

## REVIEW ARTICLE

### The Big Society and participation failure

Why the Third Way Failed: Economics, morality and the origins of the 'Big Society'

Bill Jordan

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Rob Macmillan\*

Third Sector Research Centre, University of Birmingham

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#### The Third Way and the Big Society

A new social and political concept is launched, described and promoted. Responses include a variable mixture of enthusiasm, scepticism and indifference. In the early days many people are trying to wonder what this new concept is and what it means, in what sense it might speak to the lives and concerns of ordinary people, where it comes from, what lies more or less hidden behind it, and what its implications might be. Such was the fate of the 'Third Way'. So far it has been the same for the 'Big Society'. It has been launched and re-launched, celebrated, discussed and dismissed. It has an unsettled presence and an uncertain future in political debate, and this is likely to continue.

Meanwhile academics, think tanks and other commentators have begun to turn their critical attention to the idea, from a variety of disciplinary and theoretical perspectives, in order to ask what it means in practice and particularly how it links with earlier ideas (Alcock, 2010; Smith, 2010; Scott, 2011). Bill Jordan's *Why the Third Way Failed: Economics, morality and the origins of the 'Big Society'* is one recent addition to this gradually emerging literature. As the title suggests, Jordan primarily provides a critical examination of the Third Way. However, he uses this to argue for a broader understanding of society and public policy, and therefore draws connections to subsequent debates on the idea of the 'Big Society'. This review aims to provide a brief overview of the book, but then draws attention to a curious omission which has significance for ongoing analysis of both the 'Big Society' and voluntary and community action.

Jordan is a very innovative thinker and prolific writer, and many of the themes of previous books – sustaining the common good and collective provision, the demands of social justice in a global economy, the importance of well being, and the case for basic income – also feature here. The main argument is that the Third Way's approach to public policy and political economy failed because it was based on an inappropriate

model of social order and public policy, one based primarily on 'contractual regulation' rather than what he calls 'moral or cultural regulation':

*"the ultimate failure of the Third Way has been a moral one, and that this has stemmed from an inadequate and incoherent analysis of how ethical principles can be applied to the workings of a market economy exposed to global forces"* (Jordan, 2010: 1).

Contractual regulation assumes a world of individual self-interested utility maximisers, with models based on the provision and use of information, incentives and contracts for mutually beneficial exchange. Policy is pursued through codes, rules, policy statements and abstract 'values'. In contrast, moral or cultural regulation implies communication, debate and interpersonal negotiation of codes and standards of behaviour. Jordan suggests that the adoption of the former can have long lasting damaging consequences for the latter. Moral regulation, the stuff of everyday life, is vulnerable to the introduction of regulation through rewards, penalties and targets. But moral regulation can overcome the pitfalls of a reliance on contractual regulation. In essence, New Public Management (contractual regulation) tends to fail through its inattention to everyday life and culture (moral regulation).

Bill Jordan could never be faulted for the breadth of his interests and concerns. His reading has been staggering, covering social policy, political philosophy, cultural anthropology, economics, and psychology. It never fails to generate interest. However, sometimes you wonder just where the journey will take you next. The argument in *"Why the Third Way Failed"* becomes a little breathless and wayward at times, and loses some focus and coherence as a result, particularly in the first three chapters. It can be disconcerting to shift back and forth in a matter of pages between climate change, the love of science, deep space and Big Bang theory and the post-crash revival of folk and craft skills, and be left musing that this is all very well, but what has it got to do with the Third Way? He is on much surer ground in examining the nature of social and economic regulation, and in discussing proposals for reform.

But to lay this argument out he examines in turn the nature of value and justice; the importance of intuition and snap judgement over rational calculative action; and the dominance of the left side of the brain (with an emphasis on theoretical and abstract concepts, information over knowledge, and precision over quality), over the right side (which emphasises the big picture, context and alternatives). He dissects the assumptions of contract theory and argues that policy needs to be much more attentive to culture, emotion, rituals and symbols. In the final section of the book he looks towards two specific kinds of reform proposals: firstly sharing wealth and income through a restated case for the relevance of basic income, linked to existing proposals for tax and benefit integration; and sustaining quality of life through active involvement in community projects.

