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Abstract
This paper offers a critique of the concept of governance as networks. Using the complementary concept of regime governance, it argues that networks are not the primary mode of governance in the politics of urban regeneration in the UK. Drawing on primary and secondary material, it is argued that Central Government is becoming more influential in the local policy arena. In the ‘mix’ of market, hierarchy and network, hierarchy is more pervasive than network. It is therefore argued that partnerships should be treated as a distinct mode of governance. These conclusions demonstrate that despite the fashion for copying urban policies from the USA, local politics in the UK remain very different. Ironically, the transfer of policies developed in the USA has tended to entrench divergent practices and outcomes. The UK does not, therefore, appear to be moving toward the US model of regime politics. It is concluded that the partnership and network/regime models of governance should be subjected to rigorous comparative studies.
Introduction

An important theme in the governance debate is the ‘governing without government’ thesis popularised by Rhodes (1996, 1997, 1999, 2000). This thesis contends that governing increasingly depends on the interaction of public and private sector actors in networks which are becoming removed from influence and control by central states. It has been contested, however, by scholars who argue that the national state remains the critical player in sub-national affairs (see for example Davies, 2001; Harding, 1997; Pierre, 2000). This paper evaluates the concept of ‘governance as autonomous, self-organising networks’ as a tool for analysing the politics of urban regeneration in the UK. It is argued that the concept is deeply problematic at this level and that partnerships are a distinctive mode of governance. However, more comparative studies are necessary if the mix of market, hierarchy and network in contemporary governance is to be understood.

Urban regeneration has been fertile ground for the governance debate, particularly in Britain where partnerships developed rapidly in the 1990s. This interest has been augmented by the rise of urban regime theory, an American theory of governance (see Elkin, 1987; Stone, 1989) which has become popular with urban scholars in all parts of the developed world. As a theory of networking, regime theory purports to explain how and why local authorities and business elites collaborate in informal networks to generate economic growth. Its popularity stems from the growth of economic (and later social) regeneration coalitions in the 1990s which, in Britain, have been attributed to the importing of American policy initiatives in the 1980s (Harding, 1994). The question of whether urban regimes are developing in Britain is contentious (see Stoker and Mossberger, 1994; Harding, 2000; Davies, 2001) and part of this contention is whether the informal and autonomous governing networks which lie at the heart of urban regimes, exist. The politics of regeneration are therefore a microcosm of the wider governance debate. In sum, to debate the prevalence of regime politics is also to debate the ‘governing without government’ thesis.
In this paper, the concept of ‘regime governance’ (see Davies, 2001) is used as a framework for comparing urban governance in the USA, as it is seen by regime theorists, with that in Britain. This framework is used to show that the ‘governance as networking’ thesis is misleading as a characterisation of local regeneration politics in the UK. It is argued not only that the state is still more than capable of getting its way in the politics of regeneration, but that partnerships are a distinctive mode of governance which fit neither the ‘old’ model of governance by government, nor the ‘new’ model of governance by network. This mode of governance is characterised simultaneously by the diffusion and augmentation of State power. The political reasons for this development are then explained and it is argued that the application of US-style urban policies has caused local politics in the UK to diverge from those in America. The paper therefore contributes to the governance literature in three ways: in identifying partnerships as a distinctive ‘mode of governance’; in arguing, contrary to commonly held views, that in some dimensions of local politics Britain is becoming less like the USA; and consequently in suggesting that the relative prevalence and power of autonomous governing networks in different political systems requires more comparative research.

The paper begins by looking at how the terms partnership, network and regime are understood in the governance literature and it explains the spread of urban regime theory in this context. The concept of ‘regime governance’ is then elaborated, identifying indicators against which to determine the relative scope and significance of networking in the regeneration politics of Britain. The second part of the paper reports the findings of research undertaken by the author in the UK, comparing these findings with the politics described by regime theory. In the final part of the paper, a distinction is developed between ‘governance as networks’ and ‘governance by partnerships’ and the implications of this distinction for comparative study of local politics are highlighted.
Partnerships, Networks and the Concept of ‘Governance’

