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Civic Virtue and Place-shaping in the Lyons Report on Local Government in England

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Abstract: Across the globe, local government is struggling to define its appropriate role in contemporary society with enduring tensions between economic efficiency and local democracy as yet unresolved. The release of the recent *Final Report* of the Lyons Inquiry into Local Government in England, entitled *Place-shaping: A Shared Ambition for the Future of Local Government*, thus represents a significant milestone in this debate with its pioneering development of the concept of 'place-shaping' as the central organizing idea behind modern local government policy. This paper considers place-shaping within the general context of political theory and the specific context of civic virtue. We contend that Sir Michael Lyons 'place-shaping' thesis embodies a concept of civic virtue that makes deep ethical claims for 'place-shaping' policy formulation in local government.

Keywords: Civic virtue; local government; Lyons' Report.

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Introduction

Local government across the developed world has experienced increasing difficulties in determining its appropriate role in contemporary society, a process often exacerbated by harsh financial constraints (Shah 2006). Moreover, relatively few concerted efforts have been made to reconsider the broad role of local councils in the modern world, with some notable exceptions (see, for example, Denters and Rose 2005). The Lyons Inquiry into Local Government in England conducted by Sir Michael Lyons thus represents a landmark in the literature on the optimal role of local government in the new millennium. The Lyons Inquiry itself arose as a consequence of the Balance of Funding Review (Office of the Deputy Prime Minister 2004). The *Final Report* (Lyons 2007) is the culmination of a *Consultation Paper and Interim Report* (Lyons 2005) and a *Second Interim Report* (Lyons 2006).

Given the pioneering nature of the *Final Report*, and the sweeping implications of the Lyons Inquiry, which extend far beyond English local government, it represents a potentially important watershed for scholars of local government across the globe and thus invites rigorous scrutiny. Perhaps the most significant aspect of the Lyons Inquiry resides in its development of the concept of 'place-shaping' in local governance and the ramifications this has for the role of contemporary local councils. Place-shaping is deliberately constructed by Sir Michael Lyons from various extant strands of political philosophy, including a heavy emphasis on the notion of civic virtue. Accordingly, this paper represents an attempt to consider critically the concept of 'place-shaping' as defined the Lyons Inquiry Final Report *Place-shaping: A Shared Ambition for the Future of Local Government*, delivered in March 2007, in the light of the nature of civic virtue.

The paper itself is divided into four main parts. Section 2 contains a brief discussion of the background to the *Final Report* which includes some salient dimensions of the earlier debate between the Lyons Inquiry and interested official bodies, such the British government and the British Local Government

Association. Section 3 provides a synoptic description of the development of Sir Michael Lyons' 'place-shaping' agenda within his various official Reports. Two meanings of the term 'place-shaping' are distinguished which have quite different ontological status: 'Place-shaping' in the *Final Report* of the Inquiry entailing *substantive* recommendations to government; and the *rhetorical* meaning of 'place-shaping' as a political theory implying civic virtue which develops in the course of Sir Michael's deliberations. Section 4 examines Sir Michael's engagement with the history of local government in England and his embrace of political theory as a mechanism for buttressing his 'place-shaping' agenda. In essence, it is argued that an identifiable, historically and theoretically locatable concept of civic virtue is contained within Lyons' contribution to the debate on the role of local government and that Lyons is in fact making profound ethical claims in this regard. The paper concludes in section 5 by revisiting both the substantive and rhetorical content of place-shaping in light of the discussion of civic virtue and its implications for local government policy.

'Place-Shaping: Substantive and Rhetorical Elements

In his first *Interim Report*, Lyons presented what amounted to an audit of local government finances in relation to central government funding. This was aimed at addressing his initial brief (following that of the Layfield Committee in 1976) 'to search for a sustainable solution to the problems of local government finance' (Lyons 2005, 3). Lyons outlined what he termed 'key questions and future work under my extended remit', denoting them respectively as: 'the strategic role of local government', 'devolution and decentralisation', 'managing pressure on local services', and the 'scope for new agreement' [between central and local government]. Lyons also indicated he intended to consider 'radical options' for restructuring local government finances, including the introduction of a local income tax (Lyons 2007, 15) and a new methodological approach, which included gauging the perceptions of the equity of council taxes (Lyons 2007, 13).

In September 2005, Lyons had renegotiated his first 'extension of remit' (immediately preceding the publication of the 2005 *Report*). The second *Interim Report* was driven by two underlying concerns. First, that local government in England is controlled by central government to the extent that local authorities 'do not have enough powers and tools at their disposal to enable them to make a real difference to local prosperity' (unlike some of their counterparts in Europe and North America) (Lyons 2006, 44). As a consequence, development in England is dominated by London and South East England. The second and related concern is that 'at the time of the 2001 census, 40 per cent of the working population crossed at least one local authority boundary during their journey to work' and 'this percentage figure increases for higher skilled and professional workers' (Lyons 2006, 46). According to the second *Interim Report*, the answer to the problem of the geographically skewed distribution of British economic growth lies in fundamentally re-visiting the role of local government.

