

[John Hills](#), [Julian Le Grand](#) and [David Piachaud](#) Introduction

Book section

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CHAPTER 1

INTRODUCTION

John Hills, Julian Le Grand and David Piachaud

How to make social policy work? How can policies be designed so as to achieve the aims of government in the social arena? How can these policies be implemented in such a way so as to promote the desired aims but without damaging other aims that we might wish to pursue? How can we ensure that social policies have only those consequences that are intended?

Howard Glennerster, whose work inspired the contributions to the book, has devoted much of his professional life to answering such questions and this book attempts to build on his contributions. It is thus concerned, not so much with the theory of social policy, but with its practice. The chapters of the book, all written by colleagues of Howard, each distinguished in their own right, focus on the historical development and practical implementation of policy in key areas of social concern. The main focus of the book is on contemporary issues, particularly on the ways in which social policy in Britain has been reshaped in the first decade of the 21st-century, the arguments that lay behind those changes, and the issues that they raise for the future evolution of policy.

The structure of the book

The first part of the book looks at underlying aims of social policy. Jose Harris uses her analysis of the Poor Law to deconstruct some of the mythology surrounding the history of the welfare state. She argues that seemingly quite dated policies and institutions of past eras may contain elements that are constant and universal, or at least recurrent, in many different contexts and epochs, while other apparently ‘timeless’ models are actually time-specific. As examples of this, she points out that many of the elements of the old Poor Law – means testing, the emphasis on work as a route out of poverty – can be found in current welfare reforms, while other, seemingly ahistorical, aspects of the post-war welfare state, such as its universalism, were in many ways a product of their particular period. There are lessons to be learned from history about what works; but they may not always be the most obvious ones.

In her chapter, Tania Burchardt emphasises the importance of clarifying the objectives of policy, especially with respect to social justice. She discusses various interpretations of justice and concludes by arguing for the importance of the capability approach pioneered by Amartya Sen. For Burchardt, a conception of this kind has both theoretical and pragmatic advantages: it respects the diversity of human ends, recognises the importance of individual liberty and positive freedom, focuses on ends rather than means, and concentrates on expanding people’s capacity for responsibility in general, rather than getting drawn into the blind alley of devising policies to separate responsible sheep from irresponsible goats.

The second part of the book looks at the ways in which social policies are delivered, focusing on the ways in which policy has changed across a broad spectrum in recent years. Jane Lewis's chapter draws attention to the increasing pluralism of family form and function and points out how this poses challenges for state intervention, both directly, in terms of the family dealings with government officials, and indirectly, via the assumptions that policymakers make that are embedded implicitly or explicitly in policies to deliver cash and services. Drawing on the experience of the British Labour Government, she argues that types of policy intervention that work with the grain of such changes are likely to be more successful than those that work against that grain or indeed try to reverse the changes themselves. Changes in family structure are 'an independent variable' and need to be treated as such by policy-makers.

In her chapter, Anne West brings out some of the tensions that arise when trying to meet different goals in education policy. She points out that the Labour Government's policies on school education such as the numeracy and literacy hour and the expansion of parental choice and school competition have undoubtedly raised standards. However, the improvements have been mostly concentrated on the average and above average, leaving behind pupils who are low achievers or from disadvantaged backgrounds. There is also evidence of 'cream-skimming' by schools, again to the detriment of the less well off.

Looking at higher education, Nick Barr's chapter makes the important distinction between strategic policy design, political implementation, and administrative and technical implementation. He notes that in many ways, strategic policy design - that most often favoured by academics - is the easy part; the more difficult part is to make policy work on the ground, both in political and administrative terms. He illustrates this by reference to the developments in the UK and elsewhere of graduate taxes and income-contingent loans in higher education, detailing the political and administrative problems that arise in this context and showing how they may be overcome by appropriate policy measures.

Julian Le Grand's and Martin Knapp's chapters both discuss the implementation of market-oriented reform policies in public services. Julian Le Grand examines quasi-markets in publicly funded systems of health care and concludes that the essential elements of these markets – notably user choice and provider competition – can achieve the ends of health care policy. But the measures concerned must be properly designed. There must be mechanisms for ensuring that the entrance for new providers is easy, that exit can take place, that the relevant decisions are immune from political interference, that patients are given the relevant information and help in making choices, especially the less well off. And the incentives for cream-skimming should be eliminated, either through not allowing providers to determine their own admissions or through properly risk-adjusting the fixed price system.

