

Edited by  
Graeme Cooke  
and Rick Muir

November 2012  
© IPPR 2012

FEATURING  
LEAD ESSAYS BY  
**GEOFF MULGAN AND  
MARC STEARS**

# THE RELATIONAL STATE

HOW RECOGNISING THE IMPORTANCE OF  
HUMAN RELATIONSHIPS COULD REVOLUTIONISE  
THE ROLE OF THE STATE

## ABOUT THE EDITORS

**Graeme Cooke** is research director at IPPR.

**Rick Muir** is associate director for public service reform at IPPR.

## ACKNOWLEDGMENTS

We would like to thank Geoff Mulgan and Marc Stears in particular for their lead essays, which we believe will stimulate such an important and productive debate for the centre-left about public services and the state. We are indebted to their intellectual creativity.

This publication has its roots in a seminar held at IPPR earlier in the year which discussed the idea of the relational state – and we greatly appreciate the time of those who participated. A number have contributed responses to this collection.

Finally we would like to thank Nick Pearce for his advice and guidance in putting this publication together.

## ABOUT IPPR

IPPR, the Institute for Public Policy Research, is the UK's leading progressive thinktank. We produce rigorous research and innovative policy ideas for a fair, democratic and sustainable world.

We are open and independent in how we work, and with offices in London and the North of England, IPPR spans a full range of local and national policy debates. Our international partnerships extend IPPR's influence and reputation across the world.

IPPR  
4th Floor  
14 Buckingham Street  
London WC2N 6DF  
T: +44 (0)20 7470 6100  
E: [info@ippr.org](mailto:info@ippr.org)  
[www.ippr.org](http://www.ippr.org)  
Registered charity no. 800065

This paper was first published in November 2012. © 2012  
The contents and opinions expressed in this paper are those of the author(s) only.

NEW IDEAS  
for CHANGE

# CONTENTS

## Section 1: Context

<b>The possibilities and politics of the relational state</b> .....	<b>3</b>
<i>Graeme Cooke and Rick Muir</i>	
Introducing the relational state .....	4
Beyond 'new public management' and Blair–Brown statecraft .....	4
The dimensions of the relational state debate .....	8
Conclusion: the politics of the relational state .....	15
Postscript: a strategy for advancing the relational state .....	17

## Section 2: Vision

<b>Government <i>with</i> the people: the outlines of a relational state</b> .....	<b>20</b>
<i>Geoff Mulgan</i>	
Background: from delivery state to relational state .....	20
The rise of delivery and performance management .....	21
Theoretical considerations: dimensions of a relational state .....	22
Goals and tools for making government more relational .....	25
Delivery at the frontline to support relationships .....	27
What if government trusted the people to share the job of governing? .....	28
Adapting relational skills for public servants .....	29
Supporting citizens to support other citizens .....	29
Changing relationships between the state, civil society and citizens .....	31
Social innovation and relational models: a case study of ageing .....	32
Conclusions .....	34
<b>The case for a state that supports relationships, not a relational state</b> .....	<b>35</b>
<i>Marc Stears</i>	
The problems .....	36
What is the state? .....	37
What does this all mean for the relational state? .....	39
What is possible and what is impossible? .....	40
A state that facilitates relationships .....	42
A cautious conclusion .....	43

## Section 3: Perspectives

<b>Under pressure: the drivers of a new centre-left statecraft</b> .....	<b>45</b>
<i>Nick Pearce</i>	
<b>Sure Start and the dilemmas of relational politics</b> .....	<b>47</b>
<i>Duncan O'Leary</i>	
<b>From relational ideas to relational action</b> .....	<b>49</b>
<i>Hilary Cottam</i>	
<b>Relational reality: citizen-centred healthcare</b> .....	<b>52</b>
<i>Axel Heitmueller</i>	
<b>Power games: shaping a more democratic relational state</b> .....	<b>55</b>
<i>Tess Lanning</i>	
<b>Set our schools free: a relational approach to education</b> .....	<b>57</b>
<i>Jon Wilson</i>	
<b>The psychology of the relational state</b> .....	<b>59</b>
<i>Jon Stokes</i>	
<b>The relational state: a revolution in the making</b> .....	<b>62</b>
<i>Tessa Jowell</i>	

## ABOUT THE AUTHORS

- Graeme Cooke is research director at IPPR; Rick Muir is associate director for public service reform at IPPR
- Geoff Mulgan is chief executive at NESTA and former head of the Number 10 Policy Unit
- Marc Stears is a visiting fellow at IPPR and professor of political theory at the University of Oxford
- Nick Pearce is director at IPPR and former head of the Number 10 Policy Unit
- Duncan O’Leary is deputy director at Demos
- Hilary Cottam is founder of Participle
- Axel Heitmueller is director of strategy and business development at Chelsea and Westminster Hospital Foundation Trust
- Tess Lanning is a senior research fellow at IPPR
- Jon Wilson is an historian at King’s College London and author of *Letting go: How Labour can learn to stop worrying and trust the people*, published by the Fabian Society
- Jon Stokes is a business and organisational psychologist and a director of consultancy firm Stokes & Jolly
- Tessa Jowell is Labour MP for Dulwich and West Norwood and shadow minister for London

