Localisation, New Localism, Regionalism, Globalization and the theoretical effects on the Sector Skills Agreement

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Introduction

This paper is the first of a proposed number of work in progress papers that examine the theoretical underpinnings of the Sector Skills Agreement. In previous work I have described how although originally designed and conceived as a UK national centralist work on skills, the Sector Skills Agreement (SSA) became ‘hijacked’ by various stakeholder bodies at English region and Devolved nation level, and these transformed the SSA from a directive national document into a supportive document to regional and devolved nation policy. While this paper will explore from literature the theoretical ideas that oscillated around regionalisation, the primary hypothesis currently in the mind of the author is that the reduction of the SSA impact holds rather more to political powers within the regions and nations, and the inability of Sector Skills Councils (SSCs) or the Sector Skills Development Agency (SSDA) to lever power, rather than any specific theoretical perspectives. In preparing this paper however, I became aware of numerous factors which underpinned the experience of the SSA, particularly the tension between the centralist modernism contained within the SSA oscillating around the neo-liberal concept of developing globalism, and its competing historical Marxist modernist form and the developing post modernism of the regionalist debate and the control of power regions gained from the centre, notwithstanding the globalism rhetoric within UK regionalism in relation to the regional response. In this paper, I use the terms of new localism and new regionalism fairly freely, as they indicate a ‘revolt’ from centralist ideas. While, however, they do overlap, localism was championed more in the 1980s as a response to the problems of ‘inner cities’, with regionalism being driven by New Labour and the need for developing an enterprise culture, and obtaining European Union funding. Philosophically, they have the same ethos, and therefore are treated similarly in this paper, to tease out the theories that underpin them, through which it is proposed to analyse the difficulties that the SSA had, as a UK national policy, relating to regional and devolved nation policy structures.

New Labour, Localism, Glocalism, Regionalism, New Institutionalsim and ‘all that jazz’

Bevir (2003) in discussing the changes that emanated from New Labour ‘s commitment upon winning a second term, desired to shake up the way that the state was managed, and in ‘New ‘Labours perception this arose from a perceived crisis that was believed to be present caused by an overloaded bureaucracy, characterized by centralization and vertical integration (p455). As a counter to neo-liberalism both in opposition and in Government, New Labour sort to appeal to ideas that are tied to institutionalism, including stakeholder economics, communitarianism and social capital theory (Bevir, 2003, p457). Bevir (2003, p458) describes this ‘new institutionalism’, and he states:

“The new institutionalism consists of a diverse cluster of attempts to preserve mid-level analysis by emphasizing our social embeddedness and thereby the role of institutional structures and cultural norms as determinants of social
life. Whereas neoliberals often deploy assumptions about utility maximizing agents to postulate the market as a form of organization, circumstances permitting, that best expresses our rationality, institutionalists typically argue that agents are embedded in institutions and that networks are the organizations best suited to our embedded nature. On one hand, institutionalists use the concept of a network to describe the inevitable nature of all organizations given our social embeddedness and network, suggest that human action is always already structured by social relationships, and they thus provide institutionalists such as Granovetter and Powell and Di Maggio, with a rebuttal of neoliberal approaches to social science approaches to social science. On the other hand, institutionalists suggest that networks are better suited to many tasks than hierarchies or markets. The concept of ‘embeddedness’ and ‘network’ provide institutionalists with a rebuttal of neoliberal arguments about the inflexible and unresponsive nature of hierarchies, but instead of promoting markets, they appeal to networks as a suitably flexible and responsive alternative, one that recognizes social actors operate in structured relationships.” (Bevir, 2003, p459)

Goodwin et al (2002) argue that this theory is central to ‘new regionalism’ from which emanates the ‘new institutionalism’ described above, and through which regions are able to respond effectively to stimulus within the EU context (p201). The constituents of this theory are first that in the region there is a strong institutional presence through which a plethora of bodies that represent firms and non-capital relations may be found. Secondly, the regional ‘closeness’ in proximity permits interaction between these institutions through networking and co-operation, which in turn create structures building and dominance of the network, thus minimizing what Goodwin et al (2002) call rouge behaviour (whatever this might be) and finally, coherence in identifying a common territorial agenda, which is owned and controlled at regional level.

Goodwin et al (2002) argue that the ‘new regionalisation’ has some weaknesses within it, which MacLeod (2001) defines primarily as ‘soft institutionalism’ and ‘thin political economy’. MacLeod (2001) argues that the ‘new regionalists’ have a tendency to ‘read-off’ institutional developments from selective successful economies and then through policy transfer, present a universal (and often functionalist) argument that institutions make economies work (Goodwin et al, 2002, p211). What this approach fails to do, is to pay close attention to the cause-and-effect processes associated with explaining economic and institutional situations in particular geographical locations. Transference may not always therefore be successful, even though there will be some similarities between regions. Of course as I have stated on numerous occasions in these work in progress papers, the SSA fell foul of this regional identity mandate on many occasions; particularly where the SSA sought to prescribe national sectoral solutions rather than regionally based philosophies.

MacLeod’s (2001) argument on the ‘thin political economy’ builds on this concern, as it stresses the need to focus on the roles played by the national state in the remaking of regional economies and regional structures of governance. Goodwin et al (2002, p211) argues that have created an implicit and at times non-existent theorization of the capitalist state (which is not surprising given the heavy emphasis on supply-side innovation and the replacement of formalized government with the less formal networks of economic governance) the way that the state produces, reproduces and articulates the scales and sites of economic governance is a
recursive and dialectical process because devolved economic development is geographically uneven and the developed territories could have the potential to act as both ‘agents’ and obstacles (and in the case of the SSA, I have argued that they have acted as obstacles to a non-regional policy compliant solution) to the strategies of the nation state, depending (for legitimacy) on concepts of ‘regional social relations’ (Goodwin et al., 2002, p211).

Harrison (2006, p22) points to the work of Cooke and Morgan (1994), Florida (1995), Stroper (1997) and Scott (1998) as indicating that in the view of the ‘new regionalists’, contemporary capitalism and its territorial configuration are best regulated and governed in and through the decentralisation of socioeconomic decision-making and associated policy making to sub-national institutions. Harrison (2006, p26) also points out (and has this paper it is suggested will amply show) the whole theoretical nature of new regionalism is chaotic in nature, caused he suggests by the “bundling too many diverse theories together” (Harrison, 2006, p26).

Bevir (2003, p463) does however identify where there is some overlap between the New Right thinking and the ‘Third Way’ philosophies that underpin ‘New Labour’. Bevir (2003) states:

“When institutionalists invoke costs of learning to explain the persistence of otherwise inefficient institutions, and when New Labour represents flexible labour markets and welfare reform as economic imperatives of the global economy, they tacitly accept the neo-liberal idea of the global economy, they tacitly accept the neo-liberal idea of an unavoidable universal, any tyrannical economic rationality - a rationality that operates at the micro-level but creates structural constraints to which we have no option but to bow. In bowing to unavoidable economic rationality, New Labour adopts themes that spread out to alter other parts of its heritage. The social democratic ideal, for example, becomes less one of social co-operation aimed at securing the good life for all, than one of economic partnership in which robust competition, with robust competition, with everyone having a chance to compete, secures prosperity for all. Another significant similarity between New Labour and the New Right lies in their overlapping rejections of the bureaucratic hierarchies associated with Old Labour. New Labour accepts that the state suffered a crisis because hierarchies were inefficient in the new global economy. In this respect, New Labour again transforms the social democratic tradition to mirror the New Right. Mandelson and Liddle, for example, explicitly reject the ‘municipal socialsim’ and centralised nationalism of Labour’s past, when they insist that ‘New Labour’ does not seek to provide centralised “statist” solutions to every social and economic problem.” (Bevir, 2003, p463)

There are further ways identified by Bevir (2003, p465) where New Labour follows the market dictates of neo-liberalism. Bevir (2003, p465) concludes:

“In the case of the economy, social democrats have often rejected Keynesian macroeconomics but only rarely adopted the monetarists doctrines associated with the New Right. New Labour follows the New Right in taking macroeconomic stability, especially low inflation, to be the leading prerequisite of growth and high long-term levels of employment - government’s first job is to ensure a stable macro-economic environment. New Labour also follows the New Right, therefore in concentrating on supply-side reforms rather than demand management. Nonetheless, New Labour’s supply-side vision reflects an institutionalist narrative - and the heritage of Wilsonian socialism - as opposed to neo-liberalism. New Labour follows the institutionalists in suggesting the problem is not one of removing barriers to competition but of coming to terms with the new economy” (Bevir, 2003, p465)
“In the case of the economy, New labour tells us that the state should become an enabling institution organized around self-organizing networks. The state will thus promote a culture of collaboration and investment in infrastructure, research and training, all of which are integral to a competitive supply-side. The Government has a key role in acting as a catalyst, investor and regulator to strengthen the supply side of the economy. It can best fulfil this role, moreover, by entering into partnerships and networks with individuals, voluntary bodies, and private companies. Hence, New Labour now champions Individual Learning Accounts, with the state and employers giving individuals a grant toward training provided the individuals provide a small initial sum.” (Bevir, 2003,p468)

He continues:

“New Labour has trumpeted several big ideas—stakeholder society, social capital, communitarianism, and the third way—to convey its distinctive response to the crisis of the state. Whatever the brand label, New Labour advocates a society of stakeholders enabled by a state that forms with them partnerships and networks based on trust. New labour’s response to the perceived crisis of the state overlaps with, and draws on, institutionalism and network theory. Having accepted aspects of the New Right’s challenge to Keynesian welfare state while rejecting its turn to markets and monetarism as inappropriate given our social embeddedness, New Labour advocates instead of networks of institutions and individuals acting in partnership and held together by relations of trust. New Labour does not exclude bureaucratic hierarchy or quasi-market competition; rather it advocates a mix of hierarchies, markets and networks, with the choice between them depending on the nature of the service—services should be provided through the sector best placed to provide those services most effectively, where this can be the public, private or voluntary sector, or partnerships between these sectors. An interpretive approach indicates how New Labour uses institutionalism and network theory to create an alternative to both Old Labour and New Right.” (Bevir, 2003, p466)

The institutionalism of New Labour, is also couched in terms of ‘joined up’ Government.

