Understanding the Dynamics of Welfare Policy: Public Management Reform, Social Change and the UK Housing Sector

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Abstract

Welfare reform constitutes a key priority for a large number of governments with three main influences affecting contemporary policies. First, centre-right politicians and media institutions have proved highly effective in mobilising a normative argument that governments should reduce welfare dependency. A second feature is that, following the global financial crisis of 2007/8, the radical reduction of public spending is a precondition for economic recovery. A dominance of partnership and participation in service delivery, forms a third strand, one which has been widely embraced by practitioners. Each of these factors has generated different responses from policy-makers. Given this context, what explanations can be given for the emerging forms of social welfare provision? Despite a variety of interpretations, offered by scholars, such as regime theory, institutionalism or networked governance, there remains limited understanding of either the dynamics of social change or the reasons behind widespread policy failure within the sector. In contrast, this paper argues that public management reform can best be analysed by insights provided by a ‘grid-group’ cultural lens which is here applied to an analysis of the UK housing sector. Two central arguments are advanced: first that, despite (or perhaps because of) an individualistic ethos, contemporary public management reforms have tended to reinforce hierarchy within welfare institutions. Second, despite the rhetoric of empowerment, a commitment to austerity has exacerbated social disadvantage and both generated and reinforced fatalist responses (amongst both front-line staff and customers).

The paper considers the relative lack of detailed empirical application of cultural theory and addresses the criticism that it provides an over-simplistic interpretation of social life which has generally been of marginal importance in public administration studies. It identifies some unanswered questions: What are the most effective structures for modern welfare services? How should governments respond to an environment of radical austerity and increasing public hostility to public spending? The final part of the paper considers future directions for research such as: a wider comparative application of cultural theory; studying the impact of institutional change in the welfare state and considering experiences of user groups and practitioners. Whilst the focus of the paper is on the UK social housing sector, the methodology can be extended to consider public sector reform throughout developed economies.

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Introduction

Welfare reform has assumed primary importance for modern governments and despite widening inequality, public attitudes towards welfare recipients have noticeably hardened (Taylor-Gooby, 2013, p.31). Following its Labour predecessor, the 2010 UK government placed considerable emphasis on the modernization of the welfare state, US governments have attempted to control public spending through welfare restrictions and a large number of European countries have responded to financial constraints by applying austerity policies which placed welfare cuts as the first and most obvious target (Farnsworth and Irving, 2011; Wilson, 2012). However, justifications for these reforms have tended to be presented as a result of economic necessity rather than ideological preference. In order to understand the rationale for, processes of and outcomes of welfare policy a wider context for reform is needed, within which financial restrictions only represent one element in a complex set of issues, justifications and ideological beliefs.

The main aim of this paper is therefore to consider both the justifications for and impacts of contemporary welfare reform through focusing on one (largely neglected) sector, that of UK housing. In focusing on this sector, the paper uses the lens of ‘grid-group’ cultural theory, adopted from the work of Douglas (1982), via Durkheim (1951) and applied to contemporary public policy through the work of Thompson, Ellis and Wildavsky (1990), Stoker (2002; 2004) and Perry 6 (2013) amongst others. In using this approach the paper attempts to overcome largely static accounts of existing public policy (through for example regime theory, rational choice, institutionalism and network governance). The application of grid-group theory thus represents a dynamic account of welfare reform and is able to offer a range of explanations for policy failure and unintended consequences of policy (Margetts, 6 and Hood, 2010).

What explanations can then be given for the significant priority awarded to welfare reform by modern governments? Three main justifications can be identified for modern welfare reform, which are characterised as economic, normative and managerial rationalities.

Overwhelmingly, contemporary welfare reform is presented in economic terms, seeing the welfare state as a fundamental impediment to fiscal growth and financial recovery. The austerity strategies implemented across a large number of countries are therefore viewed as both necessary and desirable to reduce welfare expenditure as a burden on public debt and offering opportunities to individuals to realize their economic potential through work-related programmes (strongly advocated in the UK by Gordon Brown in his period as Chancellor of the Exchequer from 1997 to 2007). This justification explains why welfare
services have been the first target for expenditure reductions in so many countries at a time of austerity. Not only is reduced spending an unfortunate consequence of the global financial crisis (GFC) of 2008, but an essential measure which provides the engine for growth and exit from recession. This approach has the additional benefit of providing a foundation for self-realisation and financial independence.