# THE POSSIBILITIES AND POLITICS OF THE RELATIONAL STATE

RICK MUIR AND GRAEME COOKE

Sparked by the financial crisis and subsequent recession, the centre-left is currently locked in a serious debate about the core tenets of its political economy. While the outcome of this debate is not yet known, the central insights and perspectives that have dominated mainstream economic thinking since the mid-1990s are being subjected to intense scrutiny. Given the scale of the economic crisis we are facing – and the sense that a fork in the road has been reached – this is a necessary, if uncertain, exercise.

It is striking, however, just how little discussion of this kind there has been in relation to the purpose and role of the state. Indeed, the vociferous debate on political economy has so far been matched by virtual silence across much of the centre-left on questions relating to public services and statecraft. The dawning reality of fiscal constraint has prompted a recognition that Whitehall departments will have to get by on much tighter budgets in the years ahead. However, any more fundamental consideration of the *goals* and *practices* of government in general – and public services in particular – has been largely absent.

Such an imbalance is understandable, given the urgency of the economic crisis, but problematic nevertheless: it assumes there are not significant lessons to learn from the actions and experiences of the last Labour government. There may have been no structural ruction in the state and public services, equivalent to the banking crisis, of the kind that might crystallise the passing of the old order. Nonetheless, the premise of this collection is that, despite considerable improvements in many public services during that period, a particular model of statecraft and public service delivery also reached the end of the road with the passing of the Blair–Brown era.

While the centre-left has vacated this particular intellectual and political field, the Coalition (especially its Conservative branch) has set about remaking the state. Labour's academies programme is being contorted from its original form and mission, and supplemented by free schools. The NHS is undergoing a structural upheaval, driven by a version of GP commissioning and greater openness to new providers. Police accountability is changing with the introduction of police and crime commissioners. The Labour frontbench have been quick to attack these plans, often with good reason, but they have not set out an alternative approach.

Beyond some ambitious rhetoric early in his premiership, prime minister David Cameron has largely failed to develop or pursue an animating philosophy for Conservative public service reform. The nearest to a governing idea was the big society. This was a hugely effective critique of the Brown era, but having been tested in government has largely dissolved under its own contradictions. However, steps to open up access to data, experiments with public sector mutuals, sporadic embraces of localism, extensions of private and voluntary sector involvement in service delivery, and greater use of outcome-based commissioning (and payment by results) do give this government's statecraft a distinctive flavour.

In response, Labour has not yet confronted its own governing legacy and so is unable to articulate quite what it thinks. Debates that raged during the New Labour era about the reform of public services now lie largely dormant. There is no doubt that returning to them carries risks, but ignoring the issue poses a greater danger. If Labour does win the next general election then the party would assume responsibility for governing a state both substantially reformed from the one it left and under unprecedented financial pressure. To state the obvious: it must know what it thinks, what it cares about, and what it would do.

The purpose of this collection is to begin to fill this political space by introducing the idea of the ‘relational state’ – a new intellectual and political perspective on statecraft and the public services. It explores how the ideas underpinning the relational state could help to reframe centre-left goals and provide a guide to policy and action. This starts from the need to reconcile with the successes and limitations of Labour’s record in government. Beyond this, however, the clear focus is on what sort of governing model is best suited to the needs and spirit of the country.

We fear that without considering new perspectives, debate will remain stuck on familiar tracks, leading to a tired politics. Important as it may be, the centre-left must get beyond simply arguing over the merits of public versus private sector delivery of services, for instance. This collection aims to kickstart thinking in less obvious places. It does this through two essays from leading political theorists – Geoff Mulgan and Marc Stears – who introduce their distinctive ideas about the relational state, followed by a series of short responses which critique and advance their arguments in a number of different directions.

### Introducing the relational state

The purpose of this essay is not to summarise the contributions that follow but to provide a guide to the concept of the relational state and what it might mean for centre-left politics. We do this in two ways:

- first, by explaining where the impetus for this new strand of thinking emerged from, especially the approach to governing it reacts against
- second, by spelling out the different dimensions of the intense philosophical and practical argument it is capable of provoking if its insights are taken seriously.

As will become clear, there is both shared ground and sharp disagreement among those who are interested in advancing the concept of the relational state. Contributors are united on the need to pursue a different form of statecraft to the last Labour government, and agreed on the need for it to pay greater attention to lived experience and human relationships. However, there are important disagreements over the extent of the break from the past that is needed and its implications for the role of the state itself.