The term *governance* has many meanings. Stoker (1998: 19) defines it simply, as a ‘complex set of institutions and actors that are drawn from but also beyond government’. The term *local governance* denotes that local government in Britain has been transformed from the dominant public institution to being one body among many which participates in a complex framework of governing (John, 1997: 253). For Rhodes, however, governance is accorded a more specific meaning, referring to ‘self-organising, inter-organisational networks’ (Rhodes, 1996:660). He makes strong claims for this understanding of governance. In his foreword to the first volume of findings from the UK Economic and Social Research Council’s Local Governance Programme (LGP), he states that ‘[t]he concept which forms the centrepiece of the LGP is that of governance which refers to self-organising, inter-organisational networks’ (Rhodes, 1999: xvii). These networks are characterised, he says, by interdependence between organisations, continuing interactions between network members and game-like interactions rooted in trust and subject to rules negotiated by network participants. They are also characterised by a significant degree of autonomy from the State which, no longer being in a sovereign position, can steer only indirectly and imperfectly (Rhodes, 1996: 661; 1999: xvii). In his foreword to the second volume of findings from the LGP Rhodes claims that although markets and hierarchies vie with networks in this new world of local governance, networking is ‘pervasive’ (Rhodes, 2000: xiv). It is the outcome of processes which he characterises as ‘the hollowing out of the state’ and ‘The New Governance’ (Rhodes, 1996). For Rhodes, trust is the central co-ordinating mechanism in networks in the same way that command and competition are the key mechanisms in hierarchies and markets. Thus, the challenge confronting governments is ‘diplomacy’; that is, negotiation and agreement about aims and objectives (Rhodes, 2000: xiv).
Where does ‘partnership’ stand in relation to this concept? For Skelcher et al (1996: 2), networks are the roots from which formal, or bureaucratic, partnerships can develop. Stoker takes a different view, identifying three types of partnership which distinguish between principal-agent relations, inter-organisational negotiation and systemic co-ordination. The first category involves purchaser-provider relationships, or contracts. The second category involves negotiation and co-ordination between parties through the blending of capacities, an arrangement which might result in a bureaucratic partnership. The third category goes further, establishing a level of ‘mutual understanding and embeddedness’ to the extent that organisations develop a shared vision and joint working which leads to the establishment of self-governing networks. Unlike Skelcher et al, Stoker (1998: 23) views self-governing networks to be the ‘ultimate partnership activity’. Rhodes takes a similar view, arguing that networks are high-trust mechanisms, while purchaser-provider contracts are low-trust mechanisms (Rhodes, 1999: xx). Lowndes and Skelcher (1998: 314) further distinguish between partnerships as organisational (bureaucratic) forms and networks as informal modes of social co-ordination. Importantly, they argue that formal partnerships do not necessarily produce mutual benefit, trust and reciprocity. They do not require trust or negotiation and bureaucracy can limit the capacity of partnerships for flexibility and innovation (Lowndes and Skelcher, 1998: 324). In fact, they argue that partnership bureaucracy tends to re-enforce hierarchical tendencies instead of promoting networking. Either way, they caution that the co-operation and mutuality implied by the ideal-typical network mode of governance can too easily be read into partnerships (Lowndes and Skelcher, 1998: 331). The balance of continuity and change in local governance therefore needs to be better explained (Shaw, 1993: 258; John and Cole, 1998: 385).

**The Rise of Urban Regime Theory**

The rise of urban regime theory (Elkin, 1987; Stone, 1989) has been a contributory factor in these debates. Regime theory is a sophisticated neo-pluralist understanding of local networking, focusing on the state-market relationship in US urban politics (Davies, 2002). It argues that governing power
depends on sustained inter-organisational collaboration around agreed objectives and that in cities like Dallas (Elkin, 1987) and Atlanta (Stone, 1989), the urban policy agenda tends to reflect the preferences of down-town business elites. Urban politics have, says Imbroscio, witnessed an ‘explosion’ of studies, comparative or otherwise, using urban regime theory to analyse the dynamics of inter-organisational governance (Imbroscio, 1998: 233/4). This is true not only in the USA, where ‘America’s major urban journals are now filled with references to regimes’ (Harding, 2000: 54), but also in many other parts of the developed world from New Zealand (Brown, 1999) to Europe (see Levine, 1994; Strom, 1996; Kantor et al, 1997). In Britain too, scholars have debated whether it can be adapted to explain the spread of urban regeneration partnerships during the 1990s (see Lawless, 1994; Stoker and Mossberger, 1994; Harding, 2000; Davies 2001). The characteristics of governing networks are close in kind to those described in regime theory.

Why, then, has there been such comparative interest in regime theory in the UK? Wherever one stands on the question of ‘continuity and change’ in urban politics, one clear arena of change has been the growth of policy transfer (Dolowitz and Marsh, 1996; Evans and Davies, 1999). Britain has borrowed urban policies from the USA (Atkinson, 1995; Wolman, 1992) which are held to have influenced the development of regeneration partnerships. Ward (1996: 427) observes that:

The 1980s witnessed attempts to import to the UK an ‘American’ philosophy, culture and ideology that actively seeks to incorporate the business sector into urban regeneration.

A well-known example of urban policy transfer is the USA’s Urban Development Action Grant (UDAG) which was reproduced in Britain as the Urban Development Grant (UDG) (Wolman, 1992; Atkinson and Moon, 1994). Wolman’s (1992) study demonstrates how the American programme influenced its British counterpart. The UK Department of the Environment undertook research in the USA during 1981, examining potentially adaptable policies for inner-city regeneration in Britain. According to Wolman, officials and ministers who visited the US were impressed by UDAG. They
developed a version of UDAG based on American principles of private-public partnerships which were compatible with the ideas of Mrs Thatcher’s government. Initiatives of this nature led to claims that there may be a process of convergence between political institutions in Britain and the USA (Bennett, 1991a,b). Hence, the question arose of whether urban regimes resembling the growth-oriented networks discussed by Elkin (1987) and Stone (1989) may be developing in Britain, due to policy convergence (Harding, 1994: 366; Evans and Davies, 1999).

**Conceptualising Regime Governance**

British and European characterisations of ‘urban regimes’ vary dramatically (see for example, Lawless, 1994; Stoker and Mossberger, 1994; Harding, 1994, 1996b). The concept of ‘regime governance’ (Davies, 2001) was therefore developed to redress the lack of a common conceptual framework around which fruitful discussions about the applicability of regime theory can take place outside the USA. The term ‘regime governance’ denotes governing processes which are based on networks. However, like regime theory itself, the framework is more nuanced than the basic notion of ‘governance by networks’.