“The third way deploys institutionalism to challenge the neoliberal narrative. The New Right, it implies, failed to recognise our society and community, and consequently fetishized markets in a way that damaged the efficiency, flexibility and responsiveness of the public sector and economy. This challenge to the New Right suggests that its misguided policies have created additional dilemmas for the state-co-ordination, control and ethics. Joined up governance attempts to resolve these concerns. A lack of co-ordination is one of the most widely invoked consequences of the public sector reforms of the New Right. Services are delivered by a combination of government, special purpose bodies, and the voluntary and private sectors. There are 5,521 special purpose bodies that spend over £39bn and to which ministers make about 70,000 patronage appointments. Marketization has resulted, critics say, in excessive fragmentation. According to institutionalists, the fragmentation associated with the New Right merely exacerbates a lack of co-ordination also characteristic of hierarchies. Perri 6, for example, argues that the organizations of government into separate departments with their own budgets undermines attempts to deal with ‘wicked problems’ that cut across departmental cages. The reforms of the
New Right, he implies made it even harder to deal adequately with these wicked problems since they created a plethora of agencies that are only too willing to pass problems on to others in order to ensure they meet the quasi-market criteria of success under which they operate: for instance schools exclude difficult children who then turn to crime, and the mentally-ill are returned to the community where they are liable to become a law and order problem. Government, he concludes, needs to be holistic.” (Bevir, 2003, p470)

Control of the functions of state is also an issue identified by Bevir (2003) as being a problematic consequence of the ‘New Right’. Bevir (2003) concludes:

“A lack of control is another problem associated with the reforms of the New Right. Institutionalists such as Stoker, suggest that fragmentation has led to an increasingly diverse range of institutions being involved in the process of governance so that there is a particular need for the central core to provide leadership. The New Right exasperated this problem by getting rid of functions through privatization and regulation. The unintended consequence of its doing so, institutionalists such as Rhodes tell us, was a loss of control- a hollowing out of the state. The New Right created numerous special-purpose agencies that are difficult for the state to steer: there is even a suspicion that some privatised companies have captured their regulatory bodies. New labour often echoes the institutionalists account of the issue of control. Its turn toward a corporate approach, its attempts to strengthen horizontal policy making, and the increased role given to the Cabinet Office are all efforts to increase the strategic capability of central government.” (Bevir, 2003, p471)

The issue of control has already been discussed by me within the context of the devolved policies in relation to skills down to the Regional Development Agencies and the Devolved Nations, but the sheer number of organisations that the SSCS had to deal with in relation to achieving a SSA was considerable, and certainly adds to the credibility of the fragmentation argument in relation to skills. Despite the rhetoric of New Labour, it is argued that nothing has actually been done to address this issue.

In setting out his paper on the concept of ‘regionalism in the EU’ Evans (2002) states:

“Regionalism denotes social demands in regions for greater autonomy from the central institutions of their state. Its bottom-up character sharply distinguishes it from traditional ideas of top-down regional policy. National law responds to the demands may range from federalisation, as in Belgium, or devolution as in the United Kingdom, to mere deconcentration of central institutions through the state. The legal significance of the responses may be expected to vary depending on whether legislative or merely administrative powers are allocated to regional level or merely delegated to regional institutions.” (Evans, 2002, p219)

He continues:

“However, the challenges of regionalism go beyond national law. Regionalism also involves an increasing tendency for regions to identify and pursue interests divergent from those expressed in international and European organisations by the central institutions of their state. The divergence reflects the diminishing capacity of the state, in the face of globalisation, to act as a coherent entity whose collective interests can be represented as expressed by central institutions. In other words, the denationalisation of territory, which is a global process, may lead to a search for a new architecture of statehood. In
practice there is said to be a spill over of regional competencies into the international arena.” (Evans, 2002, p219-220)

It is intended to discuss the concept of globalisation further within this paper, but as will be seen the modernist concept is being potentially re-defined by Evans (2002) into post modern regional solutions to the modernist drivers underpinning globalisation, and it is this that I am intending to play with in this paper, and to develop further for my PhD thesis. Later in this paper, I will discuss the beliefs of other authors, that regionalism is a post modernist response to combat the neo-liberal hegemony of globalisation. It is proposed for now to define the various concepts underpinning regionalism and devolution of power from the centre, starting with localization. White (2005,p78) argues that much of what constitutes “New Localism” is only ‘new’ in so far as it consciously sets out to bypass local government, because as White (2005) points out, traditionally there is a tradition in the UK of local authorities within delivering local services. White (2005) appears to be suggesting that “New Localism” is localism without Local Authority domination. Thornton (2000) identifies the development of the word ‘glocalization’ from its roots, as it became developed in international parlance, he concludes:

“Glocalizaton- a word that tellingly has its roots in Japanese commercial strategy (Robertson, 1995,p28; Robertson, 1992b, p173; Featherstone, 1995,p118) – erases the dividing line between universalism and particularism, modernity and tradition. The resulting hybrid demthologizes locality as an independent sphere of values and undermines the classic Toniesian anitthesis of benign culture versus malign civilization (Robertson, 1995,p29). It operates, for example, in micromarketing strategies that invent (g)local traditions as needed- needed for the simple reason that diversity sells (Robertson, p29). As we have seen in the case of Massey’s global sense of place, this predilection for locational invention is flowing over into academic discourse, and particularly into cultural studies (Thornton, 2000,p81)

Thornton (2000,p81) goes on to identify postmodern drivers that surround the ‘glocalization’ agenda as being a major theoretical activity, he concludes that:

“The postmodern cult of the local is incapable of resisting anything except on a cosmetic level, the banality of the global. By constructing glocal difference, mainstream (or what I call first turn) postmodernism provides the necessary referent for what John Urry calls the tourist gaze (1980). Amore ‘revolting’ localism (and/or regionalism) arises when culture girds itself for real resistance (i.e. Pazian resistance) to the international logics of modernism and post modernism- roughly corresponding to the ideological needs of industrialism and postindustrialism, respectively. “ (Thornton, 2000,p82)

The statement by Thornton (2000) is interesting as it appears to act as counterweight to the concepts of globalisation that will also be theoretically considered within this suite of papers that I propose to produce, and which suggest the ‘hollowing out of the state’ affects of globalisation on the UK economy and economic performance, and the development of a highly skilled and qualified workforce to meet the needs of, and attract the increasingly ‘borderless’ flows of the international capitalist class.

Watson (2001) points to the pressures that the neo-liberal definition of globalization has placed on Governments.

“The problem has been with neoliberal globalisation that governments have had to comply with the demands of the global financial community. There is, as they say ”no alternative” because economic globilization in this approach
is a teleological given “out there”. Hence, governments have concomitantly restructured and disciplined their economies and societies alike under the maxim that returning to welfarism and state intervention would engender low foreign investment, high unemployment and fiscal crises of the state, hardly conducive to the electorate. But sections of the electorate are just as concerned with the exploitation and political powerlessness riven by the globalisation doctrine whilst the “competition state” has, paradoxically, both disciplined and opened out economies. Moreover, increasing poverty has simply accelerated demands for more neoliberalism under the guise of “trickle down”. In response, critical intellectual interest has begun identifying propitious forces for fairer alternatives.” (Watson, 2001,p202).

Bouleau (2007) and Peston (2008) both financial commentators familiar with the machinations of this emerging international financially rich class (emanating originally from the Bretton Woods Agreement in 1946, which heralded the development of this new capitalist class) identify the development of this new borderless and ‘loyalty less’ (at least in relation to any nation state) capital, which nation states must ‘sit up and beg for’ by providing low rates of taxation and a highly skilled workforce. This argument will be developed more in subsequent work, however Thornton (2000) may be alluding to this, as related to the threats that globalization is bringing with it:

“Today, after the collapse of modernist progressivism, globalization takes on an even more sinister look, for it can no longer be thought that something worthy is gained in return for de-localization. Recourse is had, rather in the New Age myth of micro-political resistance. The doomed bug of modernist locality sheds its cocoon to become a postmodern butterfly, the chimeric symbol of a counterfaith in local-to-global causality. As the story goes, the beat of the butterfly’s wing son one continent will be felt by way of some inscrutable causal sequence, the world over. Modernism’ global-to-localism is turned on its head.” (Thornton, 2000,p84).

This is not the story of the SSA, where although the RDAs and devolved nations of the UK emphasise the importance of globalisation, the demands for social justice (another element of the ‘New Labour’ lexicon) means that each learner should be able to study what they wish and pursue the career of their dreams, and not be restricted by employer demand led solutions. The centralist nature of the traditional left agenda according to Thornton (2000,p85) means that in his opinion the left has not developed a theoretical response to globalisation, save the response of the post modernist globalisation, which Thornton (2000) is dismissive of:

“Global capitalism profits, moreover, from the displacement of the centralised rationalism of Old Left dissent. This was equipped to fight fire with fire, rationality with counter-rationality. New Age particularism, by contrast, gains emotional appeal at the expense of hard argument. If thereby forfeit the meta-theretical mapping that Harvey regards as crucial to any political struggle worthy of the name (Harvey, 1996,p10). Armed with nothing but New Age irrationality, postmodern localism is in no position, literally speaking, to resist globalization. Free-floating positionality carries no political clout. This is just one more reason why left rationalists such as Harvey and Wallerstein recoil from postmodern localism. Granted, Wallerstein is something of a modern/post-modern amphibian. He leans toward postmodernism in his project of decentring, or at least de-coring, while the global thrust of his thesis ties it to modernism. The result is a kind of global-anti-globalism which must be contrasted with the nominalist anti-globalism of poststructuralists who treat all but local knowledge as a centrist imposition. Foucault, for example,
specifically eschews ‘all projects that claim to be global or radical’ (quoted in Harvey, 1996, p108)” (Thornton, 2000,p85)

Amin (2005) maps out the development of localised to nationalised policy swings since the 1970’s and concludes (p612) that in the 1970s and concludes that until the “Thatcher” era policy makers would not have expected local regions to sort out their own problems.