In this essay, we seek to provide the reader with a framework for understanding this debate. Rather than skating over the differences among our authors, we shine a light on them. In so doing, our aim is to define the relational state and draw out the contours of a new set of arguments and ideas about the *purpose* and *practice* of public services and the state itself.

We hope this collection contains valuable insights for those interested in the theory and practice of government across the political spectrum. It is directed in particular, though, towards those on the centre-left, who rightly see the state as a vital agent in bringing about the kind of society they believe in. Too often, however, the centre-left has been far too inattentive to what sort of state is required and how its power should be organised and exercised – including the limits of that power and the constraints it inevitably faces. In what follows we do not pretend to offer a fully developed theory of the state, but we do aim to confront these kinds of questions.

### Beyond ‘new public management’ and Blair–Brown statecraft

New intellectual and political perspectives do not emerge in a vacuum. They develop in response to external factors that question existing ways of thinking and require fresh ideas. Many of the insights underpinning the relational state draw on longstanding

perspectives about the role and nature of government. However, the particular way they are coalescing and their potential to speak to contemporary politics owes a lot to the exhaustion of the statecraft that has dominated the last political generation. This is where our story starts.

New public management (NPM) has been the guiding intellectual paradigm for the reform and governance of public services over the last three decades. Emerging as a response to the failings of traditional public administration,<sup>1</sup> it can be characterised by the use of two forms of management technique: targets and markets. Under this model of statecraft, attempts to improve the performance of the state have relied on command and control from above and choice and competition from outside.

Before the advent of NPM, the state and public services were run according to the belief that the ‘man in Whitehall’ and ‘the experts’ knew best. In the post-war era, this model came under increasing attack from the New Left and the New Right, who both (albeit in different ways) characterised professional power and excessive bureaucracy as problematic. While the New Left’s critique had purchase and sparked innovative forms of grassroots initiative, it largely failed to articulate or advance an alternative, more democratic statecraft.

By contrast, the New Right was much more successful in putting its ideological insights to work in interpreting and responding to the crisis of governance faced by the British political class in the late 1970s. It drew inspiration from ‘public choice theory’, which claimed that rather than serving the public interest, bureaucrats generally served their own. Without being held to account by political or commercial pressures, they would consume ever-more public resource and continue to offer a poor-quality service.

Influenced by this thinking, the Thatcher government introduced a series of reforms that added up to a fundamentally new approach to running the British state. Market pressures were introduced into the public sector: industries were privatised, local authorities were forced to put services out to tender, schools and hospitals were expected to compete with one another for users. And private sector management techniques were brought into public administration: services and managers were set targets, performance was measured and monitored, and independent regulation and inspection was introduced.

After 1997, Labour adopted its own distinctive approach to public services. It diverged from the Thatcher and Major governments, not least by substantially increasing the resources going in to public services, especially health and education. There was also a commitment to protecting universal services and expanding them into new areas, in particular into childcare and neighbourhood policing. In addition, the focus on ‘personalisation’ was driven by a desire to shape responsive, user-driven services.

Despite this new approach, a set of common insights derived from the NPM model about the reform of public services and the role of the state persisted. The Labour government went much further in setting many more targets for public service providers in return for the extra investment going in. And it introduced greater competition in the NHS, schools and welfare-to-work.

Labour’s period of office resulted in a number of considerable successes. Many examples of gross inefficiency, Dickensian paternalism and unacceptable outcomes were challenged

---

1 Stoker G (2006) ‘Public Value Management. A new Narrative for Networked Governance?’ *American Review of Public Administration*, 36(1)

and overcome. Local authorities became leaders in sound financial management. Institutional care for disabled people was torn down. Health service waiting times and crime rates tumbled. We moved from a country in which around 30 per cent of young people achieved five A\*–C GCSEs to one in which 60 per cent did so.

However, the founding premise of the ‘relational state’ is that while NPM delivered improvements in various domains, it left significant collateral damage along the way, and that it no longer embodies the right ideas or strategies for the current times. The authors in this collection identify a number of reasons why the centre-left should move beyond NPM, especially in its crudest form, which we summarise below:

