoods need to be contributing partners to the effort.30 Otherwise vital resources may be missing. But social exclusion itself is evidence of resource scarcity. Scholars of voluntary activities point to the informal sector of household, friends and neighbors as a key element in the capacity of working-class communities to help themselves. Although top-down intervention can help strengthen these grass-roots capacities, they may also miss the mark (Maloney, Smith and Stoker 2000). Community organizing and neighborhood development may be essential steps in building capacity. If so, the needed activities may not take the form of political participation as conventionally understood. To be effective, the effort may also require reaching beyond the usual array of professionalized voluntary organizations and engaging the more loosely organized portion of civil society (Maters and Miller 1999). In any event, as we consider institutional innovations in local democracy, it is in order to ask what measures build capacity for those whose resource base has been weakened by social and economic change. Where structural drift has had disruptive impacts, subsystem 'business as usual' may not be up to the rebuilding task that needs to be done.

Talk of accountability and even of political participation may assume that all segments of the community are in a position to take on an active and contributing role as citizens. However, if we consider strategic agendas and ask whose concerns are included and whose are not, we may see that segments of the population lack the resource standing to claim a position in the governance of the community. We should not make easy assumptions about the universal accessibility of political life and disregard the consequences of meager resources for segments of the population. Democratic renewal may require attention to capacity building. This language causes some concern about
paternalism, but to steer away from capacity building runs the risk of perpetuating biased representation.

Political science has a long history of concern with non-decisions (Bachrach and Baratz 1962, Lukes 1974). Barrington Moore once called for historical study to give attention to 'suppressed alternatives' -- consideration of alternative paths that might have been followed but were not. I prefer the term 'neglected alternatives.' My point is that no hidden elite may have suppressed social exclusion as a priority issue. We may simply have neglected the development of the conditions needed to put it on the agenda -- not because neglect served the interest of a covertly powerful group, but because we let narrow cognition stand in the way of the creative charting of a new path toward the kind of livable cities that would serve mainstream and established groups as well as those now on the excluded margin. Structural constraints are real, but they are not the final word.

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Notes

1 The literature is vast. Some important examples include: Baldersheim and Ståhlberg 1994; Beetham 1999; Gabriel; Goldsmith 1995; Hoffman-Martiniot and Savitch 2000; Held 1999; Jensen 1998; John 2001; Khan 1999; King and Stoker 1996; Loughlin 2001; Lowndes, Pratchett and Stoker 2001 (a); Lowndes, Pratchett and Stoker 2001 (b); Montin 2000; Pierre 2000; Pratchett 1999; Pratchett 2000; Pratchett and Wilson 1996; Putnam with Leonardi and Raffaella 1993; Rhodes 1997; Sørensen and Torfing 2001; and Wolman 1995.

2 See, for example, the finding in Sørensen 1999, Jensen 1998; and Pratchett 1999.

3 The phrase is from Jensen 1998, p. 133.

4 Scholars of the voluntary sector make an important distinction between the informal sector of household, friends and neighbors on the one side and on the side the organized sector of voluntary associations (Harris and Rochester 2001). Though Putnam’s (1993) work on social capital, focusing mainly on the organized sector, has gained very wide attention, social problems are integrally connected to weakened bonds within the informal sector. For example, see William J. Wilson (ed.) 19xx; and Fudge and Rowe 2000.

5 Stewart 1994, p. 133. Stewart is describing regeneration policy in Britain, but his depiction could apply to other countries. See, for example, the examination of policy in Sweden by Fudge and Rowe 2000.

6 The term ‘governance’ has acquired diverse meanings as ‘reinvention’ has led to what some scholars refer to as the shift from government to governance. See, for example, discussions in Cole and John 2001; John 2001; Miller, Dickson and
1 Stoker 2000; Pierre 2000; Rhodes 1997; Stoker 1998; Wilson 1998. I favor the traditional use -- how a community is governed -- rather than the newer use that equates governance with a diminished place for the formal institutions of government. The latter trend, of course, bears close examination.