In the *Final Report*, Lyons' moved to his specific recommendations for the devolution and release of constraints on the funding of councils. These recommendations were:

- the re-evaluation of property values to current market prices;
- an abolition of council tax capping; and
- enabling local authorities to charge a 'tourist tax'.

In the 'medium term', these proposals also included:

- assigning a proportion of income tax to local government; and
- a re-localization of the business tax rate (Lyons 2007, 349-350).

Despite a positive reaction from the Secretary of State for Communities and Local Government, Ruth Kelly, in the *White Paper* response to the second of Lyons' interim reports, it is notable that to date the government has not taken up any of these major financial reforms. A statement by the Local Government Association (LGA), released on 21 March 2007, noted that the government has ruled out abolishing rate-capping, that it is not considering

revaluing council tax until at least 2011 (including adding other bands of revenue to council taxation), that the government ‘has no plans’ to re-base property taxes on capital values and that it ruled out tourist taxes and an Independent Grants Commission (LGA 2007, 4).

However, this dismissal of the substantive financial reform elements of Lyons’ place-shaping agenda did not render his work moribund. The political reforms recommended by Lyons have been wholeheartedly endorsed by government, as summed up in the Introduction to the *White Paper* (Communities and Local Government 2006, 3):

In future, there will be three choices for councils: a directly elected mayor, a directly elected executive of councillors, or a leader elected by their fellow-councillors with a clear four year mandate. All the executive powers of local authorities will be vested in the leader of the council, with a strong role for council to scrutinize the leader’s actions and approve the budget and major plans.

This reform – ostensibly toward the democratization of local government – is underpinned by the rhetorical emphasis of the ‘place-shaping’ agenda. The notion of ‘place-shaping’ was initially raised in the first *Interim Report* where Lyons defined place-shaping as a ‘strategic role for local government’ (Lyons 2005, 6). According to Lyons, place-shaping is anchored on ‘eight principles’ (Lyons 2005, 31):

- Building and shaping local identity;
- representing the community, including in discussions and debates with organisations and parts of government at local, regional and national level;
- regulating harmful and disruptive behaviours;
- maintaining the cohesiveness of the community and supporting debate within it, ensuring smaller voices are heard;

- helping to resolve disagreements, such as over how to prioritise resources between services and areas, or where new housing and development should be located;
- working to make the local economy more successful, to support the creation of new businesses and jobs in the area, including through making the area attractive to new investment and skilled workers, and helping to manage economic change;
- understanding local needs and preferences and making sure that the right services are provided to local people through a variety of arrangements including collective purchasing, commissioning from suppliers in the public, private and voluntary sectors, contracts or partnerships and direct delivery; and
- working with other bodies to respond to complex challenges such as natural disasters and other emergencies.

In the context of what is essentially an audit of central and local government financial responsibilities, and where local government has to deal with extended service provision, including education and aged care, this shift in emphasis by Lyons is not only unusual, but also important. Only two of these central planks of place-shaping – ‘regulating harmful and disruptive behaviours’ and ‘working to respond to...natural disasters and other emergencies’ – are explicitly service-directed; the others ‘eight principles’ depict a political role for local government based around the idea of community and, to a lesser extent, resource capture and accountability.

The second *Interim Report* extended this discussion of place-shaping toward contemporary ideas on local government, enveloping notions of ‘social well-being’ (defined as ‘people’s quality of life’) as well as ‘social capital’ (specified as ‘the social networks, shared norms and co-operative relationships that help us get along together as a society’) and the associated ‘social cohesion’. ‘Environmental well-being’ also received some attention, but by far the greatest emphasis was placed on leadership, coalition-building and

consensus, public and community engagement as well as the effective use of local government powers (Lyons 2006, 46-57).

These elements lead to the more precise definition of place-shaping developed in the *Final Report*: 'The creative use of powers and influence to promote the general well-being of a community and its citizens' (Lyons 2007, 51). More specifically (Lyons 2007, 174):

The term place-shaping covers a wide range of local activity – indeed anything which affects the well-being of the local community. It will mean different things in different and at different levels of local government, informed by local character and history, community needs and demands, and local politics and leadership. The powers and freedoms which local government can exercise are an important part of enabling councils to play this role. However, I am clear that effective place-shaping is as much about the confidence and behaviours of local government as it is about statutory powers and responsibilities.