- The **theoretical foundations** of NPM have been challenged by a wave of new thinking across the social sciences. For example, drawing on complexity economics,<sup>2</sup> network thinking suggests that social problems are situated within complex systems that are unsuited to mechanistic interventions. Rather than attempting to engineer outcomes through ‘command and control’, governments should focus on crafting the conditions for a variety of agents involved in a given problem to solve it themselves. This suggests a greater priority for experimentation, decentralisation and institution-building.<sup>3</sup>
- Despite evidence of improvements in the standards of public services, there has not been an increase in levels of **public trust and confidence**. As Geoff Mulgan argues in his essay, the reforms inspired by NPM were introduced in part to address the ‘legitimation crisis’ that affected the British state after the economic and social crises of the 1970s. These new methods were supposed to deliver more consumer-focused services and better value for public money. However, trust in government has continued to decline – suggesting better outcomes alone are not enough.<sup>4</sup>
- The proliferation of **command and control** management techniques has promoted a tick-the-box compliance culture across the public services. Such strategies helped some very poor services to achieve a minimum standard, but they have also demoralised staff and undermined professional status. A ‘targets and terror’ approach can be effective in addressing terrible performance, but it is poorly suited to supporting excellence, because it hampers flexible responses to local demand and constrains innovation and creativity. Command and control techniques have also led to the growth of expansive monitoring, inspection and auditing processes, which are a drain on time and money.
- Many of the challenges facing citizens and society today cannot be addressed by the state delivering services to the public in a **uniform or mechanistic** fashion. For example, most chronic health problems, such as obesity or diabetes, require more than an appointment with the doctor. Managing long-term conditions, like dementia, requires human relationships, not a prescription of medical inputs. Issues like climate change, social care and antisocial behavior require more than new legislation or

2 Beinhooker E (2012) ‘New economics, policy and politics’ in Dolphin T and Nash D (eds) *Complex new world: Translating new economic thinking into public policy*, London: IPPR. <http://www.ippr.org/publication/55/9499/complex-new-world-translating-new-economic-thinking-into-public-policy>.

3 See Beinhooker 2012 as well as Seddon J (2008) *Systems Thinking in the Public Sector: The Failure of the Reform Regime ...and a Manifesto for a Better Way*, Axminster: Triarchy Press, and Hallsworth M (2011) *System Stewardship: The future of policy making?* London: Institute for Government.

4 Ipsos-MORI data shows that whereas 43 per cent of people thought our system of government ‘could be improved in small ways but mainly works well’ in 1973, this had fallen to just 30 per cent by 2010. Similarly the proportion of people who believe that our system of government ‘needs a great deal of improvement’ has risen from 14 per cent in 1973 to 25 per cent in 2010. See <http://www.ipsos-mori.com/researchpublications/researcharchive/poll.aspx?oltemId=2442&view=wide>



some kind of government lever-pulling to administer solutions. This point was often acknowledged by Labour ministers but answers were usually sought in the NPM handbook.

- Despite an initial foundation on insights from the business world, the core tenets of NPM are increasingly **rejected by private sector** leaders and innovators. Many successful private companies no longer organise themselves in strict hierarchies but are instead driving decisions down to the frontline, encouraging learning and innovation and putting in place flatter management structures. Firms like Power Panels Electrical Systems (PPES)<sup>5</sup> and BAE Systems are good examples,<sup>6</sup> with strong records on productivity and profitability. There is much that the public sector could learn from the private sector, but today those lessons are very different from the orthodoxies of NPM.
- Finally, and perhaps most significantly, the focus on delivering measurable outcomes has **neglected the importance of human relationships**. It risks reducing the complexity and texture of human experience to a simple number, leading to policies and services that do not address the core of a problem. Targeting only the outcome forgets that the way people are treated matters too – it underplays the role of relationships in improving people’s lives. A purely outcomes-focused mode also involves certain people – invariably elites of various forms – deciding for others what they should choose to value.

It is, of course, not the case that there has been a single linear approach to running the British state over the last three decades. Even within the 13 years of the last Labour government, the dominant modes of statecraft evolved. In the first term, market-based strategies were scaled back and central direction in key public services increased. In the later Blair years, attempts were made to harness ‘consumer power’ in various forms (witness the embrace of ‘personalisation’) to challenge bureaucracy and increase competition. The Brown government never advanced a coherent approach to public services, but its strongest operating mode was the attempt to engineer service improvements through the direction of the central state.

This has created a distinctive political legacy. Labour left office able to claim significant success in improving standards in public services (as well as rebuilding much of its infrastructure). All the extra spending did not, however, prevent alienation among much of the public service workforce from the process and nature of reform. And there remains frustration among users of services when they are unresponsive or bureaucratic.

Beyond this, the relationship between central and local government continues to be fraught and is frequently characterised by mutual suspicion. The Blair–Brown era has left the centre-left with a strict separation of means and ends: the former were usually reduced to a purely instrumental role in the service of the latter, which were then defined as ‘better outcomes’ of various kinds.

This, then, is the backdrop against which the idea of the relational state emerges and the context in which it aims to offer fresh insights. The major difference from the pre-2010 era, of course, is that the onset of fiscal constraint hangs over any debate about the reform of public services and the role of the state.