“Thus an effective local economic development strategy would have to regulate inter-regional competition, guard against the consequences of trends in the wider political economy such as heightened capital concentration and centralization, and mobilize state action through active urban, regional and welfare policies to redirect investment, jobs and income to the less favoured areas. Classical political economy still just about held sway, drawing on the likes of Marx, Keynes, Myrdal, Perroux, Innes, Hirchman, and Kaldor, to endorse the principle of trans-local society of connections and commitments. Thus while local problems were conceptualized as the product of local and non-local forces, their solution was seen as a matter of central government responsibility through a combination of spatially targeted and generic (e.g. welfare) policies” (Amin, 2005, p612-613)

Amin (2005,p613) goes on to describe the advent of neo-liberalism, which was backed by a Government which argued that the society of connections and commitments interfered with the efficient market allocation of resources and growth potential, which created a culture of dependency and expectancy in the assisted areas and their inhabitants, which was a drain on public resources and perpetuated unnecessary state intervention into the economy, and failed to stimulate entrepreneurial behaviour. Regional aid was therefore cut and policies to support prosperous regions were developed with entrepreneurial policies for the poorer regions. Publicly elected bodies were replaced by unelected quangos and business-led organisations, which were perceived to be more amenable to the prevalent political climate. Amin (2005) concludes:

“Spatial inequality came to be associated with the legacy of state intervention, to be associated with the legacy of state intervention, to be resolved either through the invisible hand of the market or via special measures for specific types of problem area (e.g. those inner cites in Mrs. Thatcher’s infelicitous characterization). Out went the hand-out philosophy and in came the get-on-your bike philosophy and the business-knows-best philosophy, based on a redefinition of spatial inequality as a problem of local origin in need of entrepreneurial resolution. It came with a paradoxical understanding of the social. The principle of the society of connections and commitments was jettisoned in preference of the society of individuals and families, while the idea of community, when retained, was thrown at the hard pressed areas as an expectation of moral conformity and social consensus. The social was individualised and marketised by the New Right, preserved only as a residual category to describe a malignant dysfunctional social and spatial periphery. In the meantime, urban and regional inequality intensified across a wide range of indicators, including health and morbidity, education, economic prosperity, housing, social breakdown and alienation, and fear and insecurity, without stimulating self-sustaining growth in the less-favoured areas” (Amin, 2005, p613-614)

Amin (2005,p614) then goes on to define the development of third way, which rejected both left and right analysis of the world, and sought to harness the idea of a society of connections and commitments to the principles of market freedom and unhampered growth in the core regions. Hall (2003) argues that the ‘Third Way’ of New Labour has balanced on the
shoulders of Hayek, Giddens, Etzioni and Putnam to experiment with new trickery that works simultaneously in socio-spatial inequality and in equality. In relation to regionalisation, then Amin (2005, p614) concludes:

“The Third Way, sharing New Right concerns over re-distribution regional policies, has chosen to accompany market-led policies working for the more prosperous regions with a series of measures to boost the competitive potential of the disadvantaged and less prosperous regions. Regional competition, thus is forecast to work for both the core and the periphery through processes of regional specialization and the mobilization of latent potential. The third way has spawned a new localism underpinned by policies to build regional capacity through the promotion of locally rooted activity such as industrial clusters, technopoles, and local knowledge transfer, harnessed to various institutions of regional promotion such as regional development agencies, business –led regional assemblies and devolution in general. For the Third Way, there was to be no return to a hand-out policy culture, only the forward march to a hand-up/on-your-bike hybrid couched in the rhetoric of restoring power and capacity to the regions. Through recognition of the powers of context, the local has been re-imagined as the cause, consequence and remedy of social and spatial inequality” (Amin, 2005, p614).

This statement is interesting in regards to the practical application of the Sector Skills Agreement as in fact it became enacted, but appears to be less resonant with the idea that originally emanated from Government. I feel that the statement is correct, but where does that leave the theory behind the sector skills agreement? It appears that one might by accepting Amin’s statement, be left to conclude that there was really no theoretical underpin behind the SSA at all, merely that Government thought one day, it would be nice to have UK wide demand-driven system through the SSCs, without thought for how this would impact on the regional capacities of the UK developed through the ideologies of the third way. As I have stated before, there appears to be a dichotomy at the heart of the “New Labour” thinking perfectly articulated in the SSA, that a centralist command and control model can be adopted on the one hand, to supplement a rationalistic strategy on the other, leading invariably to a ‘fudge’ situation it is suggested, which is where I think the SSA really ended up as a policy.

Watson (2001) is dismissive of the third way ‘New Labour’ response to pointing to a new acceptance by both left and right around new liberal hegemony:

“Accusations of betrayal have been hurled at the party-political left as it succumbed to Michels “iron law” and the halcyon post-war consensus accepted by the left and the right. Concerns with global capital and its promises have now focussed upon the seemingly reformist language and pronouncements of Global compacts for “globalisation with a human face” manifested through packages of new deals and third ways.” (Watson, 2001, p203)

**Globalization Critique, Gramscian Hegemony and Analysis of the State**

An alternative critique to neo-liberal modernism is it is suggested the Marxist tradition, and I have considered both Marxist and Gramscian Marxism in previous work. The Marxist modernism, also provides a critique to neo-liberal modernism, and to post modern regionalism, and through Gramscian hegemony, provides some interesting insights in to the SSA, which I propose to explore in this paper. Wheen (1999) argues that many of the globisation ideas are not knew at all, but fit within Marxist thinking. He concludes:
“Today’s pundits and politicians who fancy themselves as modern thinkers like to mention the buzzword ‘globalization’ at every opportunity—without realising that Marx was already on the case in 1848. The globe straddling dominance of McDonalds and MTV would not have surprised him in the least. The shift in financial power from the Atlantic to the Pacific—thanks to the Asian tiger economies and the silicon boom towns of West coast America—was predicted by Marx more than a century before Bill Gates was born.” (Wheen, 1999, p4-5).

Watson (2001) argues (p205) that one myth of globalization is that it embodies a teleology or a predetermined logic with an imputed final state of affairs, such that it is mistake to rigidify the structures of globalization and transform them into a form of structuralism which banishes agency and severs historical moorings. I take Watson (2001) to be arguing here is from his Marxist persuasion, that the Marxist ‘grand narrative’ is not to be replaced by a neo-liberal grand narrative. One I find interesting from the arguments developing within this paper, is that neo-liberals and Marxist appear to be fighting for the defining grand narrative, with globalization being the champion of the right, while the localist agenda is post modernist in nature and shares with that tradition the rejection of the grand narrative, which it achieves through localization.

Watson (2001) continues to argue that while top down corporate globalisation is believed by many to be an inevitable and naturally occurring phenomenon, the actually terms of globalization have been defined by a few international organisations that operate without transparency or democratic oversight. Watson (2001, p210) goes on to point out, that critical movements on globalization see that globalization effects people differently, and these different effects in terms of benefits and costs form the basis of the criticism of globalization. Watson (2001, p210) identifies a Chief Economist of the World Bank concluding that there never was economic evidence in favour of capital market liberalization, as it increases risk and doesn’t increase growth. The economist concluded that the intellectual base, was based on ideology rather than sound economics or research.

Watson (2001,p215) concludes:

“The problem is that there is almost an unnerving and strange comfort in the idea of there existing a plethora of somewhat impersonal global structures or forces “out there” ultimately taking away personal responsibility for desperation witnessed on a global level. But if globalization has taught us anything, it is the maxim that everyone is connected in a global capitalist economy. Buying food in supermarkets or eating a McDonald’s in London is connected to wage differentials in rural Mexico. This awareness of connections is the crux to the development of critical social movements and recent protests against corporate globalisation, protests that are making the point that resistance can have many potent sites; however, initially they may seem minor and inconsequential. The tension between increasing bland apathy and yet increasing willingness from many in the west to get out and help on the basis of pronounced individual choice and increasing financial opportunity and travel opportunity is surely yet another ambiguity of globalization.” (Watson, 2001, p215)

Spich (1995, p7) argues that the present international business paradigm has been captured by a highly generalised “contemporary world political economy termed globalisation” (p7). He concludes:

“Globalization is a conceptualization of the international political economy which suggests and believes essentially that all economic activity, whether local, regional or national must be conducted within a perspective and attitude that
constantly is global and worldwide in its scope. In this view, since everything is
global these days, decision making by firms or governments cannot be effective
or good without activity and consciously incorporating global level thinking and
concerns into the process. Preparing for the global world is the constant
message suggesting that local and immediate actions are subject to and
secondary to higher and grander economic processes which occur on a global
scale. In the globalization perspective of international political and economic
reality, the multinational firm is the central actor with an “objective agenda” of
creating wealth through the transfer of technology, market making and global
managerialism. Government purpose lies in a role which is generally supporting,
supplemental and secondary to the needs of the firm.” (Spich, 1995,p7).

Within this sub-section, it is proposed to note further some of the thoughts that Gramsci had
about hegemony and its effect on the SSA. Gramsci analyses the state in a time before
globalization. In a previous paper I talked about hegemony as being a creation of Gramsci.
For Buchanan (2000,p105) Gramsci hegemony is not secured through the state, although the
state has a role in producing it. Hegemony occurs on the terrain of the ideological, and the
ideological is fundamentally reproduced as a cultural form, which is increasingly
transnational. The transnational state to which a transnational civil society is counterpoised
is resolved by the fact that such a state (small ‘s’) already exists as a web of political practices
and mores buttressed by cultural and economic discourses, whereas the nation state system is
increasingly reduced to constitutionally legitimizing economic support and repressive
agencies that follow the enforcement dictates of this ideological movement (Buchanan,
2000,p105). Carnoy (1984,p102) concludes:

“Through hegemony, the hegemonic-class leadership is able to present itself as
incarnating the general interest of the people-nation and at the same time
condition the dominated classes to a specific political acceptance of their
domination. Ideology, by hiding the class relationship and subsequent
exploitation implicit in the ideology of individualisation and reunification of
the Nation-State, therefore enables the dominant class to reproduce social
relations in such a way that it remains dominant. In other words, ideology
legitimates the existence and functioning of a class state.” (Carnoy, 1984,
p102).

For Lenin, hegemony was equal to domination, which was equal to class dictatorship (of the
proletariat, preferably, but a class dictatorship’ saw the party vanguard as an ideological elite
that imposed socialist proletarian consciousness on the masses via a militarized party
organisation exercising power through its control of the repressive apparatus of the State,
which had been won by the violent overthrow of the old order (Buchanan, 2000,p106).