As if in response to an implicit criticism that the concept of place-shaping is so broad as to be vacuous, Lyons sprinkled both the *Final Report* and the second *Interim Report* with concrete examples of actual place-shaping activity: In Gateshead, the erection of a controversial statue 'helped secure funding from the arts council for the transformation of the derelict Baltic Flour Mills', which lead to other large scale projects, including the Sage Gateshead Music Centre, the short- listing of Newcastle-Gateshead as a European Capital for Culture 2008 and the planning of a high-tech business park, all without the use of special-purpose vehicles, but incorporating 'private, voluntary and cultural sectors' (Lyons 2006, 41). Nor are these examples confined to spectacular economic development. Some were also concerned with the reform of service delivery. Lyons uses the instance of 'improving waste management in Mid-Bedfordshire', recognizing that while 'seeking to change the behaviour and expectations of 53,000 householders was a significant challenge', an Alternative Week Collection (AWC) of recyclables was introduced by a local

leader displaying ‘tenacity and resilience’, saving the authority ‘up to £12 million over the life of the new contract (Lyons 2007, 178).

Indeed, Lyons deliberately specifies that it is local *behavioural* change that he seeks (Lyons 2007, 352):

One of the conclusions that I have drawn from my work is that legal obstacles are not, in the main, the major hindrance to local government performing its place-shaping role... more important is that local authorities develop a sense of powerfulness and capability to perform the place-shaping role, and change their objectives to pursue their those objectives¹.

It is thus perhaps unsurprising that the LGA should enthusiastically endorse and indeed advocate such devolution of responsibility. In essence, the LGA contended that (LGA 2007, 2):

This boils down to helping people make a better life for themselves, their families and the communities in which they live, making communities safe and pleasant places to live and work in, where good quality public services are readily available.

This sentiment was echoed by the central government. After endorsement from the Secretary of State for Communities and Local Government, the Introduction to the government *White Paper* stated that (Communities and Local Government 2006, 1):

¹ Lyons (2007, 146) noted that: ‘Local authorities already have wide legal powers, extended significantly by the introduction of the power of well-being in Section 2 of the Local Government Act, 2000 which enables authorities to “do anything which promotes or improves the economic, social or environmental well-being of their area”’. There is still some way to go to ensure that all local authorities are aware of and able to use their existing powers fully.

This White Paper is on the side of individuals and families who want to make a difference, both to their own lives and to the communities in which they live. Our vision is of revitalized local authorities, working with their partners, to re-shape public services and the citizens and communities that use them.

This rhetorical emphasis on individual responsibility is thoroughly familiar in the context of the relative efficacy of particular kinds of government agencies to the public purse, and it can be juxtaposed against what one could surmise as a welfare-dependant model of government; ‘we pay taxes so you deliver services’. In this sense, this terrain of rhetorical debate is thoroughly familiar. Yet we would assert that place shaping is a much more complex amalgam of ideas than a mere continuum between left and right; between ‘individualism’ on the one hand and ‘community’ on the other hand. Accordingly, section 3 of this paper considers Sir Michael Lyons’ connection with political theory, and especially notions of civic virtue, both classical and modern.

‘People-Shaping’ and Theories of Civic Virtue

Given space limitations, it is impossible to provide a wholly adequate account of the concept of civic virtue in this paper. Accordingly, we can look for the account implied by Lyons’ in his *Final Report* and attempt to extrapolate from it. To begin with, Lyons deliberately sought to steep his proposals for modern English local government history and political thought. On the history of local government in England, Lyons was prosaic, quoting from the *Cambridge History of Britain*:

Local government was a collaborative venture involving royal officials, local notables, and the entire free (male) population of the shire, hundred or borough acting in accordance with royal directives and legislation as well as the ‘folk law’ preserved in the collective memory of the area...

Lyons continued (Lyons 2007, 45):

Royal appointments were often chosen from the important men of the area, and a Crown-appointed official who was unacceptable to the political community of an area might well have difficulty in successfully carrying out his responsibilities.

That this interpretation of feudal forms of authority in medieval and early-modern England is contestable is obvious. Historical realities aside, there are two important *rhetorical* trends in the words Lyons has chosen which are played out in the *Final Report*. The first comes from Lyons' depiction of the idea of 'political community' in the context of medieval and early-modern England. Taken in isolation, one would think that Lyons is attempting to draw a continuity between a stylized 'old' and a stylized 'modern' Britain by placing the notion of 'community' in a romanticized Middle Age and early modern period². While it may have this effect (and this may indeed have been Lyons' intention), it also has the opposing unintended effect of relegating the idea of 'community' to the past. In fact, it is remarkable how little the idea of 'community' is used in all three of Lyons' official Reports, so much so that the idea of 'place' almost supplants it as a primary signifier. This is significant because the concept of 'community' (arguably) carries with it organic, and even agrarian socialist connotations. It is also specifically egalitarian, based on the idea of 'sameness'. Moreover, it does not necessarily denote a specific spacio-temporal location: For instance, the ideas of 'the scientific community' or 'the cricket community' are not anchored around specific places, but instead around sets of ideas and forms of practice. In this sense they are