---

5 PPES designs and manufactures electronic, electrical, electro-mechanical and electro-pneumatic assemblies and systems: see [www.powerpanels.uk.com](http://www.powerpanels.uk.com)

6 See Colin Dixon in *Rethinking employee voice*, London: IPA, p9. <http://www.ipa-involve.com/resources/publications/rethinking-voice-for-sustainable-business-success/?Rethinking%20Voice>

7 IPPR | The relational state: How recognising the importance of human relationships could revolutionise the role of the state

## The dimensions of the relational state debate

The impetus for the new thinking presented in this paper under the banner of the ‘relational state’ is, then, rooted in its critique of the NPM model and, in particular, the need to move on from the dominant statecraft of the last Labour government. However, the nature and depth of this critique varies across the authors in this collection. Some argue that its edges need to be smoothed off and its core methods redirected towards different, more relational, goals. Others mount the case for more fundamental change, affecting both the aims and practices of public services and the state.

There is also consensus on the need for human relationships to be given greater priority as a goal of policy and in the design and operation of public services, which challenges a strict adherence to egalitarian goals and state-led agency above all others. That said, there are important disagreements on what form this new role should take and how significant a change it might necessitate.

The practical implications of arguments about the relational state depend substantially on the nature and intensity of the critique. In this section we explore three key dimensions of these arguments, as a way towards greater clarity around the concept of the relational state.

### Fundamental objectives

In our lead essays, Geoff Mulgan and Marc Stears express a shared interest in placing human relationships at the centre of our thinking about the role of government in general and the operation of public services in particular. They both see good relationships between people as being essential to making services effective and lives better. However, their distinct formulations of this position – and the implications they draw – speak to significant differences about the purpose and form which centre-left politics might take.

Mulgan argues that broadening and deepening relationships should be seen as an outcome to which the state should aspire. In addition to seeking higher standards in education or lower rates of crime, for instance, governments should aim to improve the quality of its relationship with citizens (and their relationships with each other). In other words, as well as being concerned with objective, material issues, politics should care about the subjective and relational too.

By contrast, Stears argues that a much deeper critique of the concept of ‘outcomes’ itself is needed – better relationships are not just another outcome to be pursued alongside all the usual others. On this reading, the attempt by governments to define and then measure objective outcomes necessarily fails to capture what is most important in life. It reduces human experience to a number and embodies an elitist, anti-democratic version of politics. Who, after all, gets to decide what the valued outcome should be?

On first reading, this distinction between Mulgan and Stears might seem like a technicality. But their argument alludes to the basic question of means and ends in politics. For Mulgan, the goal of government should encompass improving relationships. So, for instance, services should be judged on how effective they are at achieving ‘better relationships’. He also sees relationships as an efficacious means for achieving other public policy objectives (such as better mental wellbeing or improved educational attainment).

For Stears, relationships are not just one among many potential objectives of public policy; instead, they possess a higher status. He argues that fostering democratic relationships

should be the central goal of centre-left politics, underpinning all others. On this view, the destination of politics should not be prescribed by a central authority but constantly contested through an active relational life. And, counter to Mulgan, relationships should never be used by the state as a means to other predetermined ends. To do this is to destroy those relationships by denuding them of their essential democratic character.

This critique suggests a politics that does not aim towards a known, identifiable end state. It rejects utopianism and embraces uncertainty. Taken to its logical conclusion, such an approach would be a radical departure for the centre-left, which has long defined itself in terms of a 'vision' for how society should be (in words such as 'equality'). In its purest form, Stears' argument is a call to abandon the pursuit of objective outcomes with politics coming instead to focus on the design of processes – especially ones that enable relationships. The specific 'ends' that people make of these 'means' – both individually and collectively – is then a matter for their own determination. This offers citizens, he argues, the prospect of both liberty and responsibility.

These theoretical concerns come to life in the debate about the apparent tension between equality and localism on the centre-left. On the one hand, devolving power and responsibility – to local authorities, service providers, frontline professionals or citizen-users – is seen as necessary to create the conditions for relational activity. On this understanding, a degree of freedom from the constraints of central control and direction is seen as necessary for people to work things out together, in the way that is best for their particular circumstances.

On the other hand, this rubs up against the countervailing instinct to seek to advance more equal outcomes or opportunities of various kinds. This is not the central proposition in Mulgan's account, but is associated with more traditional social democratic thinking. Commitment to egalitarianism is thought to require common (often national) rules and adherence to universal standards. Greater scope for variation and contingency opens up the risk of 'postcode lotteries' and a 'race to the bottom'. Proponents of this perspective would argue that greater localism – and a broader move away from focusing on outcomes and ends – will inevitably lead to increased inequality. They might also add that greater material equality is a necessary precondition for balanced human relationships to flourish.

Critics of this perspective – like Stears – counter that the state is only ever an imperfect guarantor of equity. It is particularly hard, if not impossible, to guarantee equal outcomes – they cannot simply be legislated for or mandated. Even where the state does have strong legal powers (via anti-discrimination or employment legislation, for example) outcomes still depend on a panoply of factors beyond state control. More than this, the aspiration to a state that treats people equally – or more accurately, 'the same' – is to some extent a false promise, which then leads to disappointment and a sense of betrayal.