Linked to this argument, a second normative justification relates to an argument that reliance on state welfare provision has resulted in a largely dependent relationship between the individual and the state. According to this perspective, rather than offering a solution to social problems, such as poverty and worklessness, the provision of welfare is itself a major cause of the very same problems. Hence, welfare has provided a disincentive to work, encouraged the growth of an urban underclass and enabled a significant minority of the population to remain as (ever-increasing) burdens on state services (Murray, 1990). Within this context and linked to what can be seen as ‘normativities of place’ (Smith, 2007, p. 8) social housing is seen as a particular problem, where dependency is seen as an endemic moral problem, exacerbated by profligate welfare provision; the solution should therefore be urgent and radical reform to encourage responsibility (Dwelly, 2006).

The third commonly applied explanation relates to the managerial imperative of improving service delivery. A widespread criticism of modern state welfare is that (sometimes attributed to the influence of Fabianism) it has become heavily over-bureaucratised, paternalistic, uniform and standardized (see for example Norman, 2007, p.84). Moreover, inefficiencies resulting from ‘producer capture’ can be removed through the application of marketisation and new public management principles of competition, disaggregation and incentivisation (Dunleavy and Hood, 1994), combined with attempts to reduce bureaucracy through the establishment of localised service-delivery systems. Hence, partnership and user involvement have been offered as solutions to centralized delivery systems through the introduction of neighbourhood-level service delivery to provide ‘joined-up government’, community-based services and to facilitate resident control over decision-making (Taylor, 2011). These localized and participatory models have been both widely applied and strongly supported by policy-makers and practitioners within the housing sector.

Given this rapidly changing context, what explanations can be given for emerging models of welfare provision and what effect have they had on service delivery, management and administration? In order to answer these questions the paper provides a closer analysis of
housing policy change. Before looking at this case study however, the paper outlines the theoretical framework used to inform this analysis.

*Theoretical Framework: Neo-Durkeimian Institutional Theory*

Explanations of modern governance have produced an eclectic range of theoretical models. The adoption of complex systems of service delivery, reduced dependence on centralized state welfare institutions, the adoption of partnership approaches and the emergence of collaborative forms of governance have resulted in varied analyses. Thus, regime theory has been extensively applied to examine how interest groups, coalitions of interest and widespread bargaining and negotiation form an essential feature of the policy process (Stone, 1989). Similarly, new institutionalism offers a convincing analysis of how the ‘formal and informal rules of the game’ of public policy reflect increasingly diverse and complex structures for decision-making and service delivery (Lowndes and Roberts, 2013). Moreover, network governance can explain how ‘state-centric’ models have been replaced by local level bargaining and negotiation between fluctuating coalitions, functioning through ‘interest’ or ‘issue’ networks (Rhodes, 1997; Reid, 1995).

The strength of all of these accounts is that offer explanations of how previously hierarchical systems of central and local-level governance have been replaced by a more pluralist institutional environment, where public, private and voluntary sector agencies form coalitions of interests to deliver public policy outcomes. However, these explanations are limited in that they offer relatively static accounts of social change (John, 2010, p.181) and are less successful in accounting for the dynamism of public policy, continuing conflict between actors and the interdependence of structure, agency and ideas (see for example Davies, 2011; Bevir, 2013). In addition the assumption that contemporary governance can be represented as a straightforward change from centralism to localism is over-simplistic and fails to explain the persistence of other mechanisms, such as hierarchy (Entwistle, 2010).

How then can the dynamism of modern welfare policy best be captured? Neo-Durkeimian theory provides a possible explanation of these processes. Sometimes referred to as ‘grid-group cultural theory’ this approach represents social life as engaged in a continual struggle between social regulation, ranking and stratification on the one hand (described as a ‘grid’ dimension) and social integration or ‘the extent to which an overriding commitment to a social unit constrains the thoughts and actions of individuals’ (Verveij et. al., 2006, p.819) – the group dimension - on the other.
Cultural theory argues that these two dimensions generate four main cultural biases or preferences, namely: hierarchy, individualism, egalitarianism or fatalism. Importantly, these forms represent ideal types, which are both interdependent and antagonistic (Douglas, 1996, p.42). At the same time there can be no single dominant cultural bias:

Were individualists ever to rid the world of hierarchy, there would be no extra-market authority to enforce the laws of contract, thus producing a breakdown of the individualists way of life (Thompson et al, 1990, p.4).

In similar ways egalitarians (and others) are dependent on fatalists to demonstrate the inequities of policy. However, fatalism occupies a unique position, demonstrating an ability to draw upon and sustain itself (Verweij et. al, 2006, p.25), with reform presented as a reaction against an unsatisfactory status quo (Hood, 2000, p.11). Thus

All marginal groups, whether the poor, the underclass, the homeless, or the proletariat, are vitally important in the contest between rival cultures. If the poor lack the talent, industriousness, or character possessed by the more successful members of society, the successful entrepreneur can justify his own position and the system that placed him at its apex. If these groups are systematically oppressed by the dominant groups, they stand as a permanent indictment of the injustice of the current regime. The meaning of the downtrodden’s experience is thus contested and constructed by others in order to advance their preferred ways of life (Ellis, 1994, p. 119).