In making his case against the Third Way, however, Jordan also attends to the new political and economic context, and provides some early critical perspectives on the Big Society. In particular he notes some affinity between his analysis and developments in Conservative thinking in the run up and aftermath of the 2010 General Election. At the root of "Red Toryism", for example (Blond, 2010), is a cultural transformation which in very broad terms is not unlike the 'moral regulation' promoted by Jordan. He is not uncritical though, and notes that Blond's ambitious proposals for redistributing power and resources have not gained much traction within the Conservative party overall. Importantly he notes skilful political positioning by the Conservatives, as part of their 'detoxification of the brand', in adopting the language of co-operation and mutualism.

This filled a (moral) vacuum left by the Third Way's accommodation with globalisation and neo-liberalism:

*"it is more feasible for those attacking the third way for its failures to propose a revival of associationalism and mutuality at the local level than to appeal to a vision of more inclusive, universal national or international solidarities....People feel no embarrassment in refusing to pool their risks with those they perceive as different from (that is, less fortunate or prudent than) themselves"* (Jordan, 2010: 61).

Jordan identifies the 'Big Society' as more than simply a cover for a traditional neo-liberal retrenchment of the state. In addition it is a wider cultural project (albeit without any mention of redistribution of resources), and in this Jordan sees a political opportunity to think of a new form of moral regulation which values the contributions of people outside paid employment.

Some of the analysis looks rather dated already. For example, Jordan suggests that New Labour's relative silence on wealth, income or power redistribution in the run up to the 2010 election *"allowed the Conservatives to set the agenda with their Big Society plea for participation and civic virtue"* (ibid: 147). Whilst it may be true that the Conservatives are defining the terms of current political debate, the idea that *"Blond and Cameron have constructed a narrative that captures the ground surrendered by the Third Way's individualism and authoritarianism"* (ibid: 147) seems somewhat overplayed. Rather the 'Big Society' seems to be struggling to gain a hearing in the clamour around deficit reduction. But such is the risk of commenting on current debates: they seem to move so fast.

### **'Birds of a feather'? Clubs, closure and homophily**

In contrast, one of Jordan's most enduring and fruitful lines of enquiry over many years has been his innovative use of the economic analysis of 'club goods' (Buchanan, 1965; Sandler and Tschirhart, 1997) to develop an account of social fragmentation and social exclusion (Jordan, 1996: 40-79; Jordan, 2000). Oddly, however, there is comparatively little discussion of this in *"Why the Third Way Failed"*. It is possible that this vein of analysis has now been exhausted, but because it could be of central relevance and potential for a critical understanding of the 'Big Society', its neglect is a rather striking and disappointing.

Jordan's basic theory of social exclusion is that, as part of the long break-up of the post-war social democratic welfare state, traditional social collectivities have fragmented into narrower solidarities. These tend to become highly stratified and selective, and more or less exclusive, 'clubs' in various forms. The benefits of club membership are secured by pooling resources and membership contributions, by externalising any costs, and by excluding those who might cost more or otherwise dilute the collective gain. Jordan's argument is that many aspects of social life and social institutions increasingly take on club-like forms, including for example, the labour market, secondary education and residential polarisation. The narrowing of solidarities into clubs serves to exclude those who cannot make the required contributions of membership because they lack material resources and other capacities, and because they face higher risks.

This idea also draws strength from sociological concepts such as 'social closure' (Parkin, 1979) and 'homophily' or social similarity (Lazarsfeld and Merton, 1954; Lin, 2001; Bottero, 2005). In these perspectives, people tend to associate more with others

of a similar lifestyle, background and socio-economic characteristics (homophily) and/or attempt to use their position and power to restrict access to specific resources by drawing boundaries to exclude or marginalise others (social closure). Jordan suggests that wider and more inclusive solidarities have been fractured, and this was not addressed by the Third Way: *“in the current state of insecurity (adversity for many), people seek a mixture of partial protection through what remains of the state’s powers, and the limited opportunities of collective action with others they recognise as being in situations like their own”* (Jordan, 2010: 201).