² In fact, the term 'community' had no place in the political rhetoric of the time. Writers used the term 'Common-Wealth' – as it appears, for example, in the work of Thomas Hobbes: 'The Second Part' of *Leviathan* being titled 'The Common-Wealth', The Third Part 'Of a Christian Common-Wealth', defined *against* The Fourth Part, 'Of the Kingdome of Darknesse' (Hobbes 1987, 87 ff). The idea of 'Common-Wealth' is far more holistic and metaphysical. The idea of 'community' in the modern sense is far closer to the idea of 'civil society' which, for modern writers is defined *against* the notions of both 'the state' and of 'the family', as is paradigmatically the case in Hegel's political philosophy (Hegel 1957).

thoroughly modern. They involve what Anthony Giddens calls the ‘time-space distancing’ (Giddens 1991, 14); an imagining of likeness *despite not* being in the same place. On the idea of ‘place’, Giddens (1991, 18-19) has observed that:

Place is best conceptualized by means of the idea of locale, which refers to the physical setting of social activity as situated geographically. In pre-modern societies, space and place largely coincide ... The advent of modernity increasingly tears space away from place by fostering relations between ‘absent’ others, locationally distant from any given situation of face-to-face interaction. In conditions of modernity, place becomes increasingly *phantasmagoric*: that is to say, locales are thoroughly penetrated by and shaped in terms of social influences quite distant from them. What structures the locale is not simply that which is present on the scene; the ‘visible form’ of the locale conceals the distanced relations which determine its nature.

This distinction between the modern and the early-modern becomes important when we come to consider the idea of civic virtue below. However, what ought to be clear at this stage is that Lyons’ idea of place-shaping is, to a certain extent, defined *against* the modern concept of community, both with its political connotations and (more prosaically) involving an early-modern (and perhaps even post-modern) emphasis on one’s immediate surrounds.

The second rhetorical trend that is found in Lyon’s prose quoted above, which is played out in his *Final Report*, is more directly related to the idea of civic virtue and ‘people shaping’. Lyons imagines for us that ‘local government was a collaborative venture involving royal officials, local notables, and the entire free (male) population of the shire, hundred or borough...’. As empirically questionable as this imagining might be, his emphasis on ‘local notables’ is important. These individuals (according to Lyons) were not royally appointed or even recognized; otherwise they would surely be ‘nobles’. It is Lyons’ identification of this group which of significance here. We are thus surely

entitled to ask: In what sense were they notable? Were they members of the local coven? Did they brew ale? Could they read? Obviously they are, in some sense, virtuous (in Lyons' contemporary imagining at least). But in what sense?

We are given clues as to not merely the ethical content of this virtue, but also to its political ramifications by examining what Lyons had to say about political theory. It is significant, given Lyons' manifest desire to be close to the English civic tradition, that he chooses as the central pivot into his potted foray into political theory the work, not of Sir Edmund Burke or John Stewart Mill, but instead Thomas Paine (Paine, as cited by Lyons, 2007, 51):

Great part of that order which reigns among mankind is not the effect of government. It has its origin in the principles of society and the natural constitution of man. It existed prior to government, and would exist if the formality of government was abolished.

After setting up this 'straw-man', Lyons (2007, 51) expands on it by noting that:

There is much truth in that statement – our ability to create and sustain social bonds, and to form communities of common interest does not depend on the formal institution of government ... But I would argue that there is value in government, as a device which allows us to frame and enforce rules and laws for behaviour, manage the provision of public services, redistribute resources, and manage frameworks for long-term economic, social and environmental sustainability.

The internal consistencies of this observation aside, Lyons then outlines the particular comparative advantages of local government on three fundamental grounds. First, 'by being close to local circumstances', local government can be more allocatively efficient; in this regard, Lyons specifically mentions John Stuart Mill as the scholar 'who first set out' arguments about 'economic

efficiency' in government. Second, local government has unique advantages with respect to public participation (i.e. 'local government should be the tier of government in which citizens can most easily get involved'). Finally, local government can act as an effective constraint on the power of central government. It is important to stress that Lyons does not deploy the standard argument that local authorities should have powers of their own, or that there exists a distinct separation of powers to guard against tyranny. Rather, he cites the Hayekian idea that 'competition between local governments for mobile citizens' provides a constraint on government's extending their power (Lyons 2007, 53)³.

In addition, Lyons asserts that 'powerful local self-government was seen as something that separated Britain from the rest of Europe, particularly France', quoting *The Times* of 1855 as noting that 'local self-government is the most distinctive peculiarity of our race and has mainly made England what she is, while the nations of continental Europe are still held in tutelage by their rulers' (Lyons 2007, 55).