Challenging this perspective does not require core egalitarian concerns to be abandoned, but it does suggest the limits of state power alone in advancing them. This, then, might demand a greater focus on reducing inequalities in power or thinking harder about how the state can act to mobilise the power of others. Nor does it mean abandoning all national standards or entitlements, but it does suggest we need to be sceptical about standardisation and its likely impacts on the space that's available for service innovation and meaningful relationships between professionals and citizens. Accepting that society's destination cannot be predetermined does not mean embracing directionlessness. In sum, the concept of the relational state sits on the fault line of this argument about the core purpose of the centre-left: means and ends, outcomes and contingency, equality and localism.

### **Agency, statecraft and strategic focus**

The debate about means and ends is further brought into focus when considering the question of *how* the concern for better human relationships might be advanced. This starts with the role of the state itself, where there is a major disagreement between our two lead essayists. For Mulgan, the relational state is one that sees its role as being less about delivering services *for* or *to* the public and more about working *with* people to solve shared problems. This means rewiring the state to improve relationships, but particularly the relationship *between the state and the people*.

By contrast, Stears firmly rejects this conception, arguing that the state itself cannot be relational. Relationships, he suggests, are flexible, contingent and particular, whereas the state is inherently an agent of standardisation. He contends that ‘states work best when a problem has a technical, mechanical solution which can be employed everywhere within a single geographic space’. The state, therefore, should not focus on transforming its own relationships with the public but on creating the conditions for citizens to relate better with one another. In his words, ‘a state that supports relationships, not a relational state’. This perspective regards the state’s primary role as protecting the time, the places and the institutions that enable people to engage in relational activity.

This is an important distinction. Mulgan believes that some of the traditional levers of state power can be deployed in new ways to promote ‘relational outcomes’, rather than only objective, material goals. For example, the state can train public sector professionals in relational skills, such as empathy, mobilising others and coalition-building. Similarly, rather than abandoning targets altogether, government can set targets which focus on relationships, such as by putting user satisfaction measures at the heart of performance management frameworks.

For Stears, by contrast, such approaches are antithetical to the advancement of a more relational society, especially when allied to measurable outcomes. Tough questions are left for both thinkers. It is not clear that the mechanisms of the state, even in new forms, can be adapted to the fine grained and personal task of building strong relationships (though this rests in part on what ‘the state’ is taken to mean). However, if many of the traditional tools of state power are written off, alternative strategies need to be identified (assuming that the absence of the state is not enough by itself).

In practice, there is considerable common ground between the forms of agency and areas of strategic focus that Mulgan and Stears advocate. They both seek a break from aspects of the statecraft of the last Labour government, albeit to different degrees, and share the view that the process (or ‘means’) matters – it should not be reduced simply to its instrumental role in achieving some other goal. In other words, what matters is not just what works; the journey counts as much (if not more) than the destination. Noting the different points of emphasis between our two lead authors, it is possible to briefly identify the kinds of issues and areas which might assume greater importance in a more relational statecraft.

- **Professionals and practitioners:** Rather than being seen as units to deliver goals or plans dictated by a central authority (whether state or market), the people working in public services (along with citizens themselves) are the fundamental source of agency. Mulgan suggests that the skills and capabilities of people working in a relational state are quite different to those demanded by the ‘delivery state’: the ability to empathise, communicate, listen and mobilise coalitions of citizens and professionals to achieve social goals. Managers would need to be able to manage systems and enthuse and motivate those working with them. More fundamentally, a relational state would require

service leaders and professionals to be given greater space to innovate, matched by greater responsibility and accountability for that power (as we discuss later).