The four preferences are thus ‘inherently relational’ (Elster; Thompson, Grenstad and Selle, 1999, p.12) and ‘social situations typically comprise several antagonistic groups of actors adhering to rivaling ways of organizing and perceiving’ (Verweij, 2006, p.4), with each possessing distinctive weaknesses or ‘Achilles Heels’ (Hood, 2000, p.28) as well as core strengths. Rationality is thus both pluralized and bounded (Swedlow, 2011 p.703) and the four organizational principles can result in an ‘endlessly changing, infinitely varied and complex social world’ (Verweij et.al., 2006, p.820). The main benefit of cultural theory is therefore that it provides an analysis wherein the fluidity of discourses results in a policy process characterized by endemic conflict and a plurality of responses.

Cultural theory has been criticized on the basis of excessive simplification and a lack of empirical application (Sabatier, 1999), but as will be shown there is an increasingly influential range of applications of this approach and the categorisations offered are intended to account for dynamism and complexity rather than an idealized model of social life. A recent development has been to consider the relational character of the different cultural biases as leading to ‘clumsy institutions’ and ‘clumsy solutions’ applied to depict complex policy problems, consisting of creative and flexible combinations of the various
ways of organizing, perceiving and justifying social relations (Verveij et al., 2006, p.818). The concept of clumsiness attempts to account for the difficulties of democratic deliberation with clumsy institutions seen as those wherein ‘contestation is harnessed to constructive, if noisy argumentation’ (Verveij et al., 2006, p.839).

Although arguments over welfare policy can represent struggles between the different categories identified by cultural theorists there has been a marked absence of application of cultural theory to housing policy (for exceptions see Jensen, 1998, 1999; 6, 1998; Manzi, 2007). Hierarchists tend to argue for an interventionist welfare state, egalitarians mobilize for collective structures of provision with limited central interference, individualists will argue that welfare can best be delivered through self-help, whilst fatalists will remain indifferent to government intervention on the basis that ‘it makes no difference who is in power’. In order to develop the central argument that welfare reform has emerged from an inaccurate and misleading interpretation of the role of the state the next section considers how contemporary housing policy has been shaped by a limited and simplistic set of discourses.

The Reform of UK Housing Policy

Compared to initiatives introduced in health, education or even social care, there has been minimal theoretical discussion of the impact of what have been widely seen as genuinely radical reforms, depicted as marking the ‘end of social housing’ (King, 2006; Inside Housing, 19 October, 2010). Whilst some of these claims are an inevitable consequence of political rhetoric, perennial attempts to ‘modernise’ the sector form part of a much longer process of the restructuring of state welfare (Malpass and Victory, 2010). Notwithstanding this context, it seems clear that (at least in the UK) 2010 marked a watershed for the social housing sector, which has undergone significant change since the election of a coalition government, including its reconfiguration as an ‘affordable’ rather than ‘social’ housing sector, increasingly stringent restrictions on eligibility, an end to security of tenure and a progressive reliance upon provision through the private sector. What lies behind these changes and what are their longer-term implications?

Housing has generally occupied a peculiar and somewhat contradictory position within the UK welfare state. Whilst typically treated as a commodity and subject to market forces (implying a bias towards individualism), at the same time the fact of ‘shared residence’ contains strong communal (or group) associations (Somerville, p.186). Moreover, housing policy has been represented as being dominated by hierarchical institutions, whilst a fatalist
cultural bias represents an increasingly influential discourse, deployed as justification for a punitive welfare regime.

Sometimes seen as the ‘wobbly pillar of the welfare state’ (Malpass, 2003) housing provides an arena subject to contestation, conflict and competing preferences surrounding: levels of commodification and decommodification; the role of the state and resources; institutional design and organizational structures and resident involvement in decision-making. Influenced by both ideological and pragmatic considerations, such arguments encapsulate many the central arguments in the contemporary welfare state. In order to understand the development of UK housing policy and how the reform agenda was shaped, some historical context is needed to explain how the different cultural biases influenced the policy process. A commonplace explanation is that housing policy has seen a dramatic shift from hierarchy (bureaucratic service provision) towards individualism (a pluralistic and diverse, entrepreneurial sector). Thus housing policy has been variously characterized as fundamentally neo-liberal (Glynn, 2009; Mooney and Poole, 2005), driven by an explicit privatization agenda (Ginsburg, 2005; Hodgkinson, 2011) and dominated by class-based interests (Allen, 2008; Watt, 2008). However, as has also been argued (Murie, 2012) - and as grid-group theory would predict - the process is more complex with housing policy ‘adopting a compromise mix of market liberalism and paternalism’ (p.481). As a consequence, ‘the legacy of a distinctive history of state intervention remains although it was weakened’ (Murie, 2012, p.482). How can this analysis inform the contemporary housing reform process (and by implication wider welfare and public policy more generally)? Reform is best understood by analyzing its underlying rationale and as (Hood, 2000) argues

We tend to formulate ideas about reform through a process of reaction against what we see as an unsatisfactory status quo, rather than beginning a process of institutional design from a genuinely zero base (p.11)

The following section therefore aims to demonstrate how housing and welfare policies have been shaped by an analysis informed by a limited and specific set of judgments and preferences.