Lack of space precludes a detailed elaboration of the concept of ‘regime governance’ (see Davies, 2001) but a basic account reveals the similarities and differences between regimes and networks. It draws on the neo-pluralist assumptions of Elkin (1987) and Stone (1989) in their respective studies of Dallas and Atlanta (although these assumptions are problematic – see Davies, 2002). These assumptions lie at the core of regime theory but its critics and adaptors have, on occasion, dispensed with them without adequate explanation (see Savitch and Thomas, 1991; Di Gaetano and Klemanski, 1993). The concept of regime governance further draws on Elkin and Stone by focusing on the state-market interactions which lie at the heart of economic development in US cities. John and Cole (1998) draw out a number of other important features of regime politics. Regimes, they say, involve collaboration between a range of organisations from the public and private sectors. Like governing networks, regimes are built on trust and diplomacy. They also denote a set of stable of relations, that is,
long-term collaboration to co-ordinate collective action around an agreed set of goals. According to Stone (1989) Atlanta’s urban regime was hegemonic in the governance of that city for several decades. Crucially, regime politics create added value, that is the capacity to achieve inputs and outputs that could not otherwise be achieved or ‘power to’ as Stone (1989) puts it. At the heart of regime theory, then, lies the idea that individuals and organisations must collaborate if governing outputs are to be achieved. Empowerment, or collaborative synergy, is an important issue for theories of networking. According to Cropper (1996: 82), the very survival of alliances depends on their ability to command and create value. Therefore, following John and Cole (1998: 387), regime governance is perceived to be ‘interorganisational, sustained, coordinative and empowering’. Another distinctive emphasis in regime theory is that building regimes is a struggle (Stone, 1989: 236). They have to be produced by agents, they do not build themselves and they may occur infrequently. The literature on policy networks associated with Rhodes on the other hand, tends to take networks, particularly policy communities, for granted. But process matters and the devil is in the detail.

Boxes 1 and 2 summarise the properties that would be evident in processes of regime governance. The participants would be expected to include key public sector and private economic elites co-operating through informal networks based on trust and diplomacy. These networks would enjoy a high-level of practical autonomy from political influences at other geo-political levels and they would, like policy communities, be sustainable over a number of years. Consequently, regime governance would also enjoy considerable reach, influencing politics across the policy spectrum in a large town or city. It would also be concerned with economic growth, given the prediction in regime theory that the preferences of business elites will tend to be prioritised in the urban policy agenda. Finally, processes of regime governance would create governing synergy, allowing for the possibility of successful governance where there would otherwise be conflict or inertia (see Stone, 2001 for a similar list of regime characteristics).
The counter-indicators column in Boxes 1 and 2 is designed to illustrate governing arrangements, including partnerships, which lack the characteristics of regime governance. The likeness of particular forms of collaboration to regime governance is evaluated against these two sets of indicators. While it is possible that governing arrangements, in the UK or elsewhere, might represent a good fit with the properties in either of these columns, it is also likely that some processes of governance will not conform closely to either. The contrast between regime governance and the counter-indicators is partly rhetorical, emphasising the fact that regime governance is a highly specific form of collaborative politics and that it could be rare.

<table>
<thead>
<tr>
<th>Properties</th>
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<th>Counter-indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Participants</strong></td>
<td>Close relationship between local authority and business elites. Other sectors may be represented.</td>
<td>No interactions between local authority and the business sector, except where it is required by law.</td>
</tr>
<tr>
<td><strong>Co-operation</strong></td>
<td>Voluntary networks based on trust and diplomacy.</td>
<td>Hierarchical relationship between local actors and/or between extra-local and local actors.</td>
</tr>
<tr>
<td><strong>Sustainability</strong></td>
<td>Stable. Collaboration over a long period.</td>
<td>Unstable. Short term, symbolic or instrumental.</td>
</tr>
<tr>
<td><strong>Autonomy</strong></td>
<td>High. Objectives determined and resourced locally.</td>
<td>Low. Objectives determined and resourced externally.</td>
</tr>
<tr>
<td><strong>Influence</strong></td>
<td>Hegemonic project in a borough, town or city.</td>
<td>No influence. Any co-operation is symbolic.</td>
</tr>
<tr>
<td><strong>Objectives</strong></td>
<td>Localist. Likely to be growth-centred.</td>
<td>Determined externally.</td>
</tr>
<tr>
<td><strong>Synergy</strong></td>
<td>Public and private join to achieve otherwise unattainable goals.</td>
<td>Collaboration is a zero or negative sum game.</td>
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**Box 1: The Properties of Regime Governance**

Regime governance is therefore a specialised form of networking. To the extent that its properties are found in local authority-business elite relations, they support Rhodes and those scholars who argue that regime theory is a useful comparative framework. To the extent that they are absent, the assumption that networks are ‘pervasive’ in local politics is called into question (Rhodes, 2000: xiv).
This framework adds to the basic understanding of governance as networks in three ways. First, it recognises the ambitious explanatory range of regime theory (Davies, 2002), importing the question of who gains from collaboration and in what conditions particular collaborative forms are likely to develop. Second, it does not assume the existence of networks, recognising that they are difficult to build and carry costs (Cropper, 1996: 82; Stone, 1989: 236). Third, it questions whether collaborative governance generates synergy or ‘added value’. Is it true, for example, that governance is no longer possible without networks? Would it make a material difference were public subsidies to partnerships re-channelled through the local authority? The characteristics of regime governance therefore offer a framework against which the comparative importance of networking in regeneration politics can be evaluated. The discussion now draws on empirical work undertaken by the author on regeneration partnerships in the UK to argue that processes of ‘regime governance’ are likely to be rare.