At this stage, Lyons appears wedded to a particular model of local government: A liberal (but not libertarian), British (at least distinctly non-European) historically embedded tradition of local government. Where his arguments become more interesting, at least for our present purposes, resides in Lyons focus on local government's contributions to the idea of *individual liberty*. But Lyons struggles for a British example, adding the caveat that 'this is not an argument that has tended to have a great deal of support in British political discussions...'. While he does find (a somewhat obscure) home-grown anti-centralist, much more impressive for him is the work of de Tocqueville. In this regard, Lyons observes that 'his support for democracy was based on the principle that communities should be sovereign in decisions that affected only those within the community and did not impinge upon the freedom of others'. He then quotes directly from *Democracy in America*: '[de

³ Rather than Hayek, the real source of the proposition that actual and potential mobility of citizens may induce competition between local governments is Charles Tiebout (1956).

Tocqueville] saw municipal independence as “a natural consequence of the principle of the sovereignty of the people”. Using a second American example, he further observes that ‘Woodrow Wilson’s distinction between structures that have been invited to exist by central government, “like plants tended in a garden”, and “self-originated, self-constituted, self-confident, self-sustaining, veritable communities” is most significant’ (Lyons 2007, 53).

In these instances, Lyons is focusing on a strong self-governing principle. However, it is a mistake to confuse this with the idea of individual liberty. As Quentin Skinner has so cogently argued, the idea of self-government underwrote much of the rhetoric and indeed the action of the Huguenots, fleeing as they were from religious persecution. These groups were insistent upon the idea of self-government *against* the persecution of the Catholic Church in France; also in the name of a doctrinal (if evolving) religious belief of their own. Analogous societies in the United States were – as in fact they are today – essentially theocracies, with authority derived from an individual’s relationship with the written Word of God and mediated and guided (to a greater or lesser extent) by religious leaders, defined as those who were closer to The Word in their attempts to exemplify the life of Christ. In this sense they were essentially Calvinist and far from liberal⁴. As such they still were prone to the problem of what was later to be called ‘the tyranny of the majority’. While de Tocqueville (1956) in *Democracy in America* may have admired self-governing communities, it is nonetheless questionable to what extent they can be considered liberal communities.

We are thus claiming here that Lyons – in avertedly – does not ‘stick to the script’ in this regard and that it is a mistake to conflate an account of ‘the sovereign community’ with an account of ‘the sovereign individual’. However, there is nevertheless a model of the virtuous self embedded in his idea of an anti-centralist, self-governing community. It consists of an extremely strong individual, one who has more faith than others and one who thus appears

⁴ For an account of the history of the development of these ideas, see Skinner (1978, 189-284).

closer to God, one who is Messiah-like and as such can lead individuals, both in time and space, but also morally, once a 'New Eden' has been established.

In looking to the political theory of the United States for his account of individual liberty, Lyons has uncovered another 'strong individual' who embodies the idea of civic virtue far more recognizably than the Puritan leader sketched above. This individual has his home in the Republican tradition: As Gore Vidal (2003, 22) has pointed out, 'it is seldom noted that in 1776 every fourth Englishman was an American'. To return to the words of Thomas Paine in the quote used by Lyons as a 'straw-man' (above), Paine's words in this instance are perhaps as far distant from the tradition of common law and constitutional monarchy as existed in the English language at the time. Paine's sentiment is specifically against monarchical authority in both the American Colonies and France; it has its basis thoroughly in Rousseau, but is far less romantic. Indeed it is libertarian. However, above all, it is a Republican sentiment⁵.

Of course, English Republicanism has a complex intellectual and political history in its own right. The work of Quentin Skinner, J.G.A Pocock and many others has served as a useful corrective to dominant ideas concerning the idiosyncratic nature of English liberalism for some years now (see, in particular, Skinner 1998, ix-xiv). This is not, however, the tradition that Lyons seeks for his place-shaping agenda – at least consciously. Lyons would rather stay on the safer ground of J.S. Mill and rational utilitarianism. But republican

⁵ Before going on to discuss the work of Machiavelli, it is worth mentioning that Rousseau was to independently arriving at the same conclusion as Machiavelli on the best form of government. As Maurice Cranston has noted: 'In the *Social Contract*, however, his attitude [to Christianity] is very much closer to that of Machiavelli than it is to that of Locke. What the state needs, Rousseau says in his chapter on the civil religion, is a religion subordinate to the state and designed to teach patriotic, civic and martial virtues. And Christianity, he says, quite as boldly as Machiavelli, is no good for this purpose; it teaches men to love the kingdom of heaven instead of their own republic on earth, and teaches them to suffer but not to fight ... Rousseau is perfectly consistent in proposing, with Machiavelli, some kind of neo-pagan cult to match the needs of the state (Cranston 1968, 40).

ethics do (we have argued here) sneak in to Lyons' *Final Report*; and with republicanism comes the concept of civic virtue.