The legacy of post war paternalism

The history of UK housing provision has been widely seen as a narrative largely dependent on the development of local authority programmes. In contrast to other European societies the UK placed particular faith in the ability of local authorities to design, develop, manage and maintain properties. For writers such as Ravetz (2001), council housing ‘embodied a
core belief in society: complete trust in the power of ideal environments to bring about not only material but social reform’ (p.4). This was the result of a fusion of two elements: ‘white hot anger’ about impact of poverty and social conditions and ‘rich varieties of utopianism expressed in communitarian experiments, cooperatives and certain aesthetic movements’ (ibid).

Whilst egalitarian principles informed much early housing policy, its implementation was dominated by hierarchical assumptions. At the heart of Victorian and Edwardian philanthropy then ‘was an unquestioned assumption of the moral superiority of the upper classes and their inalienable right to supervise the lives of the poor, who were expected, at best, to be docile if ignorant, but at worst to be “vicious”’ (Ravetz, 2001, p.13). Hence:

The Fabian commitment to massive state-directed reconstruction, based on rational planning conducted by technical experts, was matched by design professions possessed of utopian visions of a new society attainable through the application of their scientific expertise and artistic flair (Cole and Furbey, 1994, p.106).

The development of a large publicly subsidized housing sector formed an ambitious programme, implemented as part of the UK post-war welfare state. As one of Beveridge’s Five Giants (i.e. squalor) governments were committed to achieving high quality, local authority accommodation in large quantities in order to transform urban areas, which had suffered from historical poor (slum) conditions, exacerbated by extensive bombing damage during the war (Timmins, 2001). As Stoker (2004) suggests:

The assumption was that what was required was largely known, it was to build better schools, housing, and roads, and provide better welfare and that we could rely on and expect officers and politicians to define what was precisely needed (p.12)

As a consequence, local authorities undertook extensive housebuilding initiatives in order to reduce inner-city densities, clear slums and encourage dispersal to New Towns. By 1979, 5 million properties had been built, comprising 29 per cent of Britain’s total housing stock (ODPM, 2003, cited in Ball and Maginn, 2005, p.11).

However, the hierarchical assumptions behind the post-war housing programme began to unravel when confronted by the realities of complex and entrenched social problems. The ‘coercive’ slum clearance programme (Dunleavy, 1981, p.28) was extensively criticized for its lack of humanity, combining demolition of good quality housing, uprooting of settled communities and lack of investment in new infrastructure. What was subsequently described as the ‘mass housing disaster’ (Holmes, 2006, p.32) constituted a ‘drama of optimism turning into arrogance and ending in disaster’ (Nuttgens, 1989, p.95). As Dunleavy
(1981) has commented the ‘technological shortcut to social change’ (p.193) was a central factor in the ‘crisis of legitimation’ for local authority landlords (p.242). Subsequent housing studies highlighted problems associated with a poorly designed (Coleman, 1990), poorly managed (Power, 1987) and inadequately maintained (Audit Commission, 1986) housing stock with local authorities responsible for highly discriminatory processes (Henderson and Karn, 1987). The emergence of ‘a form of public landlordism’ (Cole and Furbey, 1994, p.118) epitomised the supposed failure of hierarchical structures, which allocated housing, managed property and maintained stock condition according to uniform and standardized processes, paying little or no attention to personal preferences or to the social impacts of these programmes. As Le Grand (2006) sees it the welfare state was originally designed with recipients seen as ‘pawns’ and professionals as ‘knights’; this began to change as professionals were perceived as behaving as ‘knaves’.

By the early 1970s councils were described as manipulating communities both politically and economically through housing and planning policies rather than acting in their interests (Dennis, 1972) with the post-war high-rise boom described as the ‘ultimate episode of Utopianism in British council housing’ (Ravetz, 2001, p.104). The ‘problematic legacies of post-war paternalistic municipalism’ (Dillon and Fanning, 2011, p.35) were thus wide-ranging and significant.