What might these kinds of arguments mean for the ‘Big Society’ and particularly the role of the voluntary and community sector? Can the sector cut across social divides, or might it reinforce them? The idea of clubs, closure and homophily might inform questions about class, gender, and ethnic composition of those involved as volunteers, activists, committee members, workers and managers. This might be examined at an aggregate level across the sector as a whole, but the idea of homophily suggests an investigation of whether and how people of similar backgrounds might cluster, or increasingly concentrate, at organisational or network level, and the extent to which this generates and reinforces ‘bonding’ relationships and social capital rather than ‘bridging’ relationships (Hall, 1999; McPherson et al., 2001; Fraser, 2002). In short, if this is true, and if the voluntary and community sector is not immune from wider social polarisation trends and patterns, we might, for example, expect to see the development more of ‘middle class’ voluntary and community groups and ‘working class’ groups, rather than mixed groups. This is particularly relevant given that a common finding in studies of participation is that people volunteer, ‘get involved’ or ‘take part’ when asked by friends and associates. Might a consequence of this be a tendency to perpetuate ‘homophilous’ associations based on class divisions? Or, to what extent might the voluntary and community sector be more a site encouraging ‘heterophilous’ encounters and interaction across different groups?

Although Jordan’s account is theoretically well developed, it does not say much about what kinds of resources are at stake as potential membership contributions. It might be fruitful here to think of different ‘forms of capital’ (Bourdieu, 1983). People come to be included or marginalised in so far as they can supply particularly valued resources or capital. Voluntary sector organisations and networks may be interested (and/or compelled by competitive pressures) to secure and retain the involvement of people who can bring particular kinds of resource/forms of capital (such as knowledge, technical expertise, connections and capabilities). In doing so they might simultaneously sideline or frustrate the involvement of those who might not be able to contribute as much, or who might disrupt or compromise their activities. There may be a tendency for groups to exclude those (staff, volunteers, activists, clients/users) who cost more and contribute less, and to include those who can contribute more and cost less.

Participation in voluntary and community sector activities may become a more exclusive pursuit, and may be organised into semi-porous ‘clubs’. A variety of formal and informal mechanisms may be used to exclude those whose participation might threaten the stability and success of existing club relationships. There are at least four kinds of ‘club-like’ dynamics we might witness in the sector. Firstly, where individual voluntary organisations or community groups may be regarded as separate clubs in themselves, involving interactions between differently positioned and more or less powerful members (staff, volunteers, etc.), depending on what they can contribute and how this is valued. Those with less to offer, or who might be seen as costly or disruptive, may become marginalised and even excluded. Those volunteers, activists and staff with more ‘capital’, and ‘knowledge of the game’ may become prized assets

to organisations and groups, to the neglect of those with less personal, social and financial resources.

Secondly, voluntary organisations may face a range of incentives and pressures, primarily through funding regimes, to pursue high volume 'quick wins'. They may prioritise work with clients or service users that are in some sense 'easy to help', and thereby push the 'hardest to help' further back in a queue. Club theory can thus provide a plausible explanation of the familiar issue of 'creaming' and 'parking' of beneficiaries in employment support projects.

Thirdly, the voluntary sector might be organised into explicit and semi-formal groupings of like-minded or like-positioned organisations, such as service delivery consortia, national associations of local groups and federations of organisations. Club-like processes of boundary setting, inclusion and exclusion may be instituted through, for example, membership fees, performance criteria and quality standards. Club theory here offers a tentative theory of inter-organisational collaboration.

Lastly, general community participation, for example in a village or neighbourhood, may involve club-like inclusionary and exclusionary dynamics. Thus it may be more likely that people with more to contribute will be welcomed and valued, compared to those with less to give, whose participation may be much more difficult to sustain. The difficulty of encouraging participation, beyond a few highly active and visible 'usual suspects', is also suggestive of club-like dynamics in community participation processes. However, there is some evidence of different kinds of community involvement in more and less affluent areas (Williams, 2003). Although this can be overstated, participation in less affluent areas appears to be characterised more by informal mutual exchange relationships, rather than more formal organised activities. Following Jordan's latest argument in *"Why the Third Way Failed"*, we might also consider whether the former exemplifies moral regulation, whilst the latter is suggestive more of contractual regulation. However, the key point is that the nature and extent of club-like dynamics may not therefore look the same across all neighbourhoods.