If it is thus not witchcraft, the ability to brew beer or the ability to read, what exactly does the idea of civic virtue entail? The short answer to this question is that it depends upon whose Republic one is talking about. However, it is possible to generalize. At first glance, it may seem that the idea of civic virtue is a relatively innocuous concept and simply embodies something about 'being good in the public sphere'. However, an important caveat must immediately be added about the notion of civic virtue is a cautionary note (Burchall 1994, 20-21):

The virtuous citizen was not simply a community minded exemplary figure, busily engaging in various self help and issue groups as the more starry eyed proponents of the community politics ideal sometimes imagine. First and foremost he (and it was necessarily a he) was a property-owning, citizen warrior.

Indeed, *this* is the kind of person that would have featured heavily in the romanticized history of 'Old England', which Lyons invents for himself: These were the notables in the fable. The point here is not merely theoretical. A particular theory of politics – if it is any good – rests upon many assumptions, some explicit, others not. These assumptions concern human nature, the nature of time, our relationship with the Divine and so forth. Once we enact legislation on the basis that it promotes a particular ideal (for instance, in the present context, the devolution of fiscal responsibility to local government in Britain *based on particular assumptions*) there may well be 'hangovers' which may, with the passing of time, seem puzzling. The most relevant example of this is the 'right to bear arms' apparently enshrined in the Constitution of the United States⁶. In what follows, then, we want to provide a 'stylized account' of

⁶ It made sense in Republican Florence of the seventeenth century that citizens were armed against military incursions from other city states (the armies of which were primarily mercenary). It made sense, as well, to the religious communities in the United States which,

the main tenants of republican civic virtue based on the concepts of [i] reason; [ii] the self and [iii] power (derived from the typology provided by O’Sullivan (1993)) before returning to examine the implications of this for the ‘place-shaping’ agenda in contemporary local government. It is through a consideration of this that we arrive at a more substantive account of the kind of person that Lyon’s is attempting to ‘shape’ – and the potential consequences for local government policy.

With respect to the idea of *reason*, we ought to be aware that the notion of civic virtue that Lyons draws on is not based on a linear, scientific rationality in a modern sense. Life is *calculable*, but not infinitesimally so. It is *fortuna* in the Machiavellian sense which makes this the case. Although we can plan, according to the republican tradition *fortuna* always plays its hand. This is not merely a matter of taking into account contingencies, but also recognizing that the elimination of risk (in the modern sense) cannot in fact be achieved. As Giddens’ has observed (1991, 111):

It is central to modernity that risk can in principle be assessed in terms of generalisable knowledge about potential dangers – an outlook in which notions of *fortuna* mostly survive as marginal forms of superstition. Where risk is *known* to be risk, it is experienced differently from circumstances in which notions of *fortuna* prevail.

Precisely where risks are greatest – either in terms of the perceived probability that an unwelcome happening will occur or in terms of the devastating consequences that ensue if the event goes awry – that *fortuna* tends to return.

It important to stress that while the world of Machiavelli was thoroughly Christian, *fortuna* is just as much a thoroughly pre-Christian idea. We do not

after having the life pressed out of them on the continent of Europe, had, with the development of their religious doctrine, the right and indeed the duty to rebel against a leader or state which was not following Divine Will (Skinner 1978, 189 ff.).

simply appeal to the Heavens and ask why our Lord has forsaken us; we also recognize that there are many powers beyond our own. Most obviously this is the way that financial markets work, but it is also how investment is commonly conceptualized (Giddens 1991, 24-29).

If the notion of reason in a modern sense is challenged by the underlying, pre-Christian cosmology of reason entailed in the idea of civic virtue, what happens at the level of ethics; at the level of the self? At a fundamental level, reason is not defined against the idea of un-reason or passion; rather it is reconciled with it. The distinction between the public (rational) sphere and the private (passionate) sphere is altered. J.G.A. Pocock, commenting on the Florentine concept of virtue and the Atlantic Republican tradition, put it this way (1975, 472 (emphasis added)):

It is a Machiavellian Virtu`, in the sense that the civic does not always accord with personal morality, but it is a real and classical virtue nonetheless ... the passions now appear as the pursuits of private and particular goods ... virtue is the passion for pursuing the public good, with which the lesser passions may compete, *but into which they may equally be transformed* ... it is also a device for bringing men out of the cave into the sunlight, from a realm of fantasy into reality.