I have played in previous work about the SSA being developed to help re-define the new
proletariat and prepare a globalized labour force that responds to the need of international
capital and through ‘generic’ skills develops labour to respond to ‘capitals demands that it re-
invents itself periodically. In this sense SSCs and their SSAs are part of the development of
the neo-liberal hegemony of labour flexibility and globalization. Gramsci (1975) in the
‘prison notebooks’ conceives of hegemony as a rule by consent as opposed to rule by force,
or mere domination. He maintained:

“that the supremacy of a social group manifests itself in two ways: as
‘domination and as ‘intellectual and moral leadership’. A social group
dominate antagonistic group, which it tends to ‘liquidate’, or to subjugate
perhaps even by armed force; it leads kindred and allied groups. A social group
can, and indeed must, already exercise leadership before winning governmental power (Gramsci, 1975, p587)

[Hegemony is] a socio-political situation, a moment in which the philosophy of society fuse or are in equilibrium, an order in which a certain way of life and thought is dominant in which once concept of reality is diffused throughout society in all its institutional and private manifestations, informing with its spirit all taste, morality, customs, religious and moral connotation.” (Williams, 1960, p587)

Jackson Lears (1985) concludes:

“For Gramsci, consent and force nearly always coexist, through one or the other predominates. The Tsarist regime, for example, ruled primarily through domination—that is, by monopolising the instruments of coercion. Among parliamentary regimes only the weakest are forced to reply on domination; normally they rule through hegemony, even though the threat of officially sanctioned force always remains implicit Ruling groups do not maintain their hegemony merely by giving their domination the aura of moral authority through the creation and perpetuation of legitimate symbols; they must also seek to win the consent of subordinate groups to the existing social order.” (Jackson Lears, 1985, p568-569).

Fiori (1970, p238) wrote that Gramsci’s originality lay partly in his conception of the nature of bourgeoisie rule (and indeed any previously established order), in his argument that the system’s real strength does not lie in the violence of the ruling class in the coercive power of the state apparatus, but in the acceptance by the rules of a conception of the world which belonged to the rulers. The philosophy of the ruling class passes through a whole tissue of complex vulgarisations to emerge as ‘common sense’: that is, the philosophy of the masses, who accept the morality, the customs, and the institutionalized behaviour of the society that they live in.

Buchanan (2000) argues that any specifically Gramscian reading of civil society requires a corresponding structure of concrete political authority in order to become genuinely hegemonic in the sense used by Gramsci. Particular types of institutions are needed to exercise hegemony, but what is particular about these institutions is that they are designed to secure and reproduce subordinate groups as well as elite consent. This is done simultaneously and in parallel by political authorities with autonomous preferences of their own, which requires a specific mix of agencies extending from civil society to the state that promote types of collection action conducive to the exchange of contingent consent and concession that is the foundation of the hegemonic project (Buchanan, 2000, p108). Buchanan (2000, p108) continues:

“In effect, hegemony occurs under concrete political and economic conditions that have an ideological justification. Unlike the mainstream IR conceptualization of the hegemon, the Gramscian notion of hegemony is neither State-centric or primarily political in nature. In that light, prior extension of transnational capitalism as both a type of productive enterprise and as a social formation propagated by rapidly expanding telecommunications media based in the west, followed by a global democratic discourse based upon pluralism and markets throughout an increasingly transnationalized civil society, paved the way for the latest waves of authoritarian regime demise and political democratization…Hegemony ultimately rests upon the consent of subordinate actors. Elite consent ensures short-term gains as well as support for specific regimes (authoritarian or
democratic) but subordinate group consent is the basis for long-term stability. The latter is what separates hegemonic from non-hegemonic regimes. It implies elite responsiveness and concession in exchange for subordinate group contingent consent to the dominant economic and political form,” (Buchanan, 2000, p108-109).

Therefore the Gramscian concept of hegemony is a form of rule by economically dominant groups through their political agents that is secured by contingent mass consent to their moral-ethical leadership. This leadership is exercised through an integral state that reproduces the material and ideological terms of the exchange that is the heart of the system. The main reproductive vehicle is a universalistic ideology that is culturally suffused throughout the polity, orientated towards securing and maintaining on an ongoing basis the dual compromise that formally expresses contingent majority consent to that rule. Coercion is held as a threat in reserve, by the state and operates more subtly and implicitly on the terrain of mass consciousness while being legitimated by the political and social consensus (Buchanan, 2000,p110).

The hegemonic discourses that surround the SSA are related to the needs of nation states within the globalized world to entice transnational capital into the country through the provision of a highly skilled and de-regulated workforce. The consent appears to be implied through the TINA philosophy used originally by Thatcher and appropriated by Blair to justify the ‘Third Way’ capitulation to many of the ideas of the new right. The SSA it might be argued was a proposed material and ideological term to justify the globalization hegemony, the interesting argument that needs to be developed beginning in this paper, is the extent to which though Regional Development Agencies (RDA) are being driven by economic development ideologies, is that the regional nature of the devolved policy has reduced the national globalized form to predominate, leading to the question of to what extent has the discourse of globalization been transferred to the regional context, at least in relation to skills, regardless of the whole state centric nature of the globalization discourse in Whitehall. Without arriving at any final conclusions within this paper, it is proposed to pull together points related to this idea throughout this paper and beyond; as currently my thinking is that while talking the globalization talk, at least in relation to skills there is no real understanding of how the ‘student-centred’ approach of social justice may be an oxy moron in obtaining a globalized flexible labour force, a central tenant of new-right and new-labour thought.

Fotopoulos (2001, p58) makes an interesting point in relation to claim that society is moving into a post modern construct, by pointing out, that while postmodernists are rejecting the grand narrative themes of Marxism, they appear to be swallowing without protest the no-liberal grand narrative of a single universal story of how liberty and prosperity has been offered to all, through the global victory of the market! Fotopoulos (2001, p58) concludes:

“Thus this historic event not only did not deter postmodernists like Lyotard from continuing talking about the end of grand narratives, but also induced him instead to characterise the victory of the market economy as the outcome of a process that pre-dated human life itself! Even entropy was invoked by Lyotard in his opportunistic about turn from a thinker fighting for true socialism and autonomy as a member of the SoB group to an apologistof the market economy and representative democracy. According to the ‘reborn’ Lyotard, in a cosmos where all bodies were subject to entropy and internal energy was limited, living systems had to compete with each other, in a perpetually fortuitous path of evolution. In this context, ‘various improbable forms of human aggregation arose, and they were selected according to their ability to discover, capture and save sources of energy’, and after some millennia punctuated by the Neolithic and industrial revolutions ‘systems called liberal democracies’ proved themselves best at this task, trouncing communist or Islamic competitors and
moderating ecological dangers. This is why for Lyotard, the ultimate motor of capitalism is not the thirst for profit but rather development as nuguentropy. In the process, he manages to turn history upside down by arguing that it is not the system of the market economy whose dynamic has led to the present eco-catastrophic growth economy. Instead development, is seen by him not as an invention of human beings, but on the contrary, human beings are seen as an invention of development!” (Fotopoulos, 2001, p58).

Post Modernism therefore to Fotopoulos (2001, p58-59) means a rejection of an overall vision of history as an evolutionary process of progress or liberation. Second, a rejection of totalising universal schemes and ‘grand narratives’ in favour of plurality, fragmentation, complexity and local narratives; and thirdly a rejection of closed systems, essentialism and determinism in favour of uncertainly, ambiguity and indeterminacy. Fourthly, postmodernism rejects objectivity and truth, in favour of relativism and perspectivism, and fifthly postmodernism rejects the strict boundaries within and among different disciplines in favour of transdisciplinary approach which aims at new forms of disclosure, on the explicit assumptions that truth is conditioned by language and culture. Fotopoulous (2001, p60-61) does conclude that the development of postmodernists plurality, complexity and local narratives gains some strength from the collapse of the Soviet Union, the decline of social democracy and parallel technological developments that in turn led to the drastic reduction of the working class and the rise of new social movements (p61).

The local national tensions in policy creation, have never been far from the political agenda, as Taylor and Wren (1997) point out, they conclude:

“The arguments used to justify regional policy have changed substantially over the past two decades. The onset of Thatcherism resulted in the run-down of regional policy during the 1980’s on the grounds that regional policy could be defended only on social grounds. The economic case for regional policy was regarded as weak and unproven. Regional policy was viewed as a zero sum game in which one region could benefit only at the expense of other regions. The crudest version of this view is that jobs created in Assisted Areas simply displace jobs in non-assisted areas. Indeed, regional policy could result in a negative-sum game with firms locating in inefficient locations. Taking this view of the world, the only benefit of regional policy is to achieve a more equitable regional balance of employment opportunities, so that there are no efficiency gains for the UK economy as a whole. ” (Taylor and Wren, 1997,p838)

Cyclical Policy From Regional and Local to National and Back Again

Despite the academic debates and disputations discussed in the section above, the cyclical motion between local and central policy creation appears to carry on regardless of political colour. So for example in 1981 the then Conservative Secretary of State for Social Services Patrick Jenkin had this to say about the NHS:

“Local initiatives, local decisions, and local responsibilities are what we want to encourage. This is the main purpose of the current reorganisation of the structure and management of the National Health Service.” (Jenkin, 1981)

This can be compared to the a similar statement by Alan Milburn a Labour Secretary of State for Health:
“Whitehall doesn’t provide care. That is what hospitals, health centres and surgeries do. And that is where power needs to be located. On the front line. The simple truth is that the NHS works best when it harnesses the commitment and know-how of staff to improve care for patients.” (Milburn, 2003)

Milburn (2004) returned to this theme in 2004, at the same time signalling a change in policy from the 1997 concepts upon which ‘New Labour’ had governed the UK, he concluded:

“I believe that we have reached the high water mark of the post 1997 centrally driven target based approach. That view is also widely shared in Government. Reforms to enhance choice, diversify supply and devolve control are all now taking hold as the Government moves from a centralised command and control model to what has been called new localism. The issue now is how much further to go…Public services cannot be run by diktat from the top down. In this next period, accountability needs to move downwards and outwards to consumers and communities. Empowering them is the best way to make change happen.” (Milburn, 2004)

Klein (2003) commenting on the experiences within the NHS concludes:

“The revolving door of NHS policy-making has, it appears, completed another circuit. The pattern of swings from centralisation to devolution that has characterised the NHS throughout its history has the present emphasis on localism turn out to be a passing fashion that will eventually give way to a return to the command and control model? (Klein, 2003, p195).

Klein (2003, p195) concludes that Government desire to avoid the blame for the failures of public services, by devolving responsibility locally may encourage the retention of devolved model. Klein (2003) suggests that pluralism and localism are the new “watchwords” in relation to the way that the public sector operates.