**Local Governance and Regeneration in Britain**

The research discussed in this paper took place over a period of eighteen months in four English boroughs; Barnsley, Rotherham, Hull and North East Lincolnshire. All four areas have suffered from ruinous economic decline and social deprivation; and all have been governed by the Labour Party for many years. Each was deeply engaged in building regeneration partnerships. The meaning of ‘regeneration’ in Britain has widened since the early 1990s, when it was associated mainly with economic and infrastructural development. It is now an umbrella term understood as the ‘promotion of the social, economic and environmental well-being of an area’ (LGA, April 1998). The research therefore examined a range of partnership activities in the spheres of education, a special interest of Stone (1998, 2001), economic development and place-marketing. It became clear that a loose distinction between ‘policy’ and ‘implementation’ partnerships would be useful (see Skelcher et al, 1996: 5 for a similar distinction). Collaboration tended to be structured in a way which produced
‘policy’ partnerships responsible for establishing goals and making funding bids; and ‘implementation’ partnerships responsible for project delivery. There tended to be a division of labour between these partnership ‘types’. More importantly, they exhibited different collaborative dynamics, which are discussed below.

The overall conclusion was that the endogenous dynamic, or internal glue, to regeneration partnerships is weak. An ideological commitment to collaboration existed in all areas, together with relatively well established policy partnership structures with Boards, sub-committees and professional advisors. However, the more detailed the examination of these partnerships, the less substantial they proved to be. Business participation, in particular, was very limited. At most there were a handful of local business activists in partnerships. Moreover, while usually agreeing that the partnership principle is good, they were cynical about partnership practices. Central government programmes, notably the ‘challenge fund’ approach to urban regeneration, has generated formal links between local government and business, normally at the initiative of local authorities desperate for funds.

In the early 1990s, the British Government introduced the principle of challenge funding to Britain. This principle involved encouraging local authorities to collaborate with business leaders and other local agencies to bid for regeneration funds. The first such fund, City Challenge, was introduced in 1991. It was replaced in 1994 by the Single Regeneration Budget (SRB) the British Government’s flagship regeneration programme until 2001 (Stewart, 1994; Bailey et al, 1995). However, the partnerships bidding for these funds, commonly the policy partnerships, tended to be shallow, lacking internal momentum and synergy. The pre-eminent partnership form was a top-down bureaucratic structure, pre-occupied with tailoring local political strategies to prescriptive funding criteria set by central government. Within these partnerships business input was of little importance, partly because the local business elites were weak, partly because the local business sectors were not characterised by a culture
of community activism and partly, in consequence, because there were no material incentives for business leaders to become involved. The one or two exceptions to this finding were companies with strong local roots, whose involvement in partnerships were generally limited to attending meetings.

Implementation partnerships, however, were more substantial, generating moderate levels of intellectual and material leverage from collaborators. Where potential benefits were foreseen, and there existed a degree of local autonomy over the project agenda, business leaders were more inclined to share risk and contribute resources. However, initiatives of this kind were the exception and implementation partnerships could draw on only a small fraction of the resources available to policy partnerships, which commanded millions of pounds in public sector subsidy from British and EU governments. The following paragraphs look at these findings in more detail.

*Synergy in Policy Development*

Collaboration between public and private sectors was clearly present in all cases. But the level of strategic autonomy within policy partnerships was undermined by extra-local political forces. Local partnerships are regulated by a range of governmental policy instruments. They are symbolic, they are not sustained by local resources and they have not produced added value. The main external dynamic at work here was central government whose policies have resulted in each case in similar partnerships and strategies, but which have also prevented internal synergy from developing. Project realisation does not rely on co-operation, trust and diplomacy within the partnerships. A common sentiment was that partnerships are ‘local administration and not local governance’ and people felt that there have been too many partnership initiatives, a feeling summed up by one business executive who described them as ‘servicing a dogma’. According to one council leader, the local policy partnership was established not because it was viewed as the correct strategy, but because it was ‘what the government said we’ve got to do’. Local partnership activists perceived it as grant-driven, a view supported by the fact that changes in
the direction of the partnership since the early 1990s closely followed developments in government thinking, articulated through the guidelines for partnership bids to City Challenge and later the SRB. The sheer weight of bureaucracy associated with the SRB exhausted them and discouraged thinking about local needs. Activists felt compelled to pursue grants regardless of local priorities in order to bring resources into the community. The pursuit of public money was naturally an activity at which local officials were adept. However, it alienated business leaders who had little to contribute except a signature in support of the bid. One key business leader, a member of the local partnership Board, viewed it as a fashionable gesture involving little practical commitment. It was generally perceived that apart from leveraging in more public money, which could just as profitably be re-channelled through the local authority, the partnership had achieved little of tangible benefit.

**Synergy in Implementation Partnerships**

Nonetheless, the practice of partnership has spread well beyond bidding for grants. Whether this development is attributable to the influence of policy partnerships themselves is debatable. In education, for example, the Government has recently introduced a new layer of ‘Lifelong Learning Partnerships’ which local activists fear will further curtail local political autonomy and undermine the potential for partnership synergy. They worried that the problems of bureaucracy and over-prescription associated with the SRB will afflict hitherto autonomous collaborative activities, resulting in a further centralisation of urban policy. However, the evidence suggests that policy partnerships have had some spin-off effects. The best example of an implementation partnership in the four boroughs from the standpoint of financial leverage was Hull ‘CityImage’. The CityImage partnership is, loosely, an implementation arm of a wider policy partnership called ‘Hull CityVision’. It was developed to change a common perception of the City of Hull as a depressed fishing town. The Bishop of Hull, together with an executive from a local company, devised a Bond scheme in which firms buy a stake in an image enhancement programme. Purchase of the Bond buys access to political leaders, including breakfast
meetings at which bondholders meet council leaders to discuss major proposals and developments in the City (it was emphasised by those involved that this practice is legal and it does not purchase competitive advantage for Bond-holders). The money raised from the Bond has been used to lever extra funds from the UK Government and the European Union to support the ‘re-branding’ of Hull as a ‘pioneering city’. Business involvement in the partnership was viewed as vital to the credibility and future success of the scheme, which was said to have generated collaborative advantage by securing at least one major development which would not otherwise have occurred.