- **Institutions and places:** Relationships happen in particular places and are mediated by certain institutions. Therefore, a relational state would be concerned about the actual and specific locations where people come together – not ‘everywhere and anywhere’ – and the kinds of institutions that are likely to promote strong relationships. This would create a strong bias in favour of decentralisation over uniformity and a focus on systems rather than individuals. Duncan O’Leary’s discussion of the evolution of Sure Start speaks directly to these dimensions, in particular the tensions between local variability and promoting relationships on the one hand, and national standards and the pursuit of egalitarian objectives on the other. The role of local authorities and public places also assumes a renewed importance in the relational state.
- **Diversity of providers, beyond market and state:** By definition, a relational state would require continuous innovation and adaption, as it would be driven by human rather than bureaucratic or commercial concerns. As Nick Pearce suggests, this requires the nurturing and protection of certain spaces bounded off from both the restrictive compliance culture of the state and the profit-seeking ethos of the market. Relational life is likely to be best fostered by institutions that have both a public interest ethos and a capacity to innovate and adapt. A number of authors in the collection point to particular options in different sectors, such as timebanks, local currencies or mutually owned and managed forms of service provision. The latter could play a major role in areas such as social care, where a cooperative model might see users and staff driving management and delivery, outside of both market and state.
- **Information and technology:** Mulgan argues strongly that information is an essential part of effective relational strategies and that new technology can unlock the huge latent potential for greater relational activity. He makes the case for public agencies to have a much better understanding of the rich fabric of associational life that most people inhabit (what David Halpern called the ‘hidden wealth’ of nations). This suggests increased use of tools such as social network analysis and in-depth interviews with service-users, as well as managers spending much more time on the frontline. As systems theorists argue, the key to better public services is a more granular understanding of demand which is capable of more effectively meeting specific needs and avoiding wasteful interactions.<sup>7</sup> In this context, social media is seen as having a leading role, creating opportunities for far greater user engagement and the emergence of peer-to-peer networks and support beyond the reach of traditional services. It is also the case that deploying technology to drive greater efficiency in state functions that are inherently transactional can create the space and the funding to enable more relational activity (for example, a transactional system of social care funding to enable a more relational form of delivery).
- **Citizens and culture:** The final, vital source of agency and strategic focus for the relational state would be citizens themselves. A relational state would seek, wherever possible, to enable citizens to solve their own problems, perhaps on their own but often through association with others. There are many examples of such approaches already: the Expert Patient programme, which helps people to self-manage long-term conditions, and Defuse, which provides training for people in how to handle confrontational situations. More broadly, taking seriously the conditions necessary for citizens to engage in relational activity would bring questions not normally associated

---

7 Seddon 2008

with ‘public service delivery’ into focus. For example, good relationships require time, which people often lack, and organisation, which doesn’t happen by accident. In short, the relational state is partly about culture.

These are among the main building blocks of an approach to statecraft animated by the ideas of the relational state. They suggest the means by which it might be advanced and areas for strategic focus. Along the way, they point towards a different sort of statecraft, while marking out in a more precise way the potential break from the dominant approach of the last Labour government. In some areas, there is overlap and continuity, such as support for a diversity of supply and responsiveness to demand. In other areas, the territory would be quite different. The workforce would generate value and mobilise others, not just deliver preset outcomes. Institutions and places would have meaning in their own right, rather than only as instruments or means (or none at all). Citizens themselves would have power and responsibility, through their relationships with others, not just on their own.

In some ways, the articulation of the relational state outlined here has similarities to the idea of the big society, advanced by Cameron and those around him before the last election. Indeed, it does share some elements with that critique of Brown/Labour statecraft, including the problems and limits of state agency. However, it is different in two important respects, which are crucial in coming to understand why the big society idea has proved to be such a poor roadmap in government. First, the relational state understands the threat that markets pose to human relationships, and that this threat is just as great as that of overbearing bureaucracy. And second, it is neither naïve nor neglectful of the impact which power and money have on the potential for relational life – for good and evil. It is to this latter issue that we now turn.

### **Power, accountability and financing**

The relational state does not see the dilemmas of power – who has it, on what basis, and how it is held to account – fading away. In fact, the location and exercise of power is centre-stage. Mulgan believes that state power can be reformed and redirected to forge better relationships with citizens, and that new ways can be developed to hold it to account. By contrast, Stears wants to see alternative sources of democratic agency built up in opposition to the threat he believes state power can pose to human relationships. Whether greater decentralisation, experimentation and variability produces more or less inequality depends crucially on the distribution of power within the relational state.

The egalitarian defence of state power is that it is a bulwark against the tendency of market economies to lean towards inequality. Centre-left proponents of the relational state need a different way to tackle this imbalance. This, in short, revolves around ensuring the necessary conditions for people to live more equal lives in the first place, through redistributing power. This doesn’t mean bypassing questions of resourcing. In fact, money is of crucial importance to the relational state, both in its capacity to enable one person’s domination of another (undermining balanced relationships) and the extent to which its flow around systems and services encourages (or inhibits) successful relationships.

One way to address this challenge is to devolve decision-making about public funding, which can take a number of forms. Service providers, like schools, can be given greater control over their own budgets. Individuals can be offered the chance to purchase the services that they want, through personal budgets, rather than merely getting what they are given. Councils can be allowed greater freedom to use their revenues as they see fit, such as through the devolution of housing benefit expenditure. Neighbourhoods can also be empowered to take decisions about how money allocated to their area is spent. In

each of these cases, the level of funding can be weighted to favour those with less power or resources of their own (as is the case with the pupil premium). Some options do more to give control to individuals; others foster forms of collective power.

Another major dilemma for the relational state, in this era of fiscal constraint, is cost-efficiency: would it save or cost money? One of the justifications of the delivery state is that it is able to drive efficiencies, through the application of information and expertise and by acting at scale. You don't have to agree this always happens in practice to recognise that it is a serious point to address. Compared to traditional public services, a more relational statecraft would operate through more numerous, much smaller-scale, local units and would be more experiential than empirical.