Stoker (2004) talks of New Localism and concludes that:

“New Localism can be characterised as a strategy aimed at devolving power and resources away from central control and towards front-line managers, local democratic structures and local consumers and communities, within an agreed framework of national minimum standards and policy priorities.” (Stoker, 2004, p117)


“Secretary of State Stephen Byers told a press conference that it reverses the centralising trend of the last 20 years. In doing so he echoed the 1997 manifesto promise that local decision making would under New Labour become less constrained by central Government. However, he also tacitly conceded that Labour’s first term had seen an increase in central inspection and regulation…This article develops a less sanguine assessment of the implications of the White paper for central-local relations. It argues that the confessions and concessions of the White Paper do not actually reflect a reduction in centralization or, indeed, any enhancement of local government
autonomy. Where controls are relaxed, these are primarily managerial rather than political. The government’s apparent aim is to streamline the local delivery of nationally agreed priorities and targets. Delivery rather than democracy is the order of the day.” (Lowndes, 2002, p135)

One noticeable thing from the White Paper, is that the government produces a single national list of priorities for local government, which of course it is argued reduces actual local democratic decision making. The White paper also speaks of a ‘continuous framework for continuous improvement’ which it would appear was a potential addition of a layer of control in the form of corporate governance, which differed from the ‘light touch approach’ that the local government association was hoping for. (Lowndes, 2002,p139).

Lowndes (2002,p141) concludes that although the language of the paper is confessional in tone, regretting the centralization of previous government policy, however the detail of some of the proposals set out in the paper, make it hard to avoid the suspicion that for all its humble and generous tone, the language is designed to make more palatable what is actually a new and more sophisticated type of central control, based upon the detailed control of processes and more upon the setting of specific output targets. The question becomes even more pertinent when the language regarding greater freedoms and flexibilities is contrasted with other key statements which have a definite ring of command and control (Lowndes, 2002, p142).

Lowndes (2002) states:

“There is a suggestion that the schizophrenia and mixed messages that characterise the White Paper reveal the very real tensions existing between different strands of civil servant and political opinion, and reflect a drafting and negotiating process that has sought to satisfy different interests. There are ministers closely associated with and sympathetic to local government who have a real desire to do things differently; but they have to work with civil servants brought up in a culture of defining as precisely as possible policy outcomes (as reflected in the detailed guidance that has accompanied the first phrase of local government modernisation).” (Lowndes (2002,p142)

Lowndes (2002, p142) also discusses a phenomenon that I have identified throughout this work on the SSA, and that is the irreconcilable philosophies that currently exist as part of the SSA, suggesting that this confusion has run throughout the whole of the new labour agenda. Lownes (2002,p142) concludes:

“As Mike Pitt from SOLACE asks: Is there an irreconcilable mix of philosophies within the White Paper ranging from the authoritarian to the transformational? (Pitt, 2002). The contradictions are further evidence of what Janet Newman has called the Oscillations between commitment-building and control-based strategies within New Labour Modernisation project (Newman, 2001, p99) . Even the unusual punctuation of the White Paper’s title reveals its internal contradictions; the hyphen gives the impression of an equivalence of some obvious link, between the two phrases ‘strong local leadership’ and ‘quality public services’, even though this is far from self evident, not subsequently established through the White Paper’s proposals. It is a way of avoiding either prioritising one of the two objectives (as would be the case if they were divided by a comma), or positing some sort of cause-and-effect link (as would be implied by a colon). Commenting on the evident tensions in the White Paper, Peter Watt argues that: Beneath the surface of the White Paper there are signs of an ongoing struggle between centralists and between champions of local democracy. Rhetorical gestures to local democracy in the White Paper are greatly to be welcomed, but
Gray and Jenkins (2004, p269) in “Parliamentary Affairs” argue that the commitment by the Labour Government in 2003 to move away from targets and performance measurement was an admission that the centralist agenda that these performance measures engendered was affecting the commitment to localism and regionalism that the Government was committed to. That there can be two ideologies that it is suggested can be mutually exclusive being pursued at the same time simultaneously is pointed out by Paul (2002, p469), he concludes:

“The contemporary global political economy is defined by simultaneous globalizing and localizing trends. The heightened mobility of capital, the new international division of labour, expanding trade and communication across national borders, and the rise of international organizations such as the World Trade Organisation designed to regulate this system, have emerged alongside 'new federalism' in the US and Canada, de jure decentralization in France, Italy and Spain, federal constitutions in Belgium and Russia, even regional parliaments in the traditionally centralized UK. This is not to mention the general shift toward global place-marketing and economic re-structuring for global competitiveness.” (Paul, 2002, p469)

Paul (2002, p470) continues by arguing that class alliances and hegemonic blocs underlying regulation have been analysed almost exclusively at the national and global scales, but that contemporary processes of simultaneous globalization and localization suggest however that the new global order depends upon locally scaled practices organized through subnational states in ways quite distinct from the narrow functional role played by the local in the past. Mouaert et al (1988) and Jessop (1991) argued that the Fordist subnational state was created or enlisted by the national state to promote the consumption needs of Fordism, the contemporary subnational state is involved in the promotion of transnational liberal production and circulation as well as perpetuating the remnants of Fordist consumption policies in housing, social insurance and the like. Paul (2002) concludes that this ‘entrepreneurial’ state while certainly receiving support from the centre, is much more an autonomous agent that it ever was during the Fordist period, stepping into (some might say pushed into) the gap created by the retreat of the national state from much place-specific economic development policies (Eisinger, 1988; Harvey, 1989; Mayer, 1992; Brenner, 1997).

Danson (2000) claims that New Regionalism (the difference in regionalism and localism within this context, relates to the change in policy in the 1980s from rejuvenating cities and smaller geographical areas, to regions in the 1990s, (Danson, 2000, p860)) designates a body of thought that comprises of two major components. The first consists of a histo-empirical claim that the region is becoming the “crucible” of economic development; and secondly, that the normative bias that the region should be the prime focus of economic policy (Lovering, 1999a, p380). This then corresponds to two distinct meanings that are implied by the suffix ‘ism’, namely, a process or result on the one hand and a normative doctrine on the other. Thus, the logic of the New-Regionalism as a process is inextricably tied in with the supposed transition from Fordism to post-Fordism. In response to the prolonged accumulation crisis of the 1970s, many small firms began to adopt a system of flexible specialization as a means of dealing with the uncertainty engendered by the fragmentation of formerly secure and stable mass markets (Piore and Sable, 1984). This phenomenon signalled the re-emergence of ‘the region’ as, conceptually, the system of flexible specialization encouraged spatial clustering and integration at the regional level whilst, empirically, the most dynamic post-Fordist economics just so happened to be those regions or ‘new industrial spaces’ which had successfully responded to the crisis of Fordism by adopting the system of flexible specialization (Scott, 1998; Sabel, 1994; Danson, 2000, p857-858).
Danson (2000) interestingly goes on to discuss the resurgence in relation to the break-down of the nation state, concluding that the resurgence of the region in the context of the transition to post-Fordism has been the political resurgence of the region in the context of re-structuring or indeed ending the nation state (Ohmae, 1995; Danson, 2000,p858). Danson (2000) then turns to the argument already stated in this paper, that economic globalization and liberalization of markets have greatly enhanced the mobility of capital and have reinforced the underlying power of market mechanisms in determining the trajectory of contemporary capitalism, such that there is a widespread consensus (p858) that these developments have rendered the nation-state an inappropriate level at which to formulate and co-ordinate economic policy, because the nation state is perceived to be too small to deal with capitalism as a global system and too large to respond effectively to the rapid changes taking place at the local level, thus the nation state has been forced to devolve more power upwards to supra-national bodies (such as the EU as already discussed in this paper) and to the sub-national bodies below such as the Regional Development Agencies (Amin and Tomaney, 1995; Mittelman, 1996; Keating, 1997; Keating 1998).

Danson (2000) uses the analogy of the ‘hollowing out of the state’ described by Jessop (1990,1994) to foreword the emergence of a new kind of regional policy which is more spontaneous and multi-polar than its traditional counterpart and amanating from below, rather than from above ‘above, and is captured by the phrase ‘governance’ as opposed to the hierarchical mode of association associated with the term government (Mittelman, 1996; Jessop, 1998; Danson, 2000,p858).

Stoker (2004, p117) concludes however that there was not a clear consensus of what this ‘new localism might be within the Government that proposed it, he concludes:

“There are differences of emphasis among Government ministers about how to take forward the New Localist agenda. The Blair camp is more willing to go along with user or consumer choice and the Brown camp is less keen but still interested in the issue of how public services can be personalised and made more responsive to users. Sometimes the emphasis is on managerial reform, giving more power to head teachers or community based police commanders; on other occasions it is much more explicitly about giving communities or citizens control, wrapped up in a wider expansion of civil renewal as suggested in the speeches of David Blankett. For some, established local government needs to be brought back into the frame as central to New Localism, others are not so convinced and have other institutions to steer local governance in mind.” (Stoker, 2004, p117).

Stoker (2004, p118) lays the case for new localism on three grounds, the first of which is that it is a realistic response to the complexity of modern governance, with second it meets the need for a more engaging form of democracy, appropriate to the twenty-first century. Thirdly, New Localism enables the dimensions of trust, empathy and social capital to be fostered and as such encourages civic engagement. In part this being a response to the declining involvement by the electorate in the democratic process. Stoker (2004,p118) concludes:

“The complexity of what the modern state is trying to achieve, the need for a more engaging form of politics and a recognition of the importance of issues of empathy and feelings of involvement to enable political mobilisation make the case for a New Localism because it is at the local level that some of these challenges can best be met. The point is not that all political action action and decision should be local but rather that more of it should be. “ (Stoker, 2004, p118).
The complexity of the state as defined by Stoker, with its levels of national, regional and local dimensions and the prevalence of quangos in the government process leads inevitably it is suggested to the re-writing of the whole function of the state, and Stoker (2004,p120) acknowledges this and appears relaxed about the consequences:

“To commit to New Localism means recognising that conventional understandings of democracy are valuable but limited. We can agree that several of the features of conventional visions of democracy remain essential: the protection of fundamental citizen rights and freedom of organisation and assembly for groups and individuals. But we need different answers to two fundamental questions: what are the building blocks of democracy, and what is the nature of accountability? The conventional answer to these two questions in UK sees the nation-state, parliament and central government as the ultimate indeed prime building blocks of democracy and accountability as led by elected representatives. This top down view of democracy is not appropriate when we think about making democracy work in our complex societies.” (Stoker, 2004, p120).