Martin Knapp draws attention to the ‘mixing’ of the social care economy in the UK that has been one of the most notable features of the past two decades. Policy attention initially focused on changes to the balance of provision and more recently turned to the sources, balance and routes of funding.

Throughout the past two or three decades there has been emphasis on shifting the administrative centre of gravity – initially towards, and later somewhat away, from local authorities. These broad changes are discussed as a platform for considering the current quite radical efforts to shift responsibility and power to service users – for example, through direct payments and individual budgets – linked to the broader choice agenda and with deep roots in social work practice and personal empowerment.

Finally, in this part, Anne Power looks at the delivery of policy on the ground, in the shape of policies towards neighbourhoods, particularly those with concentrations of households with low incomes. Drawing on long-term work with a number of colleagues in CASE, she examines why neighbourhoods affect social conditions, evidence of recent progress in neighbourhood renewal, and whether more mixed urban communities are likely to emerge as a result of it.

Looking at cross-sectional distribution, the third part of the book looks at three dimensions of the distributional effects of policy. David Piachaud reviews the many developments in social security and anti-poverty policy in recent years under the Labour Government and shows that both poverty and inequality have fallen. He concludes that ‘redistribution works’. However,

this success has come at the price of enormous complexity, high effective marginal tax rates and a split in responsibility between government departments (the Treasury and the Department for Work and Pensions). Moreover, it is not clear whether this relative success has actually been perceived by the general public, or translated into popular support for the policies concerned. Nor is it apparent what the next steps are – particularly ones that will work.

Social policies, particularly pensions policy, also redistribute resources over the life-cycle. John Hills' discussion of the major reforms under way in pension policies emphasises another aspect of workable social policies: the need to make hard choices. People of working age want adequate pensions for their current elderly relatives and for themselves when they retire. Yet they are often reluctant to make the savings or pay the taxes necessary to fund these. People also appear to believe in the contributory principle as a way of limiting eligibility, and yet are prepared to define contribution so broadly as to include almost everyone in the society. And there appear to be contradictions in people's attitudes towards compulsory saving, with participants in focus groups wanting to make their own decisions, but also wanting to be told what to do because they did not always feel they could make the right decisions. None of this makes it any easier to make pensions policy work.

In the final chapter, Tony Travers reviews the development and use of funding formulae for distributing resources geographically between different local jurisdictions in the United Kingdom. He draws attention to the fact that local

authority, health, education and other formula-based grant arrangements are more emphasised as policy instruments in England than in many other countries, and argues that in part this arises as an attempt to compensate for the relatively high levels of personal income inequality, while demands for public services that achieve equal outcomes have grown. There is an expectation that the outcomes of schools, hospitals and other public services should as far as possible be equal, that ‘postcode lotteries’ are an indisputable bad thing and that public services should compensate for the significant differences in individuals’ backgrounds that result from wide personal and territorial income variations. However, the advent of quasi-markets, discussed in Julian Le Grand’s chapter, the need to change behaviour in relation to the environment and the need to provide different incentives for neighbourhoods may mean that the evolution of funding formulae in Britain may have passed its zenith. Resource distribution in the 21st-century is already evolving beyond the settled model of the latter years of the 20th.

The ingredients that make policy work

As well as these issues of specific relevance to each area explored, there are more general themes that emerge from all the chapters on what is needed to ‘make social policy work’. The first of these is the necessity for policy-makers to have clear goals: to know precisely what are the objectives and priorities of government in the area concerned. Chapters 3 and 5 illustrate some of the problems that arise when there is a confusion of goals, where goals conflict, and where at different times almost everything is a priority.

Second, it is crucial that providers are motivated to deliver high quality services. That is, providers must be offered the right incentives - and incentives should not be perverse (chapters 7 and 8).

Third, there needs to be user involvement and understanding. Without these, services are 'for' people but not 'with' people. Since outcomes in services, such as education or health, depend critically on commitment of parents, patients, etc, this is essential for effective services (chapters 5 and 8).

Fourth, as chapters 11 and 12 stress, there has to be long term public support, or at least acceptance, of the policy concerned and of its cost. There needs to be a long term commitment to policy from all sides of the political spectrum. Political footballs soon get punctured (chapter 11).

Fifth, they illustrate the importance of innovation, which in turn requires diversity and experiment. The post-war welfare state was an organisational innovation of its time (chapter 2), but which then ossified due to lack of effective challenge from exit or voice (chapter 7).