2 Again there is a vast literature. Some especially important works include: Atkinson and Coleman 1992, Bogason and Toonen 1998; Cole and John 1995; Dowding 1995; Dowding 2001; John and Cole 2000; Klijn 1997; Lowndes 2001; Marsh and Rhodes 1992; Rhodes 1997; and Rhodes 2000.

3 Rhodes 2000, p. 81. As a more open-ended term, networking refers to a process of identifying and acting on complementary interests without formal means of coordination or command -- Lowndes and Skelcher 1998. See also Lowndes et al 1997.

4 The case for strategic policy direction was not new with the Labour government. It was made earlier in a 1994 document, *Fitness for Purpose* -- Leach and Wilson 2000, p. 75. Still earlier moves in this direction are discussed in M. Stewart 1994; de Groot 1994; and in a sharply critical treatment of the even earlier use of terms like 'vision' and 'mission' in Robinson and Shaw 1991.

5 Yet, as Leach and Wilson point out, the notion of developing a strategic policy direction lacks long standing in British local-government practice. They note that is interviews with council leaders in 1990-91, recognition of the significance of developing strategic policy direction was often absent (Leach and Wilson 2000, p. 74).

6 On the workings of the committee/department link, see Stewart 2000, pp. 43-62.

7 See also the account of Peter Soulsby, Labour leader of the Leicester city council from 1981 to 1999, in Leach and Wilson 2000, pp. 127-47.

8 This is also a recurring theme in the collection on voluntary organizations in Britain, drawing attention not only to differences between the voluntary sector and the governmental sector, but also within the voluntary sector -- Harris and Rochester 2001.


10 See especially studies of Leeds by Cole and John 2001; and Haughton and While 1999; along with the treatment of Birmingham by Collinge and Hall 1997.

11 See especially the work by Davies 2001; and also the study of Southampton by Cole and John 2001, as well as the general discussion in Harris and Rochester 2001.

12 The three U.S. cities Sellers studied are New Haven, CT; Madison, WI; and Durham, NC. All three have had progressive-minded mayors at various times, but none has been able to sustain an agenda to counteract social exclusion or foster environmental improvement. The French cities studied were: Rennes, Nancy, Clermont-Ferrand and Montpellier. The German cities were: Freiburg, Bielefeld, Munster and Gottingen.

13 The 'garbage can' model of agenda setting is associated most closely with Kingdon 1984, but see also Cohen, March and Olsen 1972.


15 On how both local and supra-local agency shape urban governance, see Cole and John 2001. On different national influences, see Keating 1993; and Wollmann 2000, along with the northern Europe/southern Europe division made by Goldsmith 1992.

16 On the role of purpose as a motivating force for change, see Burns 1978. See also Wilson 1973.


18 Note interview quotes from several business executives in Davies 2001.

19 A dinner honouring Martin Luther King as winner of the Nobel Peace Prize was a key event in this process -- see Allen 1996.

20 See the discussion of assurance games and collective action by Chong 1991.

21 But note the argument that top-down moves can help shape the development of social capital -- see Maloney, Smith and Stoker 2000; and Lowndes and Wilson, 2001.

22 Note the comment, 'whilst there are some policy areas in which government can achieve desired policy outputs through bureaucratic means, there are others in which the control that public officials can exercise over outputs is less secure and predictable' -- Harding, Wilks-Heeg and Hutchins 2000, p. 984.

23 However, some local officials caution against a single, comprehensive agenda as lacking focus, though economic and social regeneration are recognized as overlapping. See Davies 2001, p. 146. The implicit question behind this observation is whether it is possible to have dual strategic agendas without one falling into subsystem status.

24 Local actors in Britain have voiced complaints, for example, about the central government's excessive concern with 'ticks in boxes' -- Davies 2001, p. 145. More generally, on the current tensions in central-local relations, see Wilson 2002.
One can read Crick’s opening quote about ‘a share in power in proportion to their importance to the welfare and survival of the whole community’ as a statement about the importance of socially relevant resources (Crick 2000, p. 21. Those with few resources have a weak claim on a share in the power to rule.

See the discussion in Smith 1983.