To move from the traditional to the local requires the role of national Government to change, and this change is explored by Stoker (2004) who concludes:

“First, that democracy must have a strong local dimension; the core institution of democracy is not the nation state. Democracy is made real through its practice at local, regional and international as well as at the level of the nation-state. More than that, central government should be an enabler, regulator and maybe a standard setter but not a direct provider nor the level for coming to judgements about detailed directions or the substance of services. Second, that provision itself must be plural through a variety of organisations and associations so that everyday citizens have an opportunity to be involved in decisions about services and judge the capacity of different institutes to deliver. Third, democracy can be organised through functional as well as territorial forms. Users of a particular service, those concerned with a particular policy issue, form as legitimate a political community as those that come from a particular territorial base. Finally, this understanding of democracy sees accountability as a more rounded process. The electorate choosing their representatives remains important, but people should have more opportunities to be involved in direct discussion with service providers and be in a position to judge their performance. In short accountability involves reason-giving, questioning and a continuous exchange between the provider and the relevant public. The service providers will also have accountability to the centre in terms of the minimum standards. The lines of accountability are multiple and overlapping.” (Stoker, 2004, p120-121)

There would appear from Stoker’s (2004) the suggestion that policy is becoming stratified into local, regional and national policy arenas, and in this perspective the development of the SSA was possibly caught in between these policy strata, i.e. being conceived as a national UK policy initiative, then having to adapt to take this into account. I am interested from an analysis point on the SSA, the argument by Klein (2003) of the cyclical nature of the local-national policy development, with power moving between the two as central Government pulls back power to manage the UK, because it perceives that it is not adequately affecting local policy delivering, then subsequently divesting itself of power when it is perceived that central government has become distanced from the needs of the populace in the local area, which are best served by a local policy initiative.
Stoker (2004, p122) concedes that localism is not the panacea for success in the policy making process:

“Progressive politics has often expressed an uncertainty about the value of local decision making. There are two common grounds for objecting to local decision making. One line of argument is that the perspective of communities is inherently limited and limiting. The danger of local decision making is that it opens up too much decision making to the parochial concerns of narrow minded individuals and threatens the ideas and practices of a wider progressive politics. Behind the romantic notions of community lurks a real world of insular ‘not in my back yard’ politics. Progressive politics requires a wider canvas than that the local politics can provide. The second objection is that if the problems faced communities are going to be addressed there is a need for interventions to address the inequalities faced by particular communities. To tackle inequality requires national or even international intervention, and creating more scope for local decision making simply helps to foster or even reinforce existing inequalities. Rich areas will stay rich and poor areas will be allowed the freedom to spend non-existent resources on addressing the problems they confront.” (Stoker, 2004, p122).

These problems of local Government, plus the possible reluctance of the central Government to release funding locally creates a policy of localised action sanctioned financially centrally:

“ The achievements of partnership at the local level are considerable. But there are limits, especially when it comes to committing the budgets and policy priorities of partners. Reference back up to central government delivers the flexibility and capacity to respond to local circumstances. As things are, partnerships dance to the tune of a new centralism in which partners are always looking back to the centre for funding and approval. Current partnerships are as a result much talk and occasionally action. To deliver more of the action requires a local decision making process that can divert the resources and priorities of the partner organisations. Direct election might deliver that capacity to local decisions and at the same time be seen as a gain for local democracy, given that most of the proposals for direct elections in health or the police service mean adding an elected element where one has been absent in the past.” (Stoker, 2004, p124)

Amin (2005, p624) argues that the ‘new regional’ philosophy will not address the regional prosperity disparities in the way that the Government anticipate, he concludes:

“The current approach to regional development in the UK, based on local boosterism (including community-led regeneration, promotion of local clusters and knowledge industries, and limited devolved government) will not reduce regional disparities because it fails to tackle the secular centrist and skewed intra-regional connections that persistently reinforce power and growth in London and the South East at the expense of the disadvantaged regions.” (Amin, 2005, p624)

Amin (2005) goes on to suggest methods whereby the nation could be ‘de-centred’ away from the South East, and towards the regions, none of which would be likely to find favour with New Labour, and all of which have a distinctly ‘interventionist’ quality to them. But there is within Amin’s argument that the regional agenda is a boosterism agenda with no real intention to transfer real power to the regions an explanation about the conception of the
SSA, even if once conceived there was a breakdown in the actual delivery, as the SSDA and the SSCs became ensnared in the regional political agenda.

As early as 1997, Marvin and Guy (1997) were talking about the myths of sustainability projected within the new localism agenda. Sustainability is a key word in the lexicon of ‘New Labour’ and is incorporated into the SSA in relation to the creation of sustainable jobs. While talking about the myths of localism in relation to sustainability, Marvin and Guy (1997, p315) make a number of interesting criticisms about the ethos and ideas that underpin the localism agenda:

“The new localism often reifies the city by making the assumption that much of the social relations can be captured and contained at local level while ignoring the importance of the national state and globalisation. So, while it might be ‘good’ to think globally you can safely ignore the wider national and global difficulties and contradictions by acting locally to promote sustainability” (Marvin and Guy, 1997, p315)

“The new localism then has an oversimplified view of social change which severely restricts the possibilities for creating new social contexts in which environmental innovation could take place. Despite the protestations of partnership and the involvement of new actors, there is little evidence of the new localism really attempting to assess what factors actually shape the choices and behaviour of individuals. There is little understanding of the ways in which individuals are embedded in particular types of consumption and production cycles that transcend local boundaries and local institutions. The rhetoric of partnership and new communities then belies a discourse of social control and standardization.” (Marvin and Guy, 1997, p316)

These comments are of course somewhat dated now, but the regional/local insulation from the realities of the global market and the way that regionalism dominated solutions in the SSA, does have resonance. It was difficult to engage with the regions during the SSA process, as SSCs are small national organisations, and did not have the resource to engage at sub-regional level, meaning that the high policy level in which some SSAs were couched meant that it was impossible to influence localised agendas where there was a body of knowledge developing or being developed. This problem gave the SSAs the appearance of being therefore fairly meaningless documents at that level.

Given the post-modernist overtones of localism and regionalism it is not surprising that philosophies do not appeal to Marxism, however Bamyeh (2001) argues from a Marxist logic perspective that issues of localism are misconceived in globalised world. From Bamyeh (2001) it is argued that one cannot ignore or hide from the impacts of globalisation through retreating into a ‘cosy localism’ but need to address (fight) globalisation at the globalised level. In this way globalisation provides it is suggested the enemy for Marxists to fight. The comments on the death of the nation-state are interesting, as the rest of his paper fails to develop what if globalization is defeated (which is creating an empire) and the nation-state is not revived what comes into its place, this argument however is outside the remit of this paper.

“The most important of such truths is that there can be no retreat to any localism in an age of globalization. Following Marx’s critical logic, you have to deal with this enormous world even if you find it unpleasant or disagree profoundly with it. If you want to be alive, you have no choice but to live in your times. But in the process you discover that this same time is cohabited by the dead; those morose institutions built for previous times, such as the nation-state, are worse than globalization. In any case, attempts to restore them to their past glory as a shield
against globalization are both futile and fraught with danger.” (Bamyeh, 2001, p201)

Another manifestation of localism particularly in relation to a response to the challenges of globalization is the concept of ‘proximity politics’ which Tomlinson (2000) in the abstract to his paper of that title states:

“Proximity politics refers to a certain set of new political –cultural problems and issues that the globalization process confronts us with. Specifically it refers to the sort of engagements globalization entails as it draws us closer together: both structurally, via the complex institutional interconnections of globalization, and pheomenologically via the sort of experienced proximity that is provided in time-space bridging technologies-particularly communications and media technologies. This article contends that this ‘relational closeness’– in a complex set of interactive modalities which do not abolish, but, in some contexts, actually intensify cultural differences- presents its own distinct order of politics.” (Tomlinson, 2000, p402)

Tomlinson (2000, p403) goes on to argue that the arguments surrounding the politics of proximity might be viewed as being a ‘capitulation’ to the power of globalization. The TINA analogy of the Thatcher years being appropriate here, with critique reducing globalization to a mere globalization of capital leading to ritualistic condemnations of multi-national corporations, although Tomlinson (2000, p403) goes on to note that there are some holding the view that globalization can be seen as a condition of late modernity, a simple fact of life.

Zizek (1997, p46) rounds on localist responses to this globalization acceptance, by arguing that critical theory and cultural studies are doing the ultimate service to the unrestrained development of capitalism by effectively rendering its massive presence invisible by overemphasis of the local. Proximity politics therefore seeks to retain the global perspective to challenge the globalization agenda, and the principles of de facto world government that are discussed and decided behind closed doors by exclusive groups such as the G8, OECD and the World Bank the International Monetary Fund, the World Trade Organisation etc, supported by NATO and the European Union. Proximity Politics through the idea of cosmopolitanism, which Tomlinson (2000, p404) describes as follows:

“Let me begin then with an implication of proximity that is currently receiving a good deal of attention: the idea of cosmopolitanism, conceived simply as ‘world citizenship’. Roughly the idea here is that the increased interconnectedness, the enforced proximity of the globalization process, is both making the old eighteenth century utopian dream of a single world political community possible and perhaps more importantly making this sort of world polity a necessity” (Tomlinson, 2000, p404)

It is not proposed to develop this argument further theoretical as this takes the scope of this paper too far outside the realm of the SSA, except to postulate that proximity politics would appear to be a potential vehicle of critique based on a Marxist type of grand narrative that might be a global alternative to the TINA neo-liberalism of globalization.

Voets and Biggiero (2000) see globalization as being a growing interconnection between local contexts in relation to large business formation, who it might be argued develop strategies to fit their large size to the localisms in which they work:

“In a broad sense, globalization is the self-organising process of construction a world socio-economic community, with increasing degrees of interconnection between members. In a narrow sense we argue that globalization is the process of increasing the openness of local environments to the world community; that is,
a process of growing interconnection between local contexts. Therefore, instead of globilization, we suggest of speaking the local-global interplay, which at the beginning took the commercial character of colonization mediated by the nation-states” (Voets and Biggiero, 2000, p74; Grandinetti and Rullani, 1996; Wallerstein, 1947, Wallerstein, 1980).