Although such criticisms had considerable validity, they somewhat overplayed the emphasis given to state hierarchical institutional forms. Even at the zenith of the post-war welfare policy state subsidies had been primarily allocated for the benefit of private developers and housing policy has long been subservient to private sector interests (Cole and Furbey, 1994, p.4). Moreover, originally designed to house a skilled working class housing has never been seen as a universal welfare service. As the ‘wobbly pillar of the welfare state’ and it is deeply inaccurate to assume that it was ever fully part of a hierarchical and monopolistic public sector. In contrast an individualistic bias has been a constant theme of governmental policy – encouraging owner-occupation, promoting private sector development and prioritizing individual choice. These ideas did not originate in the Thatcherite Conservative years.

Nevertheless, criticisms of hierarchical, bureaucratic and impersonal public sector institutions have formed an ongoing refrain from politicians, professionals and user groups and have dominated the reform agenda. Thus Cameron developed policy based on the premise that ‘centralisation has failed’ (CLG, 2010, p.4) and that ‘it was more government that got us into this mess’ (Cameron, 2009b), with previous attempts at reforming the social
housing sector seen as continually frustrated by bureaucratic resistance, professional self-interest and institutional stasis.

*Collectivism in housing: Partnership and participation*

Following the widespread disenchantment with local authority housing and planning policy ‘the bulldozer gave way to gentrification, public sector piecemeal house purchase and rehabilitation and grant-led improvement for low-income private housing’ (Ball and Maginn, 2005, p.12). This policy change was not simply due to public opposition to hierarchy but was exacerbated by public sector resource pressures. The ‘rediscovery’ of the inner city was therefore aimed at dealing with problems where they existed rather than aiming to move populations to suburban areas (also influenced by popular opposition to continual suburban development) (*ibid.*).

The growth of a substantial voluntary housing sector can therefore be traced to the mid-1970s when the Housing Act 1974 allocated significant central funding (through a centrally-established Housing Corporation) and many of the largest registered providers emerged in this period (led by idealistic figures aiming to alleviate inner-city problems through small-scale voluntary interventions, rather than municipal solutions) (Malpass, 2000). The roots of an egalitarian housing agenda can therefore be traced to this period when voluntary sector providers used self-help strategies to improve housing conditions.

Campaigning organisations viewed the solution to the housing problem as lying in locally-based, small-scale interventions aimed at piecemeal change, rather than comprehensive redevelopment strategies. This solution became increasingly attractive to governments in the 1970s keen to achieve public sector budget reductions. The result was therefore to radically restrict subsidies, to curtail local authority building schemes and to call a halt to ambitious slum-clearance, redevelopment and high-density housing estates.

Whilst these initiatives were promoted as providing more responsive and resident-oriented housing policies, due to significant reductions in public funding, they were far less effective at meeting housing need than the more hierarchical local authority building programmes (Merrett, 1979; Mullins and Murie, 2006, p.33). At the same time housing associations effectively became instruments of government housing policy incorporated into the public sector’ (Malpass, 1990, p. 179), due to their reliance on government funding and central control through the Housing Corporation.
Nevertheless, an egalitarian influence was highly influential in the attention devoted to public consultation and (later) participation initiatives. The influence of voluntary agencies such as Priority Estates Project (established in 1980) advocated collective and locally-based responses that would facilitate the empowerment of resident groups (Power and Tunstall, 1995). By the 1990s these practices formed the orthodoxy within contemporary housing organizations (in theory if not in practice) albeit resisted by more ‘traditional’ local authorities which valued professional expertise over consultation and involvement (Cairncross, Clapham and Goodlad, 1997). The ‘turn to the community’ (Imrie and Raco, 2003, pp.6-7) under the New Labour administrations and the 2010 coalition government’s embrace of localism were attempts to promote more collective and less regulated housing policy initiatives as a response to the perceived failures of hierarchy.

**Neoliberalism and the entrepreneurial ethos**

An alternative response to the perceived failure of hierarchical housing policy was a more individualist approach to housing interventions which became increasingly prominent within neo-liberal thinking of the late 1970, influenced by Hayek (1960) and promoted by the Institute of Economic Affairs. Consequently ideas advocating self-help, withdrawal of public subsidy, privatization and the extension of market-based mechanisms began to permeate Conservative thinking in the late 1970s as dissatisfaction with public sector institutions became widespread. The introduction of a Right to Buy for council tenants in the Housing Act 1980 marked the start of a withdrawal of the state, which had begun with the Labour governments resource restrictions in the mid 1970s (Mullins and Murie, 2006, p.35). There was an inevitability that the OPEC oil crisis, economic recession would see a decrease in government intervention in welfare, but the housing reforms were driven by more explicit ideological opposition to the state in the form of a municipal sector. The sale of over £2m council homes can be seen as the most successful privatization programme and encouraged the development of Thatcher’s ideal of a ‘property-owning democracy’ where owner occupation was the aspiration of the overwhelming majority of the UK population.