In an unequal society, these examples may help explain the class distinctions in participation and voluntary and community sector involvement, and help reproduce/perpetuate inequality. However, it must be acknowledged that these are theoretical propositions and questions to be examined further, rather than empirical findings and conclusions.

### **The Big Society and 'participation failure'**

The 'Big Society' is arguably the continuation, from the Third Way, of a politics of responsibility, conditionality, reciprocity and contribution: what you might 'get' depends on what you are prepared to give. For large proportions of the population, this is based around participation in the labour market. But many things which are needed to sustain a livelihood involve collective public and social services. In the shift away from public services based on entitlement, we see a continuing emphasis on goods and services related to active participation, co-production and voluntary and community action. This raises the prospect that livelihoods may also increasingly depend on active membership and involvement in a range of public service associational 'clubs'. But if such a model of social provision continues to develop, we may need to add a new form of failure – 'participation failure' – to the familiar array of market, state, and governance failures (Jessop, 2000). Where the 'Big Society' emphasises citizen and community action in civil society, it may be weakened or face particular challenges inasmuch as participation is narrow in scope, limited in magnitude, or in decline. In this context, we

might regard the prospect of 'participation failure' as involving one or more of the following dimensions:

- where there is insufficient overall participation (for example, due to time pressure, labour market participation, family life and private consumption and leisure pursuits)
- a social gradient of participation (for example, where some groups such as the better resourced are more likely to participate than others)
- an uneven geography of participation (for example, where it appears to be stronger in some places than others, such as the idea that voluntary and community action struggles in more deprived areas)
- an unstable temporality of participation (for example, where provision, and thus participation, comes and goes according to changing funding regimes and trends in charitable giving)
- where participation may concentrate on particular interests and enthusiasms, rather than on meeting essential welfare requirements for sustainable livelihoods.

Each dimension requires much further investigation to examine the existence, causes, patterns, trends and consequences of possible participation failure.

All of which seems to bring us back to the Third Way and the Big Society. In *"Why the Third Way Failed"* Jordan concludes his argument by noting two key weaknesses of the Big Society agenda. Firstly, *"it takes time for cultures of self-organisation in communities and groups to develop, and commercial interests will occupy the spaces left as Third Way systems are closed down"* (Jordan, 2010: 202-203). A new government in a hurry may be proceeding 'too far, too fast' for communities with differential resources to respond, or for voluntary and community sector organisations to survive in good enough shape to compete for whatever opportunities might arise from further public sector reform.

Secondly, Jordan's longstanding concern with wider solidarity and fragmentation comes to the fore, echoing our discussion of club theory and 'homophily':

*"because wider solidarities are so weak, new organisations will be homogenous and narrow in their membership, reflecting the fragmentation of society into neighbourhoods of similar incomes, age groups and lifestyles. The devolution of responsibility to this level will favour the better off and more experienced; it will therefore contribute to greater inequalities of resources and power"* (ibid: 203).

Overall the book seeks to raise this as a concern and to articulate ways of avoiding the trend towards what we might think of as an enclave society. A rhetorical question might help identify an important research agenda ahead for studies of voluntary and community organisation and participation. Are we, as the saying goes, 'all in this together'? The answer is 'possibly', but a hypothesis based on the idea of 'clubs', 'closure' and 'homophily' would suggest that we are, but only really with people 'like us'. This opens up important but rather neglected questions of the social and spatial composition and distribution of voluntary and community action, and in particular how class and other social divides might characterise the third sector. A harder question is then whether voluntary and community action tends to challenge social inequalities, or whether it might actually reproduce and reinforce them.

There are tremendous implications here for the 'Big Society' and the ongoing project of enlisting the third sector in public policy and social action. Questions about

the *quality* of voluntary and community action are placed at the fore, in terms of how it is organised and how it operates, what it does and what it achieves. Like with so many areas of life, it does not matter how big your society is, it is perhaps what you do with it that counts.

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\* Correspondence address: Rob Macmillan, Third Sector Research Centre, University of Birmingham, Park House, 40 Edgbaston Park Road, Birmingham B15 2RT. Email: [r.macmillan@tsrc.ac.uk](mailto:r.macmillan@tsrc.ac.uk).

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