The extent to which the practice of partnership working had spread varied from place to place and this unevenness makes it difficult to pigeon-hole the range of partnerships in each area. What can be said is that there is more evidence of added value and business enthusiasm in project implementation than in policy development. It is certainly plausible that the culture and practice of co-operation engendered in policy partnerships, however symbolic, has re-enforced the ideology of partnership leading to the proliferation of other more synergistic partnerships. There is evidence that implementation partnerships have an internal dynamic, meaning that there is sufficient impetus for partnership activities to occur without external incentives. There is also evidence that this partnership dynamic can produce added value, or collaborative advantage (Huxham, 1996). A handful of business activists have had a visible impact on partnership outputs.

However, it is apparent that even implementation partnerships like CityImage are bureaucratised, though less so than the policy partnerships. Most significant issues were discussed within the partnership apparatus and informal networking through mechanisms like telephone calls, luncheons and hospitality was not generally viewed as decisive on important issues. Thus, whether the ‘synergy’ in implementation partnerships is sufficient to sustain them and generate more informal networking in the long term remains open to question. Is it possible to say that small-scale isolated examples like
CityImage represent a trend toward a new, regime-like governing elite? Is there a ‘space’ for the growth of regime politics in these partnerships?

**Partnership Trends**

One factor which suggests not is that partnerships have not been instrumental in achieving their visionary ambitions for regeneration. For example, a few business leaders from the chemicals sector have been involved in partnerships in North East Lincolnshire but council leaders could not identify any community benefits from the billions in capital investment pumped into the industry during the 1990s. Political leaders in North East Lincolnshire described this investment as ‘job-free growth’, a situation in which the town of Grimsby was simultaneously the most profitable business location and one of the most deprived places in England. There was little optimism anywhere that partnerships will succeed in reversing social and economic decline. Stone (1989) claims that regimes are about small opportunities, small purposes and achievements, and regime theory shows that collaborative projects need not be very ambitious, but they should make a difference (Stone, 1997: 22). So far, there are grounds for scepticism that partnerships are making a difference. If Cropper (1996: 82) is right that the continuation of alliances depends on the realisation of added value, the failure to achieve regeneration objectives could produce a tendency for partnerships or networks to fragment.

Another factor limiting the local capacity for regime governance in Britain is the continuing weight of bureaucracy imposed on partnerships. Champions of partnership working in the localities are seeking a balance between the bureaucratic rigours imposed by central government and the problem of accountability in informal networks. Local elites have not passively accepted partnership bureaucracy. They are frustrated with it and worried that New Labour is driving bureaucratisation still further through initiatives like Lifelong Learning Partnerships. Ministers in the UK Government have recognised these concerns, but maintain that accountability for public money must remain a priority. Large scale
partnerships which rely on government grants are therefore likely to remain bureaucratised, despite the Government’s commitment to placing residents at the centre of new area-based initiatives like New Deal for Communities.

**Partnerships and Regime Governance**

Stone (1988: 89-90) argues that policy setting coalitions (urban regimes) fulfil a policy making function which arises from the needs and aspirations of a community. The evidence suggests that the local regeneration policy making function in Britain has not engendered and does not require a strong, locally based, policy coalition. The role which a policy coalition, or urban regime, would play is occupied by central government. Jessop (2000) argues that local governance is likely to produce unintended effects which counteract the objectives of reformers. However, the limited success of partnerships in this case is predictable because of the way they are designed. Horizontal networking does not seem to develop within hierarchical structures (Morgan *et al.*, 1999; Davies, 2000). Unsurprisingly, then, synergy decreases with proximity to central government influence.

If New Labour is serious about generating bottom-up local partnerships and unlocking the potential for local initiative it will have to roll-back Whitehall’s influence on local political processes and reconstitute partnership institutions in a way which encourages collaborative synergy. Elkin (1987: 177), elaborating a ‘constitutive’ approach to political institutions, warns that too much central control over the finances of local government inhibits the vital, deliberative city. For Elkin (1985: 262), political institutions must be based on principles consistent with the outcomes they are intended to generate. If Elkin is right, current partnership structures would have to be redesigned to enable local innovation and autonomous action. It is interesting, for example, that in the USA, while local governments are ‘creatures of the state’, they enjoy a great deal of practical autonomy (Stone, 1998a: 2).
If Rhodes is right, this autonomy is a condition of networking, trust and diplomacy but it is not a salient feature of local regeneration politics in Britain.

Curiously, these conclusions are supported by the very LGP studies which Rhodes forewords in support of his thesis (Stoker, 1999, 2000). Most of them call his initial assumption into question, showing that local collaborative dynamics remain weak across a wide range of local governance activities in Britain. Three relevant conclusions can be drawn from these studies. First, while there are exceptions, local politics in general, not just regeneration partnerships, are characterised by hierarchies which, if anything, are becoming stronger. Second, to the limited extent that networking is occurring, it is easier to build and sustain where the influence of central government is weakest. Third, where new participatory mechanisms have been established as part of the drive to re-build local democracy (see DETR, 1998), and they have succeeded in mobilising sections of a given community, they have not given local citizens more control over local politics. Participatory strategies have not resulted in bottom-up networks, in part because they are constrained by hierarchical tendencies and in part because non-state actors do not have sufficient leverage, once involved, to make a difference.