The ideological thrust of Conservative housing and regeneration policy was dominated by anti-municipalism and to stimulate and encourage the private sector wherever possible through a strategy of ‘urban entrepreneurialism’ (Oatley, 1998). Criticism of the bureaucratic culture of local authorities and the constraints of the planning process was argued to prevent opportunities for development and regeneration (Hill, 2000) (an argument which continues to have a strong resonance for Conservative politicians).
These neoliberal processes were continued under the Blair government. A focus on choice and ‘personalisation’ combined with an initial decision to continue with Conservative spending restrictions showed how the New Labour philosophy differed little from its Conservative predecessors. What was more distinctive was the focus on resident involvement strategies, through ‘community-driven’ regeneration programmes, such as the National Strategy for Neighbourhood Renewal and New Deal for Communities initiatives (from 1997). However, whilst these initiatives shared elements of individualism (the focus on choice) and egalitarianism (the emphasis on neighbourhood-level, collective interventions) research studies have emphasised the persistence of hierarchy and centralism (for example Beatty et. al, 2009). Thus, whilst the Blair government attempted to hold agencies to account by introducing more rigorous performance management systems (in line with new managerial attempts to incentivise staff) these have been compared to a pseudo-Soviet regime of ‘targets and terror’ (Bevan and Hood, 2006, p.517). Similarly, despite, the emphasis on community-led approaches to housing, in their study of London Borough of Haringey’s regeneration programmes, Dillon and Fanning (2011) have commented on an institutional antipathy towards community participation and a long-standing underlying paternalistic municipalism’ (p.151).

Labour’s promotion of mixed communities as an attempt to address accelerating socio-spatial segregation and multiple deprivation can also be seen as a process of reconfiguring neighbourhood problems as spatial and individual rather than structural. This approach represented a further entrenchment of neoliberal individuals rather than an attempt to deal with structural inequality through macro-economic intervention (Lupton and Tunstall, 2008, p.110).

**A fatalist housing policy: Constructing welfare reform**

A fatalist orientation has been described as a ‘learned (and rational) response to a distant, capricious, and unresponsive power imposed from without’. Hence ‘controlled by outside forces, the fatalist is unable, or so he believes, to help himself’ (Thompson, Ellis and Wildavsky, 1990, p.224). As will be shown this representation of social housing residents has been central to the UK government’s development of a welfare reform programme.

The socio-economic profile of council tenants changed dramatically (accelerated by the Right to Buy, but part of a much longer term trend towards the residualisation of the social housing sector). By the 1980s council housing had come to be seen as a ‘second-class, stigmatised tenure’ (Robinson, 1983) and further changes in the socio-economic profile of
social housing residents meant that by 2010, 63% of tenants of working age in England and Wales were economically inactive, compared to 42% in 1980 (UK Housing Review, 2013, pp.150-151). The sector was also contracting in relative terms, comprising 17.5% of all households in 2011 (compared to 32% in 1981) (CLG, 2009; UK Housing Review, 2013, pp.150-151). The stigma attached to social renting thus grew progressively from the late 1980s. A Housing Minister (Geoffrey Pattie) in 1986 had claimed that ‘Council housing breeds slums, delinquency, vandalism, waste, arrears and social polarisation’ (cited in Forrest and Murie, 1003, p.12), a perception strengthened by Murray’s (1990) theories of an existence of an urban underclass. An increasingly strong correlation between social housing and levels of worklessness, economic inactivity and social deprivation was connected with a highly moralistic approach to the management of communities (see Flint, 2006).

Thus, media comments about ‘sink estates’, ‘problem families’ and ‘neighbours from hell’ (Field, 2003) became prominent representations of social housing and were combined with a pathological emphasis on behaviour, leading to government attempts to solve inner-city problems through a focus on anti-social behaviour, a marked priority of the Blair administrations, developing policies aimed at providing tools for social landlords to effectively resolve what had previously been seen as ‘neighbour nuisance’ (Millie, 2009).

Concerns about a culture of dependency within social housing were a prime driver for housing reform and underpinned the Coalition government’s welfare agenda. Cameron’s focus on ‘Broken Britain’ prior to his election in 2010 reinforced the idea that certain parts of the country were lawless and devoid of moral conscience. Reforms were designed to address Britain’s ‘social recession (Norman, 2007, p.5) on the basis that ‘the welfare society has been breaking down on the margins, and the social fabric of many communities is being stripped away’ (CSJ, 2006, p.14). For Cameron, the fatalist consequences of these processes were clear:

For years we’ve had a system that encourages the worst in people – that incites laziness that excuses bad behaviour that erodes self-discipline that discourages hard work ... above all that drains responsibility away from people. We talk about moral hazard in our financial system – where banks think they can act recklessly because the state will always bail them out ... well this is moral hazard in our welfare system – people thinking they can be as irresponsible as they like because the state will always bail them out (Cameron, 2011, cited in Wiggan, 2012, p.400).