Research on the structure of multinational corporations show several models that are difficult to reduce to a few simple ones. However the most important explanations has been provided by Bartless and Goshal (1989) who identified four models: global, international, multinational and transnational. These authors suggest the transnational as the emergent model, to which the other three are converging. Although they do not give a development sequence, it is quite reasonable to order them in terms of growing organizational complexity, ranging from global to international and finally to the multinational model. The first is focussed on high standardization of products and operating systems, could with high centralization of decision making. Management considers subsidiaries as passive remote terminals of the head-quarters, and the world as a homogeneous unified market. It is convenient when products and world markets are homogeneous and huge economies of scale can be exploited. This model strictly resembles the form of a star in the approach to organizational design, where the centre orders the periphery: it is the pure hierarchical form (Voets and Biggero, 2000, p74).

In the international model many decisions and resources are decentralized to subsidiaries, but remain under the strict control of the headquarter. Strategic planning and management accounting are crucial systems of co-ordination between centres and periphery. Management considers subsidiaries as ‘appendixes’ of the headquarters, but with their own ability to understand the local environment and communicate actively with the centre. This model is effective when domestic markets are significantly differentiated, and therefore local subsidiaries must understand the character of that differentiation and give appropriate and fast information to the headquarters. The multinational model represents a decentralized federation of resources and businesses, where the periphery acquires remarkable autonomy from the centre. Subsidiaries are considered as a portfolio of independent firms, which must be evaluated through financial procedures. In the transnational model, the centre loses its traditional power and size, reducing the task to that of co-ordinating the relationships between autonomous subsidiaries, which exchange many kinds of resources. Such co-ordination occurs in a non-exclusive way; that is, subsidiaries have direct relationship and can also make decisions independently from the centre. One way membership disappears and competence on strategy is distributed among all members. Global strategy becomes weak and strategic decision making flows through consensus and compromises. The transnational model resembles the form of a network, with many dense connections between firm members. The centre has a leading role, but loses its traditional power to exercise it. Such an evolution towards the transnational model is the result of organizational change instituted to cope with increasing environmental complexity. It is also a process of involving a growing degree of self-organisation moving form the pure hierarchical model (Voets and Biggero, 2000, p75).

The development of dominant global companies and the models that they develop into will it is argued ultimately shape the direction that globalisation will take, and how if Voets and Biggiero (2000) are correct, the transnational model may become the dominant model. It is suggested that the transnational model therefore favours a regional agenda, as companies are autonomous in the regions, and can evolve organically to meet the needs of clients in the regions, who by the same token can evolve regional skills strategies to complement the needs of the companies in them, and it is here that the SSA should but due to its national nature may not be able to engage with the regional specialist agenda, which is seeking to develop skills needs to meet large employers. Not that there is anything new in this of course, as many parts of the UK were developed around heavy industries of steel and coal, and communities were
conditioned to accept these constraints. If this new localism does become the dominant paradigm then the SSA was misconceived in that SSCs were too small to undertake the in-depth analysis required to influence a regional skills agenda. But as has been pointed out in a previous paper in this series, this argument needs to be tempered by the fact that the research data in the regional observatories is derived in the main from national data collection sources such as the Labour Force Survey.

An interesting retreatment of Marxist thinking in response to the development of Globalization is stated by Helleiner (2003) in relation to the creation by capital of an ultra-imperialist block. He concludes:

“At a theoretical level, perhaps most striking has been the turn away from Marxist theories of imperialism-both classic theories and dependency theory-towards neo-Gramscian theorizing about the global economy (e.g. Cox, 1996; Gill, 2003). Rejecting the notion that global capitalism is characterized by inter-imperialist rivalries, neo-Gramscian thinkers point to an increasingly powerful transnational ‘historical block’ of social forces with its roots in most regions of the world that is supportive of neoliberal globalization. In some ways, this view echoes Kautsky’s prediction in the early twentieth century that capitalists would ultimately create a kind of ultra-imperialist order. But neo-Gramscians talk instead of a broader transnational hegemony order. But neo-Gramscians talk instead of a broader ‘transnational hegemony’ in formation in which the ideology of neo-liberalism and broader cultural values (e.g. mass consumerism) play a central role in sustaining power. They also utilize a more nuanced discussion of class, arguing that the dominant transnational ‘historic bloc’ today excludes some fractions of capital that are more nationally focussed and also includes some subordinate classes that derive certain benefits from globalizing processes.” (Helleiner, 2003, p690).

Fotopoulos (2001) in his paper “The Myth of Postmodernity” concludes:

“In premodern societies there was no single form of political structure appropriate to them and as the main element characterising the totality was non-economic the forms of political structure ranged from (partial) democracy in classical Athens to various forms of political oligarchic regimes in ancient Rome and the Middle Ages. On the other hand, the typical form of political structure in a modern society, which can be shown to be more consistent than any other political structure form (theoretically as well as historically) with the market economy, is the representative (liberal) democracy. However, there are significant variations between the various forms of political structures in the era of modernity. Thus, the representative democracy of liberal modernity evolved into apolitical system of a much higher degree of concentration of political power into the hands of the executive during the statist era, both in the West and, even more so in the East. This system is presently being replaced by new internationalised economic structures. Thus in neoliberal modernity, the old Westphalian system of sovereign nation-states is being replaced by a multi-level system of political-economic entities: ‘micro-regions, traditional states and macro-regions with institutions of greater or lesser functional scope and formal authority.” Fotopoulos (2001,p40)
Regional Development Agencies

In previous work in this series, I have looked at the way that the Welsh Assembly Government, the Scottish Executive and the Department for Employment and Learning in Northern Ireland approached the development of the Sector Skills Agreement. I have also written about the way that the Regional Development Agencies (RDA) within England through the Regional Skills Partnerships have sought to shape SSAs to fit regional policy. In this section, I seek to identify the ideas of academics of RDAs within this paper.

Taylor and Wren (1997) state that RDAs were needed in the English region to undertake similar tasks to those of the Scottish Enterprise companies and the Welsh Development Agency (now subsumed into the Welsh Assembly Government). They define the role of the RDAs to be to promote the region and represent its interests in Whitehall and Brussels. Secondly, to monitor and report on trends in the regional economy. Thirdly, to identify economic opportunities and set public investment priorities in the region. Fourthly, to evaluate the effectiveness and efficiency of government expenditure in the region. Fifthly, to develop local and regional economic development strategies in cooperation with the region's local authorities and other agencies. Sixthly, to co-ordinate the activities of the agencies involved in the region's economic development through the creation of more effective partnerships and actively participate in applications for the EU's Structural funds. Sixthly to help in the attraction of inward investment to the region and the UK, although these activities would need to be centrally co-ordinated. Seventhly, to encourage the growth of financial institutions within the region in order to attract savings which could be used for indigenous development (Taylor and Wren, 1997, p844-845).

Taylor and Wren (1997, p845) conclude:

“The newly created RDAs will be serviced by the Government Offices for the regions, which are now organized on a spatial basis. These need to extend their activities beyond their current role of co-ordinating the activities of the government departments and become more proactive. They should primarily serve the region's interest rather than those of Whitehall and over the long term could become responsible to regionally elected assemblies, if these are eventually created in response to demands from the regions for more regional autonomy (Labour Party, 1995)” (Taylor and Wren, 1997, p845)

Jones and Macleod (1999) point to the emergence of the RDAs through a complex synthesis of many different determinants, which include the belated diffusion of the regionalist ethos prevalent within Europe, and codified in the concept of a Europe of the Regions, with the need to develop regional bodies capable of securing European Structural Funds, in addition to the rise of a ‘me too’ regionalist movement in England in response to the perceived success of dedicated development bodies in Scotland and Wales (Lynch, 1999) The internal policy dynamics of the Labour Party is also an issue in relation to the development of the RDAs in England, where a distinction emerged between the constitutional issues surrounding English devolution and the economic issues surrounding the failures of traditional regional policy (Harding et al, 1999). Anderson and Mann, 1997,p282) point out, that when John Prescott (the then Deputy Prime Minister) first began to champion the cause of English regionalism during the 1980’s the region was perceived as the most appropriate level for interventionist policies related to economic differentials between regions, with the question of democratic accountability coming as ‘something of an afterthought’.

RDA programmes in England have however been criticized on two grounds, the first of which is the issue of accountability, with the conclusion that too much power and authority is
The second criticism relates to the business-led ethos which permeates the government’s regional agenda, with the fear being that a narrowly conceived focus on competitiveness will undermine the pursuit of wider goals within the region such as sustainability and social inclusion (Gibbs, 1998; Lloyd, 1999). Danson (2000,p859) points to the need for RDAs as the overall aim of the Regional Strategy, to improve the competitiveness of each region (DTER, 1999b, Ch2, p3). Thompson (1996) points out however, that the Labour party has long prioritized the pursuit of enhanced competitiveness, arguing that this in no way conflicts with the pursuit of social justice and environmental sustainability. Brown (1994,p17) when shadow chancellor stated that in a modern, global economy, the policies necessary to tackle growth inequality and social dislocation are the very same as those which are necessary to produce a dynamic and competitive economy. Thompson (1996) and Hay (1999) however, compared this view with that of the (neo-liberal) Manchester School of economics with the belief in the harmonious effects of free enterprise capitalism. Danson (2000, p860) concludes:

“Briefly, then, we can point to the ubiquitous influence of endogenous growth theory and to the emphasis placed by government upon knowledge, skills and enterprise as a means towards innovation as the basis for sustained competitiveness (DEPARTMENT OF TRADE AND INDUSTRY (DTI), 1998a, 1999b; LABOUR PARTY, 1996). We can also note that the development of skills-and hence the means required to take one’s place within the labour market- is regarded as the single most important means of tackling social exclusion (BROWN, 1994; BLAIR 1996). In this way, support is garnered for the claim that the policies needed to tackle social dislocation (those which foster knowledge, skills and enterprise) are the same as those which foster innovation thus competitiveness thus prosperity.” (Danson, 2000,p860).