There is plenty of literature which supports this perspective. Peters (2000: 42) argues that the ‘new governance’ is incapable of recognising cases where the State remains capable of ‘ruling’. For Harding (1997: 308), the State is now, more than ever, influential in determining the way cities and regions respond to the challenge of globalisation. Harding and Le Gales (1997: 200) conclude that political change at the national level remains vital in mediating between global pressures and local responses, while Strom (1996: 476-477) argues of Berlin that even with the internationalisation of the economy, the nation state is the critical determinant of the local policy process. Morgan et al argue that:

...the presence of regional institutions in Wales presents us with an uncomfortable paradox, namely that the Welsh Office, by virtue of its power and resources, tends to foster vertical
networks which have the effect of disempowering local actors from building effective horizontal networks (Morgan et al, 1999: 194). They go so far as to claim that extra-local influences are so powerful that the governing without government thesis is a ‘fatal conceit’ (1999: 196). This weight of evidence suggests that typologies of collaborative politics based on the conception of governance as networking obscure the continued power of the national state. As Harding observes:

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<th>Counter-indicators</th>
<th>Findings</th>
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<tr>
<td><strong>Participants</strong></td>
<td>Close relationship between local authority and business elites. Other sectors may be represented.</td>
<td>No interactions between local authority and the business sector, except where it is required by law.</td>
<td>Many bureaucratised public-private partnerships. Few elite participants.</td>
</tr>
<tr>
<td><strong>Co-operation</strong></td>
<td>Voluntary networks based on trust and diplomacy.</td>
<td>Hierarchical relationship between local actors and/or between extra-local and local actors.</td>
<td>Hierarchical. Direct coercion on local authorities. Business participation minimal.</td>
</tr>
<tr>
<td><strong>Sustainability</strong></td>
<td>Stable. Collaboration over a long period.</td>
<td>Unstable. Short term, symbolic or instrumental.</td>
<td>Policy partnerships depend on grants. Implementation partnerships more dependent on local resources.</td>
</tr>
<tr>
<td><strong>Influence</strong></td>
<td>Hegemonic project in a borough, town or city.</td>
<td>No influence. Any co-operation is symbolic.</td>
<td>Extra-local influence determines choices in a range of policy arenas. Local influence limited to small implementation initiatives.</td>
</tr>
<tr>
<td><strong>Objectives</strong></td>
<td>Localist. Likely to be growth-centred.</td>
<td>Determined externally.</td>
<td>Entrepreneurial and statist. A few cases of localism.</td>
</tr>
<tr>
<td><strong>Synergy</strong></td>
<td>Public and private join to achieve otherwise unattainable goals.</td>
<td>Collaboration is a zero or negative sum game.</td>
<td>Limited evidence of ‘added value’. More success in implementation partnerships.</td>
</tr>
</tbody>
</table>

Box 2: A Comparison of Regime Governance and Regeneration Partnerships
Urban studies ... might wittingly or unwittingly be conspiring in the representation of current events, trends and policies as if they were in some way natural and unavoidable, when in fact a range of other representations and options is possible (Harding, 1997: 292).

Scepticism about the place of local politics in Britain within the governance debate is therefore crucial. At the very least, these findings suggest that it has not been sufficiently nuanced, a point further developed below. Box 2 compares these findings with the indicators of regime governance and counter-indicators set out in Box 1. The findings column in Box 2 shows that British regeneration partnerships do not resemble the characterisation of regime governance in the first column. They bear a closer relationship to the counter-indicators column, but again, there is a significant difference. Regeneration partnerships are a distinctive institutional form.

**Governance by Partnership: A Case of Creeping Centralisation**

If regime governance is not a useful way of categorising regeneration partnerships in Britain, on what basis can they be compared with urban regimes in the USA? The finding that government regeneration schemes impede the development of local synergy suggests a contrast between partnership as one mode of governance and the autonomous self-governing network as another. Central government has played a key role in generating this contrast. Stoker (1998a: 49) asks whether it is possible for elected officials to exercise some control over the ‘partnership networks’ constituting local governance. The answer is ‘yes’ because policy partnerships tend to reflect central political priorities, sometimes down to the detail of individual projects. In fact, the influence of the centre over the locality appears to be growing, rather than contracting as Stoker’s question implies. While they may play other roles too, in this context, policy partnerships are instruments of central government (see Brookes, 1999: 46).

This process is not, therefore, a central-local partnership of equals. But it would be a mistake to see it simply as the domination of one level of government over another. It is not only about bringing local
government and business together, it is also about drawing local ‘stakeholders’, including business, into supporting and carrying out the UK government’s agenda for regeneration in the locality. There is empirical support for this argument. John and Cole (1998: 384) argue of Leeds that due to its engagement in partnerships, local business is ‘more subject to the balance of public decisions than before’. Peters (1998: 29) argues that partnerships could subvert private sector goals ‘in the name of achieving broad public sector goals’. Partnerships could therefore be a way for a government committed to market-led growth to win influence over the market through incorporating business leaders into its view of regeneration, as well as being a means to focus local authorities on growth and efficiency. Atkinson (1999: 67) argues that government advice plays an important role by incorporating partnership activists into the ‘linguistic market and products which dominate urban regeneration, creating an appreciation of what is appropriate and likely to be valued’. Partnerships may be as much about bringing other groups into co-operation with the state as they are about bringing local authorities into partnership with other ‘stakeholders’ and creating networks. In a sense, the process can be seen as an attempt to incorporate civil society (defined as that which exists outside the formal-legal institutions of the state) into state-driven governing mechanisms, blurring the edges between state and non-state institutions (see Stoker, 1998a: 46; Peters, 1998; Pierre, 1998; Hirst, 2000).