Drawing on a ‘revisionist critique’ (Cole, 2007), social housing was portrayed as an agent of social exclusion and a ‘terminal destination’ for residents (Centre for Social Justice, 2008, p.55). Thus residents were portrayed as trapped in multiply deprived neighbourhoods
dominated by a culture of worklessness and reinforced by management processes preventing mobility (assisted by the provision of a lifetime home regardless of housing need) (Robinson, 2012). Reform was intended to attack ‘the underlying causes of social breakdown which are rooted in our culture, and relate to the way we raise our families, manage our communities and educate our children’ (Boles, 2010, p.62).

Housing policy was placed in the forefront of the reform agenda. As one influential Conservative MP (subsequently appointed Minister for Planning) wrote in a polemical analysis of the failures of the welfare state:

The main problem with the current system of social housing is its inflexibility – the way that the principle of lifetime tenure interacts with the scarce supply of social housing to make people reluctant to leave a council or housing association flat or house. This then narrows their horizons, acts as a brake on their ambition and defines them as a permanent member of a separate, subsidised class (Boles, 2010, p.72).

In similar vein, the Centre for Social Justice, led by Ian Duncan Smith (subsequently Secretary of State at the Department for Welfare and Pensions) was established in order to analyse and prescribe suggestions for reform. According to their diagnosis:

Social housing has come to reinforce inequality and social division in society; the poor more than ever have become ghettoized in social housing estates getting relatively poorer...living on an estate can affect your health, your ability to work, the type of education your children will get and your life chances (CSJ, 2008, p.7)

Housing was therefore perceived fundamentally problematic, with residents, staff and communities viewed in pejorative terms. Seeing the welfare system as ‘rewarding idleness’ (Cameron, 2011b), reforms were designed to undermine the housing sector, which was seen as a prime target for intervention. For Cameron (2010) a ‘top down, top-heavy, controlling’ government ‘has turned able, capable individuals into passive recipients of state help with little hope for a better future’ and ‘turned lively communities into dull soulless clones of one another’ (cited in Hilton and McKay, p.24). These representations were particularly significant in justifying greater conditionality and more stringent conditions on eligibility, drawing on the ‘territorial stigmatization’ in spaces of ‘advanced marginality’, which helps to create ‘urban outcasts’ (Wacquant, 2008, pp.2-3). The proliferation of labels used to denote marginalized populations (such as worklessness, excluded, underclass) further undermines possibilities of group solidarities (Wacquant, 2008, p.245). Moreover, these fatalist constructions have shared by centre-left writers. Thus, Hutton (2007) has argued that ‘council housing is a living tomb. You dare not give up the house because you might get
another, but staying is to be trapped in a ghetto of both place and mind’ (cited in Hancock and Mooney, p.53).

The reforms were introduced rapidly under the rubric of the ‘Big Society’ (a programme which was aimed at reducing bureaucracy and encouraging voluntary sector activity) based on the premise (shared by previous governments) that ‘social life in areas of economic decline and social deprivation is seen as dysfunctional and morally deficient, lacking in trust, civic sense, social attachment, altruism, energy and drive’ (Amin, 2005, p.620). The reforms were explicitly viewed as anti-hierarchical, to counter the ‘chaotic centralism’ of previous Labour governments; as an alternative to ‘control freakery’ and to enable local level initiative to flourish (under the all-embracing rhetoric of ‘localism’).

Two main legislative initiatives were introduced: the Localism Act 2011 (applied to England alone) and the 2012 Welfare Reform Act (applying to the whole of the UK), with the aims of simplifying the welfare system and making work pay through: the introduction of a ‘Universal Credit’ (DWP, 2010); imposing an absolute limit (or ‘cap’) on benefits payable; removing ‘security of tenure’ (subsequently designated as a tenancy for life) to combat the problem of tenant immobility; the introduction of an ‘affordable’ rent programme to enable landlords to charge up to 80% of market rents and (most contentiously) imposing sanctions for those deemed to be under-occupying social housing (referred to as the ‘bedroom tax’ by its opponents or ‘spare-room subsidy’ by its advocates).

Given the wide-ranging nature of the housing reforms and their potential impact on the poorest communities, the reforms have generated surprisingly low levels of resistance. Initial research indicated that many of these measures will have serious impacts; for example the implementation of the bedroom tax had resulted in two-thirds of affected tenants being in rent arrears (Ipsos MORI, 2014).