The economic agenda of the RDAs has therefore brought skills within their remit, as indeed as I discussed in a paper in 2003, a Government white paper of that time had sought to transfer some responsibility for skills away from the LSC towards the RDAs, thus it is not surprising that the RDAs and their regional partners have sought to be protective of their regional skills policies, as a mechanism to drive their regional competitiveness strategies, thus to what extent the SSA could influence this agenda, is questionable.

Roberts and Lloyd (2000,p76) and Deas and Ward (2000) have argued that in broad terms the RDAs were introduced in an attempt to resolve the problems associated with the long standing absence of consistent and meaningful territorial management in the English regions. Jones (1999) argues that RDAs can be seen therefore as the ‘new institutional spaces’.

Returning to the criticism, that Central Government has been careful in its orchestration of regionalism Danson (2000,p861) argues that ‘new regionalism’ emanated from above, rather than from below and that the central state’s influence over these institutions shows little sign of having been ‘hollowed out’, as the objectives and functions of the RDAs are prescribed by central government, their boards are chosen by, and are accountable to, central government and their ability to develop unique strategies is hindered by the constraints imposed by central government guidelines; all, one might add, in direct contrast to the wishes that were expressed by many regional ‘stakeholders’ during the consultation period preceding the publication of the RDAs White Paper (Foley, 1998; Day, 1999). Danson (2000,p861) concludes:

“It is nonetheless clear that the RDAs are viewed neither as an attempt to foster regional development as an end in itself nor as a basis for regional autonomy, but rather as an integral part of a national accumulation strategy. Thus we are frequently informed that the RDAs will need to work within the framework of national policies (DETR, 1999b)” (Danson, 2000,p861)
Ball (1998) discusses the international perspectives in education policy identifying first that government through contracting, de-regulation and privatization have reduced both practically and ideologically the capacity for direct state intervention. Ball (1998, p120) concludes however these devices have provided new forms of state steering and regulation, but the major change is from a Fordist welfare state corporatism to a ‘market model’ wherein the ‘prosperity of workers will depend on an ability to trade their skills, knowledge and entrepreneurial acumen in an unfettered global market (Brown and Lauder, 1996, p3). Ball (1998, p120) concludes that the new rules of wealth creation are replacing the logic of Fordist mass production with new ‘knowledge-based’ systems of flexible production (Ball, 1998, p120).

Ball (1998) building on work by Brown and Lauder (1996) points to a dual policy format in relation to education policy, being neo-Fordism characterised in terms of creating greater market flexibility through a reduction in social overheads and the power of trade unions, the privatization of public utilities and the welfare state, as well as the celebration of competitive individualism (Brown and Lauder, 1996, p5). The second alternative is post Fordism, which can be defined in terms of the development of the state as a ‘strategic trader’ shaping the direction of the national economy through investment in key economic sectors and in the development of human capital (Brown and Lauder, 1996, p5). Ball (1998, p121) points out, that while much policy is neo-Fordist driven, some post Fordist concepts can be also be identified in the development of policy. Taking Carter and O’Neill’s (1995) five main elements of orthodoxy, then the Sector Skills Agreement fits nicely into them:

- **Improving national economics by tightening the connection between schooling, employment, productivity and trade.** Here the use of the SSA to describe the needs of employers and specify them to the supply sector through the Sector Needs Analysis (SNA) section of the SSA. The SSA was supposed to allow employers to articulate the skills they needed to improve productivity, which could then be implemented into curriculum.

- **Enhancing student outcomes in employment-related skills and competences.** From the SSA, Sector Skills Councils were supposed to produce a Sector Qualifications strategy from their SSAs, which developed curriculum such that it more accurately developed and articulated employer needs. SSCs are already responsible for developing the National Occupational Standards, which are used to developed vocational qualifications, and thus insert employer need into the qualifications.

- **Attaining more direct control over curriculum content and assessment.** As pointed out in previous literature, there was a clear intention that the SSCs would dictate curriculum content through the SSA to make the curriculum meet the needs of industry.

- **Reducing the costs to Government of education.** There was an expectation that the SSA would lead to deals between employers, education providers and the Government that would lead to reduced costs for Government as the employers would take more financial responsibility for curriculum that was more focussed towards them. There is however no evidence that this ever worked in reality.

- **Increasing community input to education by more direct involvement in school decision making and pressure of market choice.** This concept has also been rolled out in relation to further and higher education, and through the regionalism strategies the local voice may now be enhancing this voice and making it a potent form of opposition to the four points above (Ball, 1998, p122).

The interesting conundrum is that the regional voice could be challenging the national voice through the regional assemblies, and as the SSA is as suggested above, part of the drivers for
the national voice, may be undermined as a potent weapon of centralist change by the regional pluralism that I have described in my previous papers.

Downsides of New-Localism

This paper has already suggested that new-localism can be seen as a post modernist response to the modernist demands of globalization, although I have suggested that I don’t think that this has much to do with the practicalities of ‘New Labour’ thinking in relation to new localism of services, which it is suggested tends to be on the sans theoretical perspective. That said, the development of ‘far right’ parties making political gains in areas of traditional labour support in the UK are an observable phenomenon within the UK. Tossutti (2001) identifies the growth of separatist and devolutionist parties (in his case Lega-the Northern League party in North Italy) with a resurgence to intensified international economic, political and cultural interdependence, and to post –industrial restructuring, which Tossutti (2001,p65) argues that the ‘new localism’ encompassing as it does the revival of ethnic and regional movements , the shifts towards decentralized structures of economic production , demands for the devolution of competences to lower order governments, environmentalism and a renewed interest in living in smaller cities, represents a post-modern escape from the alienations and identity loss’ engendered by domestic and international pressures towards standardizations, leading to as form of nationalism and regional political identity and response (Tossutti, 2001,p65, Stassoldo, 1992, p39-44).

Theoretical Positioning of the Sector Skills Agreement within the Globalised and regionalised theories

In this rather large paper, I have discussed the various strands related to theory to continue from previous work that seeks to understand where a national Government policy such as the Sector Skills Agreement (SSA) fits with the regional and devolved nation policies that I have discussed elsewhere within these suite of work in progress documents.

It is suggested that the SSA philosophy being a UK national document can be placed within the modernist paradigm that I have described in the paper above. I have suggested in this paper that ultimately, there are two major modernist influences at a national level, these being a neo-liberal right modernist grand narrative of the development of globalisation and the need for countries to develop strategies through upskilling to attract wealth and prosperity from the stateless multi-national organisations and indeed people who are setting the agenda for the world economy. The TINA (There is No Alternative) is a strongly held belief here, and therefore as I have suggested in previous work, this neo-liberal argument is seeking to create a skilled proletariat to meet the new needs of capital in an international context.

Arraigned against this modernist perspective, is classical Marxist and Gramscian Marxist ideas, which critique this neo-liberal hegemony. Although ‘New Labour’ has its roots on the left, and there are some ‘Social Democratic’ concept that also vi with or soften the purist neo-liberal concepts described above, it is suggested that in relation to the analysis of the SSA in a modernist context, there is little value in developing them further.

The advent of the ‘Third Way’ in New labour thinking while ostensibly responding to the nationalistic needs of the devolved nations in the UK, has actually taken the matter further in that underpinning the move to devolution has been a whole plethora of themes relating to localisation at Local Authority Level, to Regionalisation, to meet the needs of the EU structures, facilitating the development of regional style Government and policy making, which has fallen on the Scottish Executive in Scotland, the Welsh Assembly Government in
Wales, the Department for Employment and Learning in Northern Ireland, and the Regional Development Agencies in the nine English regions.

The theories of devolution and regionalism, owe much of their theoretical underpinning to post modernism, and the rejection of grand national narratives in favour of localised solutions at the regional/devolved nation perspective. The SSA has fallen victim most, to the devolved national and regional disparities both real and contrived, as the partners perceived in the modernist paradigm, demand solutions in the post modernist paradigm that must work for the nation or region, but actually provide no symmetry for a national solution. One ends therefore with not one SSA but thirteen, which must be different to meet the needs of the nation or region to get buy in, but are impossible to manage because of the diversity of needs. The SSCs have experienced hostility to their work, as partners at the regions have seen the SSAs as challenging (as indeed many did) the assumptions of Regional Skills Partnerships (RSP) and equivalent national documents. This challenge has left SSAs impotent, as regional Government has sort to ignore SSA findings, or demand that the SSA is ‘re-fitted’ to meet current regional policy. The lack of any structure in the modernist centre to force compliance with the SSA, has left many SSCs it is suggested, with a ‘hollow document’.

Much of this concept comes from the neo-pluralism of the third way, promoted by Giddens and others, and means that it is difficult for any one partner, particularly a relatively poorly resourced partner like an SSC, to force the regional or devolved national agenda. This nationalist/regionalist neo-pluralist model however makes it difficult for the centre to force neo-liberal globalised theories on regions and nations without using funding centrally, which of course is what the previous FEFC modernist model in England and Wales did very successfully, but perhaps less so in Scotland. The regionalisation of the LSC in England, meant that the funding too, was devolved effectively, as LSCs with their RDAs in England lead on the RSP.

The emphasis of the ‘third way’ on social justice matters for example, control to a great extent skills philosophy in the devolved nations as well as the English regions. The demands in the devolved nations that for social justice reasons learners should be able to study what they wish, negates any true acceptance of an employer led demand system, where employers dictate curriculum, as it is suggested these concepts are mutually exclusive. The demand-led system envisaged by Government when creating the SSAs had not come to fruition, and indeed, the supply-side remains as dominant as ever.

Ultimately it is argued that the internal difficulties in the Labour party of reconciling the two competing theoretical models, has created the situation that SSCs have found themselves in with the SSA. While Ministers still speak of demand-led solutions, and the need for skills to be developed to enable employers to compete in the market place, in actuality there is no effective command and control mechanism to achieve this, neither in some parts of Government stressing the ‘social justice ‘ agenda would there be a desire to. Currently therefore the SSAs and any policies like them lie adrift, caught between modernist national and post modernist regional constructs.

To conclude however, while I have spoken in theoretical terms, I have no belief that the actors in the SSA process were conscious of the theoretical underpinnings that prompted their actions, on the contrary it is suggested that there was no real understanding of the theory, merely of the practice of determining and localising power within the regional/devolved nation hegemony. That regionalism as suggested in my paper may be the preferred route for globalisation is probably coincidental to any understanding of globalisation at regional policy level. From a theoretical perspective, the post modernist/modernist conflict adds some semblance of order to what appears to be a mess.
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