This is not merely saying that private interests become public in the sense that these interests are brought into the public sphere for deliberation and assessment in the face of other, competing interests. This conceptualization in itself presupposes an instrumental or rational state. The idea of virtue that we are attempting to explicate never presupposes such a state. In this sense it is not modern; it has not made what Skinner (1978, ix-x) calls 'the decisive shift':

The decisive shift was made from the idea of the ruler 'maintaining his state' – where this simply meant upholding his own position – to the idea that there is a separate legal and constitutional order, that of the State, which a ruler has a duty to maintain. One effect of this

transformation was that the power of the state, not that of the ruler, came to be envisaged as the as the basis of government. And this in turn enabled the State to be conceptualized in distinctly modern terms – as the sole source of law and the legitimate force within its own territory, and as the sole appropriate object of its citizens’ allegiances⁷.

This explains why corruption in any Republican context – the Roman, the Florentine or indeed in the United States – is systemic to the form of government itself. The ‘Founding Fathers’ of the American Constitution certainly knew what Republican civic virtue was, To have one’s own house in order well enough to amass enough wealth to go and ‘play politics’. Moreover, it was the virtues of patriotism and martial competence in which they were most interested. Most obviously this is reflected in the respective terms of office for the Senate, the Presidency and the House of Representatives. The Christian trinity of virtues of faith, hope and charity are in this sense marginalized. The ‘Founding Fathers’ also knew that to enshrine the concept of civic virtue in the Constitution meant that the ‘private’ interests of the virtuous were always going to be public and as such they moved to guard against this specifically Republican manifestation of corruption via the checks and balances they installed. It is in this sense that virtue ethics stand at the forefront of a republican concept of politics. It is in this sense also that the environment the Americans found themselves in was not unlike the one that Lyons imagines for us (Bailyn 1967, 162-164):

But the colonists, reproducing English institutions in miniature, had been led by force of circumstance to move in the opposite direction. Starting with seventeenth century assumptions, out of necessity they drifted backward, as it were, toward the medieval forms of attorneyship in representation. Their surroundings had re-created to a significant extent the conditions that had shaped the earlier experiences of the English people. The colonial towns and counties, like their medieval

⁷ Skinner (1978) noted that in this regard that he followed Max Weber’s classic formulation of *types* of authority.

counterparts, were largely autonomous, and they stood to lose more than they were likely to gain from a loose acquiescence in the action of central government. More often than not they felt themselves to be the benefactors rather than the beneficiaries of central government, provincial or imperial; and when they sought favours from higher authorities they sought local and particular – in effect private – favours.

The obvious objection to this discussion in this context is that it is simply ‘too long a bow to draw’ when considering something as plainly instrumental as local government reform. Furthermore, it might be contended that Sir Michael Lyons was only really mentioning history and political theory as a broad backdrop to his substantive proposals and that it is thus pedantic at the least, and probably absurd, to extrapolate from his brief musings on these issues to the substantive reforms proposed in his Inquiry. We think not. Accordingly, in the next section of the paper, we re-examine the content of the place-shaping agenda in light of our discussion of civic virtue and argue that there are important echoes of the republican concept of civic virtue in both the substantive and rhetorical reforms recommended in the *Final Report*.

Civic Virtue in the Place-Shaping Agenda

In re-visiting the content of place-shaping – both substantive and rhetorical – given our previous discussion of civic virtue, we leave ourselves open to the perennial (and often justified) charge that social scientists will always find what they seek, and that in such a complex, multi-variable empirical environment as the place-shaping in local government it is easy to avoid counter-examples in favour of reconciling empirical reality with theory. We also leave ourselves open to the related charge that there is a certain degree of circularity in our approach, that is, in setting out the content of the idea of civic virtue as we have done, we have designed our own ‘straw-man’. Merely outlining these reservations is in itself an important methodological admission, and while a formal consideration of these objections obviously lies beyond the

scope of this paper, some of these concerns are nevertheless briefly considered below.

Staying with the taxonomy borrowed from O'Sullivan in the consideration of civic virtue, our first concerns are organized around the concept of *reason*. At an intuitive level, this is the category where the idea of civic virtue and its associated cosmology make least sense. Sir Michael is hardly recommending the abolition of 'rational-legal accounting' and a lack of transparency. Indeed, Lyons' is adamant that the future of places needs to be re-conceptualized and 'owned' much further into the future ('ten or twenty years time') than is currently the case. Furthermore, his *Final Report* dedicates four chapters to funding restructuring in line with his initial remit as addressed in the *Consultation Paper and Interim Report* (Lyons 2005).

However, as we have argued above, there are important echoes of republican cosmology (central to the operation of the idea of civic virtue) implicit in the place-shaping agenda. The most significant of these is the emphasis of the importance on 'place' itself. Within Lyons' rhetoric, this justification is based on the 'stylized fact' that many individuals leave their immediate local government areas to work, and the *theory* that it would be more efficient if they stayed put to work. Here Giddens' discussion of modernity and the concept of 'place' are instructive. Indeed, it is by no means coincidental that a significant, *aspirational* element of modernity has been associated with movement and economic gain from this movement. Recent work on the philosophy of travel (see, for instance, de Bottom 2003) suggests that it is a much more complex issue than this, at the levels of phenomenology and ethics as well as political economy.