Deep-seated notions of the ‘problem tenant’ and ‘problem estate’ which have increasingly dominated perceptions of public housing (Cole and Furbey, 1994; Ravetz, 2001) have limited public sympathy for vulnerable residents and helped to maintain support for benefit sanctions and punitive measures. As Taylor-Gooby (2013) maintains: ‘Current reforms work with the grain of public opinion by defining claimants primarily as dependents and deepening the moral division between claimants and those in paid work’ (p.40). What seems clear is that the explanation for the low levels of public opposition is the fatalist reading of the programme. There is no alternative to public spending cuts; welfare recipients are dominated by a discourse of ‘scroungers’ rather than ‘strivers’. It is clear there has been
considerable popular support for many of these changes (a number of which are supported by the Labour party). A fatalist interpretation is supported by Hanley’s (2012) personal account of growing up as a council tenants, separated by a ‘Berlin Wall’ from more affluent neighbourhoods where low aspirations and low expectations were the norm. This has been a common way of representing the experience of council tenants and one which has been very difficult to counter by alternative narratives. Within fatalistic institutions, choices are made by others and their lives are subject to forces beyond their control (Swedlow, 2001, p.704). The ‘counsel of despair’ offered by fatalism can provide ‘much-needed wisdom and relief’ if issues are seen as insoluble (Verweij et al., 2006, p.839).

However, a fatalist representation provides a distortion and simplification of the experience of a large swathe of the population. Thus, writers have referred to genuine contentment, despite the many flaws in council housing (Cole and Furbey, 1994, p.174): ‘for many tenants their houses are truly homes’ (ibid). Although fatalistic representations have enabled an extensive reform programme to be implemented, these generalisations need to be countered by other cultural preferences which enable the experience of residents to be captured more accurately. It is clear that any such research programme needs to incorporate resident perceptions in greater depth and complexity to illustrate the range of biases and preferences, complex experiences, taking into account positive as well as negative perspectives.

**Conclusions**

Social scientist have long for the application of a reflexive social science (Bourdieu, 1990; Bourdieu and Wacquant, 1992; Verweij, 2006) to account for the complexity of policy problems, difficulties of resolution and the dynamism of policy responses. An analysis of welfare reform therefore needs to take account of social change across a range of sectors. This paper has shown how housing policy has formed a central battle ground for welfare reform, yet one which has tended to be viewed in narrow terms. I have argued that this is primarily due to a fatalist interpretation, which has presented the reforms as largely a fait accompli. Although there have been a number of controversies – most notably surrounding the ‘bedroom tax’ in the UK, there has been a reluctance to address the fundamentals of reform (which have been premised on fatalist assumptions). What cultural theory offers is an opportunity to see a range of different readings and narratives. For example an egalitarian reading would emphasise the importance of collective mobilization, individualism would stress the importance of personal endeavour. Given what has already happened the
abolition of social housing can therefore be seen as somewhat inevitable (albeit not necessarily irreversible).

Whilst cultural biases have assumed varying degrees of importance at different historical periods, these interpreted simplistically and inaccurately in order to justify alternative preferences. Thus the 1970s were characterised as a period of rigid hierarchy, requiring at first egalitarian and then individualistic responses. However, fatalism has represented an essential underlying theme in order to both marginalize and stigmatize the sector as a whole. Cultural theory helps to understand how these struggles over interpretation are manifested whilst simultaneously acknowledging their inevitability; although some may achieve dominance at certain periods of time, no one bias is ever likely to (not should it) win by a ‘knock-out’ (Hood, 2000, p.20).

Despite the prevalence of individualistic (and more often though less acknowledged) fatalist preferences, egalitarian solutions such as cooperative and mutualised housing solutions can play a role as long as they are supported by (hierarchist) structures and funding streams. Licensing, regulation and management of private sector property remain important policy responses (Murie, 2012, p.485), which inevitably involve hierarchical interventions, alongside approaches to mitigate the difficulties of extensive socio-economic polarisation.

This paper has focused on housing reform, but the application of cultural theory illustrates how a fatalist bias can be applied to a wide range of other areas to consider welfare and other policies in a variety of contexts, to understand how priorities are determined and how justifications for change are constructed through the ‘mobilisation of bias’ (Schattschneider, 1975); in this case indicating a bias against the most deprived communities. An appropriate direction for future research would be to provide wider critical scrutiny of the assumptions and claims behind government reform (from a comparative perspective) and to ensure that the views of user groups are more effectively incorporated within research studies, to scrutinize the assumptions and prejudices that are commonly made about residents and others. An acknowledgement of the complexity and contested nature of policy discourses further illustrates how the development of clumsy institutions and clumsy solutions are required to resolve multifaceted policy problems.

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