One characteristic of the new governance and the hollowing out of the state is the loss of functions by the centre to alternative delivery systems, often involving a distinction between policy and administration. A second characteristic is the reduced capacity of government to ‘steer’ (Rhodes, 1999: xxiii). The processes discussed here represent a form of ‘hollowing out’ insofar as central government has in recent years decentralised some responsibilities for regeneration to the locality. But this is a very particular form of hollowing out. There is a paradoxical process of decentralisation and centralisation occurring in which responsibilities for regeneration imprison, rather than liberate, local political initiative. The State is therefore trying to increase its capacity to steer and in this context, the distinction
between ‘steering and rowing’ seems semantic. It may be relinquishing direct control, but in doing so, it is attempting to purchase wider effective control. In short, it is attempting to buy new governing capacity in the locality, rather than leaving local governance to markets and networks (see also Davies, 2000, 2001).

How can these developments be explained politically? This is an important question which cannot be answered fully here. However, Stewart offers the basis of an explanation, highlighting a contradiction in ‘New Labour’ between its commitment to decentralisation and its tendency to centralise, evident in the White Paper Modern Local Government: In Touch with the People (DETR, 1998). The evidence suggests that the Blair government is sceptical about local autonomy. Stewart highlights a common view among ministers and civil servants that the ‘quality of local government members is not as good as it used to be, and not good enough by any standards’. The calibre of elected councillors is presumed to be low and to be becoming lower, a perspective which Stewart describes as ‘elite contempt’ (Stewart, 2000: 95/6). Tony Blair has charged local government with ‘changing again so that you can play your part in helping to modernise Britain’. Crucially, this modernisation is necessary so that local government can, in Blair’s words, ‘in partnership with others, deliver the policies for which this government was elected’ (IPPR, 1998: 22 author’s emphasis). Blair promises an enhanced role to those who ‘accept the challenge’ and threatens those who are ‘unwilling or unable to work to the modern agenda’. Correspondingly, measures for ‘modernising’ local government are a mixture of incentives and sanctions and decentralisation is the reward for improved performance (Stewart, 2000: 123).

This approach reflects the ‘elite contempt’ which Stewart describes and it provides a clear philosophical basis for New Labour to erode local political autonomy. Local authority leaders cannot be trusted and, of course, this is one reason for promoting partnerships. But ‘trust’ is a key ingredient in the conception of governance as networking and despite the rhetoric of partnership from ministers (see
Stoker, 1999a: 17), ‘trust’ is missing from the central-local axis. Local actors do not have the right to make significant political choices. They are junior ‘partners’ of the centre, not instruments of the vital, deliberative, local polity (Elkin, 1987: 177). It is uncertain how the contradiction will develop, but decentralisation seems unlikely to proceed at the expense of ‘modernisation’.

**Comparative Implications**

What are the implications of these conclusions for comparative studies? A key conclusion is that partnerships as a mode of governance are distinctive from regime governance, and that the factors which sustain partnerships undermine networks. In this sense, the two processes are mutually exclusive. The situation is not adequately described either by the traditional use of the term ‘local government’, or by the term ‘regime governance’. A better distinction between different kinds of local governance is needed which recognises the fact that networking is not ‘pervasive’ in all dimensions of local politics. Box 3 provides a brief contrast between three forms of governance: the traditional model of ‘governance by government’ where local government is the pre-eminent actor in local politics; ‘governance by partnership’ which reflects the top-down interpretation of the politics of urban regeneration developed in this paper; and ‘governance by regime’, the form of governance which closely resembles Elkin’s (1987) and Stone’s (1989) description of regime politics in the USA. Box 3 illustrates that ‘partnership governance’ is not a step away from ‘local government’ toward ‘regime governance’. In fact, the logic of the preceding arguments is that partnership governance tends to re-enforce the power and extend the boundaries of the State. Britain appears to be travelling one road, the USA another. The question which follows is the extent to which patterns of partnership governance and regime governance are replicated in other countries where regeneration is on the political agenda. Box 3 offers a basic tool for cross-national comparison.
Local authority delivers the welfare state. Few non-statutory interactions between Council and business leaders. Local partnerships are conduits of government policy. Little local autonomy, trust or collaborative synergy. Local political autonomy, trust and collaborative synergy in sustainable, self-organising networks.

Box 3: Distinguishing Modes of Governance

The case of urban regeneration suggests that in Britain at least, the search for governing arrangements which resemble the business-centred networks described by Elkin (1987) and Stone (1989) in the USA is likely to be fruitless. Equally, to describe all local partnerships in the language of networks or regimes is to hide important distinctions between different forms of collaboration. The ‘governing without government’ thesis fails to recognised the point touched on by Stone (1989: 236) that networks do not build themselves and that they carry costs (Cropper, 1996: 82). This is one lesson from regime theory which can inform comparative studies of local governance. The findings also suggest that locally centred political-science studies in Britain, more than in the USA where local governance processes have greater effective autonomy, must take account of extra-local factors. The fact that urban regeneration partnerships are weak political institutions does not mean they are not worth studying. But it does mean that extra-local processes, particularly the role of central government in this case, remain critical to a sophisticated understanding of local politics. Daland (1969: 20) argues that the closer local government is to being a ‘district of central government’, the more trivial it will be in explaining local political outcomes. Hence, comparative research into local partnerships must be embedded in a set of problematised or a priori assumptions about the influence of extra-local factors on local politics. In American urban regimes, political and economic context matters, but it is less important in explaining the day to day processes of local governance than in Britain. Future comparative studies which assess the relative influence of national politics on local partnerships might therefore investigate the political ‘space’ for governance by networks.
The earlier discussion about the spread of urban regime theory touched on the theme of policy transfer and convergence. It has been argued that urban policy in Britain is becoming more like its counterpart in the USA because ‘UK governments and umbrella groups from the corporate sector have pushed the American model of urban development on public policy makers and other potential contributors to urban regeneration’. As a consequence, ‘UK academic commentary ... has focused on public-private partnerships, which bear a close resemblance to their US counterparts’ (Harding, 1994: 356). Things are not quite so simple. At one level there has been convergence, in the emergence of a political culture among local government elites in the UK which conceives of business engagement in urban regeneration as a positive development. There has been a diffusion of neo-liberal attitudes to the relationship between state and market. But the contrast between partnership governance and regime governance is recognition of difference too. Because the UK is a union state in which local government enjoys little autonomy, and because the British business sector lacks the collaborative traditions of its US counterpart, strategies for engaging the private sector in urban regeneration have been imposed from the top-down. The predictable result has been the suppression of any local dynamic to collaboration, the opposite outcome to that in the USA.