While Giddens offers us an *analysis* of this situation, Lyons' *advocacy* of it has some unusual bedfellows from the post-modern quarter. In her seminal 1990 text *Justice and the Politics of Difference*, where she attacks the idea of equality due to it being based on 'logic of identity' reasoning, Iris Marion Young posits an ideal of political life, which she terms 'the City Life and

Difference'. According to Young, this political ideal is based on four principles, which coincide with 'difference' politics, [i] social differentiation without exclusion; [ii] variety (which refers to the functional differentiation of city spaces; [iii] eroticism (directed at toward experiencing 'the other' as irreducible complexity); and [iv] publicity, which is underlain by the ideas of diversity and heterogeneity (Young 1990, 236-241). Young expands on this view at some length. Her political ideal is 'Boston, San Francisco or New York'; also 'where 10,000 or 20,000 people live'; 'sampling the fare at the best ethnic restaurants'; public places of entertainment, consumption and politics', etc. (Young 1990, 317-318). This conforms very much to the iconography of Lyons' place-shaping agenda and the subsequent endorsement of it by important peak organizations (see, for example, CBI & LGA 2006).

Where the idea of civic virtue has its most powerful influence is in Lyons' emphasis on leadership in the place-shaping agenda. In the *Final Report*, alongside the recommendations of fiscal devolution, Lyons' adds taxonomic delineations to the kinds of leadership that are required of the place-shaping agenda; listing ten 'political leadership behaviours that support effective place-shaping'; emphasizing a balance between political and managerial leadership (by listing eight 'behaviours [of managerial leadership] that support effective place-shaping'); and listing and describing other important skills of local leaders, such as 'convening', 'leading neighbourhoods and parishes' and 'building leadership capacity' (Lyons 2007, 178-186). This emphasis on leadership is reiterated by the British government in its 'Introduction' to the *White Paper* when it states that 'leadership is the single most significant driver of change and improvement in local authorities'. (Communities and Local Government 2006, 3). In addition, Lyons himself endorses the extraordinary example of Staffordshire County Council's Local Members Initiative Scheme (LMIS), where each of the county councillors are given a maximum of £10,000, which is specifically earmarked 'for the promotion of well-being of those people who live in that part of the county' (Lyons 2007, 192). Indeed, within the *Final Report*, the section dealing with 'the democratic framework' is mentioned almost as a coda to leadership concerns, with Lyons favouring 'all

out' local elections (Lyons 2007, 188). While there are gestures to pluralism and accountability, the emphasis on leadership is over-riding.

It is in light of this consideration that we ought to view the playing out of the place-shaping agenda in the sphere of politics (or what we, following O'Sullivan, denote as the realm of 'power'). Place-shaping involves an important re-emphasis on the idea of leadership with (as we have argued above) an identifiable ethical content. In our concluding remarks set out below we make some observations in this regard.

Concluding Remarks

This paper has considered the concept of place-shaping developed in the Lyons Inquiry in both its substantive and rhetorical forms. We have argued that the rhetorical features of the place-shaping agenda prescribe an ethical and in fact moral concept of the self that Sir Michael Lyons in avowedly inherits from his reading of political theory; a self that is best characterized as embodying civic virtues in the republican sense. Moreover, we argue further that this self is embedded in concepts of reason and politics that underlie much of the substantive recommendations of Sir Michael's work. While Sir Michael may seek to 'shape places' by 'shaping people', our analysis has suggested that there is room for some circumspection in this regard. In particular, the emphasis on the idea of leadership leads us to pose two main questions, Is Sir Michael's (ethical) prescription of virtue available to us all? The answer to this question has to be a resounding 'no'. While in one sense Lyons' argument – roundly endorsed by both government and other interested parties – is a general ethical prescription for all to be involved in local government, in unpacking the content of civic virtue, as we have done, it is clear that this 'virtuous self' was historically a pursuit of the privileged few. There is no reason to suggest that this will change significantly in the foreseeable future, Constraints of time, income, education and so forth limit individuals' commitment to 'agenda-setting' in local government. We ought to be aware as well that Lyons' prescription of what amounts to charismatic

authority as the basis of decision-making in the sphere of local government implies a scaling back of accountability and transparency. Given this, 'place-shaping' will thus 'shape' only a few people. But it will give added legitimacy to those who drive decision making at a local level.

The second question may be framed as follows, If the 'place-shaping' agenda is accepted, what rewards for our civic leaders are implied and will they be adequate? If the place-shaping agenda is suggesting that the reward of public service is in itself sufficient, then there is room for caution. In the modern idiom, we might define this threat in terms of 'rent-seeking' as automatically as Machiavelli or the 'Founding Fathers' called it corruption. But this is what the blurring of private and public interests has inevitably induced historically.

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