Sixth, social policy has to be seen in the wider societal context of changes happening in the family and the economy. In particular, as Jane Lewis argues in chapter 4, social policy is much more likely to be successful if it goes with the grain of these changes and does not try to reverse them.

Finally, the use targeted, selective responses to tackle greatest needs has to be seen simultaneously in the context of wide inequalities in the UK, but also of the possible damaging effects of the incentives and disincentives particular designs of redistributive policies create for individuals and local organisations.

Serving humanity better

In addition to these cross-cutting points, there is a yet wider consideration that is reflected both in Howard Glennerster's work and in the chapters of this book. The philosopher Richard Rorty puts it thus:

“I think the time has come to drop the terms ‘capitalism’ and ‘socialism’ from the political vocabulary of the left. It would be a good idea to stop talking about ‘the anticapitalist struggle’ and to substitute something banal and antitheoretical – something like ‘the struggle against avoidable human misery.’ I suggest we start talking about greed and selfishness rather than about bourgeois ideology, about starvation wages and lay-offs rather than about the commodification of labor, and about differential per-pupil expenditure on schools and differential access o health care rather than about the division of society into classes.” (Rorty, 1995, p 212)

Or, as Howard Glennerster himself has put it (when considering the untimely death of the disciplinary label of ‘social administration’):

“If we had worried less about critical theory and more about cleaning people’s rubbish we would have served humanity better ... This is not to say that social administrators should run courses in waste disposal, but it does mean that we should devote more thought to understanding the nature of public sector and non-profit organisations. How do we provide appropriate structures to respond to consumers’ demands, and ration scarce resources in ways that reflect political and professional preferences too? How do we maintain the motivation for efficiency in the absence of profit or the test of competition?” (Glennster, 1987, p 84)

In fact, Howard Glennster has devoted much of his career to answering questions such as these. He was born in Hertfordshire in 1936 and attended first a secondary modern school then Letchworth Grammar school. From there he went on to Oxford where he obtained a BA in Philosophy, Politics and Economics. After graduating he worked for the Labour Party Research Department in the period leading up to Harold Wilson’s victory in 1964, including work on proposals to create what became the Open University.

He joined the London School of Economics and Political Science in 1964, first as a Research Officer in the Higher Education Research Unit, working on the financing of education, including the financing of private schools. He began teaching in the Department of Social Administration in 1968 where he remained until he retired, in name only, in 2001 – by then it had been renamed, despite his ‘requiem for social administration’, the Department of

Social Policy. He progressed from Lecturer to Senior Lecturer to Reader then to Professor of Social Administration in 1984. He is now Emeritus Professor of Social Policy, basing his continuing research in the ESRC Centre for Analysis of Social Exclusion at LSE.

His contributions to the Department of Social Policy and LSE in general have been outstanding. For over thirty years, he was the sure foundation of teaching in the Department, setting the highest standards and leading by example. Not every colleague could quite keep up – as one colleague commented, “one was a little daunted on being told he had taken ten of the latest social policy books on holiday with him”. He showed to others what a privilege it is to teach at LSE. Some academics seek celebrity. By contrast, Howard Glennerster is exceptionally modest, polite and unfailingly helpful.

He has carried out research on almost all the social services. Above all he has worked on the finances of social services and the state of welfare. He has contributed a phenomenal amount – perhaps more than anyone in the country, if not the world – to our understanding of these systems and their consequences for people’s lives. He has written extensively, having published an array of books and academic articles; those published so far are set out in the Appendix. The range of this work is awesome, covering the history of social policy, education, personal social services, community care, the health service, poverty and social security, public finance, budgeting and planning, quasi markets and the state of welfare.

Outside LSE, he has, at different times, worked patiently with the Fabian Society and the Labour Party and he has advised HM Treasury and the Department of Health. He has been a Visiting Professor at the Universities of California, Berkeley, Washington and Chicago and a Visiting Scholar at The Brookings Institution in Washington DC. In all his work he has had the outstanding support of his wife Ann who has made her own contribution to generations of pupils and LSE students. Both their children, Rachel and Andrew, have gone on to distinguished academic careers.

Howard Glennerster's work has served to improve the lives of millions who have never heard his name – and it continues to do so. There can be no better tribute for a true scholar of social policy. This book attempts to follow along the path he has cleared.

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