It is important, therefore, for comparative local studies to place sufficient emphasis on difference. The fashion for highlighting processes of convergence, which the governance thesis implicitly encourages, could obscure important processes of divergence. There is a longstanding literature discussing whether societies are becoming more alike (see Tinbergen, 1959, Galbraith, 1972, Inkeles, 1981). The emphasis, at the macro level, has been to predict further convergence. More recently, scholars like Cerny (1996, 1999) have argued that globalisation is as much about divergence as convergence. Ideologies and policies developed in once place and applied in different political and economic landscapes can result in a multiplicity of practices and outcomes. The research discussed here says nothing about broad societal tendencies. However, at the level of local politics, it supports the idea that globalising factors, like the
cross-national transfer of urban policy, can result in political and institutional divergence. There is an entrenchment of difference, if not growing divergence, from the USA in the institutions, culture and practice of urban regeneration in Britain.

How much comparative purchase are these conclusions likely to have? The research is drawn from a relatively narrow set of examples, yet these places are fairly typical of many declining areas of Britain and possibly Europe. As is argued above, there is plenty of work which suggests that governing networks are not pervasive on the European continent or in Britain. On the other hand, it is likely that size matters. For example, it is an interesting question whether networking is easier in regional centres like Leeds, Lille (John and Cole, 1998) and Manchester (Cochrane et al, 1996), or in global cities like London, Tokyo and New York (Sassen, 1991), than in smaller cities and towns. Big business elites in a large city are more likely to have the capacity to create alliances with political elites than the owners of small businesses in a town such as Barnsley. But their presence need not necessarily translate into a concern with community affairs in the way it does in the USA. These comments suggest that theories of governance need to be geographically and politically sensitive and that the prevalence of networking may vary between geo-political levels of governance as well as between political systems.

Conclusion

This paper is a challenge to the ‘fatal conceit’ of ‘governing without government’ (Morgan et al, 1999: 196), supporting scholars who are sceptical towards the universal applicability of the concept of ‘governance as networking’. Instead of growing autonomy for the local institutions of urban regeneration in the UK there is increasing political centralisation. It can be said, with qualifications, that in the mix of market, hierarchy and network, hierarchy is the dominant trend in the politics of urban regeneration. The paper suggests three key reasons for this state of affairs: the ‘elite contempt’ in which local government is held by New Labour despite the rhetoric of decentralisation, the lack of
collaborative resources available to potential ‘stakeholders’ in decimated local economies, and the continuing absence of a culture of community activism among many business elites in the UK. This is not to deny that there have been significant changes in the politics of regeneration with the proliferation of partnerships over the past 15 years or so. Partnerships are a re-organisation of central-local relations, through which the UK government is attempting to purchase added leverage over a range of local ‘stakeholders’, insofar as they can be drawn into the process. This change is important, but it is not one that favours networking and regime building.

The qualification to this conclusion is that there is evidence of a culture of partnership working in implementation partnerships where there is greater autonomy than in bureaucratic grant-driven policy partnerships. These partnerships, although they too tend to be bureaucratised and operate on a very limited scale, offer greater potential for the growth of networking because they are fashioned around local concerns, local initiative and local resources. Although the current fashion for regeneration partnerships began in the early 1980s, partnership working is still new in many arenas of local political life. It must be acknowledged, therefore, that the development of regeneration partnerships is an ongoing process which could produce favourable conditions for networking. Yet any such trend is likely to come up against the powerful counter-tendency of centralisation, suggesting that a complete change in the structure of central-local relations is a pre-condition, necessary if not sufficient, to sustain a culture of governance by network.

Viewed through the lens of urban regime theory, these conclusions show that local governance in the UK remains resolutely different from its counterpart in the USA and a conceptual distinction must be drawn between governance by network, or regime, and governance by partnership. The politics of urban regeneration in the UK are the politics of governance by partnership. In the USA, the balance between hierarchy, market and network is different, favouring governance by network. It follows from this
distinction that convergence between the local politics of Britain and the USA has thus far been limited. On the contrary, it is possible to identify processes of divergence in the partnership and regime modes of governance described in box 3.

If they are to grasp the complexity of the governance map, theories must give greater recognition to the possibility that globalising tendencies like policy transfer can produce divergent outcomes. It cannot, therefore, be assumed that the networking mode of governance is pervasive at any geo-political level of governance. The relative prevalence and significance of networking is a problem of crucial importance in the governance debate and should be subjected to rigorous comparative inquiry.
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