In response, the case for the relational state as a handmaiden of fiscal responsibility is essentially two-fold. First, reforms, strategies and institutions which overcome bureaucracy in various ways will lead to smarter spending decisions. Local, flexible decision-making will be more capable of adapting to particular circumstances, avoiding waste and driving innovation, while opening up the space to make logical spending switches, such as towards low-cost preventative measures in healthcare, in preference to expensive remedial action. Second, given that resources will be constrained under any circumstances, it is better to involve the people affected in these trade-offs, rather than to impose them from above. In truth, much more work is needed to establish the financial implications of relational state strategies relative to existing alternatives, as most existing examples are generally quite small-scale.

Debates about power and money point to one of the most fundamental questions raised by the relational state: accountability. NPM aimed to increase the accountability of public service providers and their workforce, both 'out' to users and 'up' to the state. The former was pursued through greater choice and competition between providers, with sporadic attempts to increase the power of users more systematically (such as through 'voice' mechanisms and personal budgets). The latter, more dominant in practice, focused on adherence to national standards, performance targets and success indicators, assessed through independent audit and inspection procedures (often then made public).

There is consensus between Mulgan and Stears as to the limitations of these approaches to accountability. Market mechanisms can end up disaggregating shared institutions and promoting transactions where there should be relationships.<sup>8</sup> For example, outcome-based commissioning risks boiling down accountability to a single, contractual moment, squeezing out time and space for ongoing engagement and cooperation. Bureaucratic tools, by contrast, can stifle innovation and constrain responsiveness. For example, national performance targets for the police diverted attention from issues of greatest concern to local residents. Both models of accountability can be appropriate, but over-reliance on either risks distorting priorities and leaving out the views and experiences of people.

In response, contributors to this collection propose a number of options for advancing forms of relational accountability that rely less on market discipline or bureaucratic monitoring. One obvious example is provided by directly elected bodies, at the local level, that are responsible for ensuring the quality of services, such as local authorities, and new police and crime commissioners. Tess Lanning argues that more democratic

---

8 For a recent empirical study that supports this argument see Dowding K and John P (2012) *Exit, Voices and Social Investment: Citizens' Reaction to Public Services*, Cambridge: Cambridge University Press.

accountability could also come from ensuring that there is a balance of interests – between workers, owners and users – within the governing bodies of public service providers. New health and wellbeing boards will operate in something like this way, with representation of patients, clinicians and local councillors.

Mulgan suggests that technological developments create opportunities for more relational accountability, particularly through greater transparency. This can enable forms of ‘open book accounting’, for example, and real-time feedback from service users, such as through social media. Axel Heitmueller describes how this is working in the NHS.

Mulgan also argues for ‘360-degree appraisals’ of frontline staff, so that performance is judged with reference to a range of stakeholders, including service users. Involvement by users could enhance accountability in other ways too: rather than maintaining excessively bureaucratic complaints procedures, which typically bog down in a swamp of paperwork, trigger mechanisms could be established whereby people can have their concerns heard by problem-solving juries of fellow service users. This way, outcomes are more likely to be respected because decisions are being made by peers rather than remote officials.

However, there is a dispute about accountability in the relational state that goes to the heart of the disagreement with which we began, about fundamental goals and purpose. And it is crystallised in the issue of targets. In many ways, arguments for a more relational state reflect a reaction against a ‘target-driven culture’ created in the name of delivery. But what is the alternative? Should the state redirect its targets to the pursuit of improving its relationships with citizens (and between citizens), or is the very notion of targets antithetical to relationships, in which uncertainty about outcomes is an essential feature? In other words, do market and bureaucratic accountability mechanisms need to be augmented by relational forms of accountability, or replaced by them altogether?

As with the initial division over means and ends, Mulgan leans towards the first position. He suggests that targets can be reframed to focus on more relational goals. This could include levels of user satisfaction or direct measures of associational life, such as the number of visits an elderly person has received from neighbours or relatives. Stears, on the other hand, argues that any attempt to set desired outcomes, especially in the form of targets, and to measure performance against those objectives is, in a relational sense, corruptive. He suggests that public service institutions should be endowed with funding, given a clear ethos – including independence from the state and the market – and then left to get on with advancing their purpose. In a similar vein, Jon Wilson calls for Ofsted to be abolished and for schools to be held to account by parents and local communities.

This is a difficult tension, but one which must be confronted. It is hard to imagine politicians no longer setting goals for public services, or for other aspects of government. This is the essence of democratic politics. And, as Andrew Adonis notes in his recent book on education reform, setting such goals ‘forces the government machine and its leaders to concentrate on big objectives and how to achieve them, rather than immediate problems and how to finesse them’.<sup>9</sup> However, this is different from government setting a plethora of targets or an overbearing monitoring and compliance regime alongside them. Core national goals can leave space for local priorities to be set. Service objectives could be set through collaboration between central government and other stakeholders, whether they are local authorities, service providers, the workforce or users. Such

---

9 Adonis A (2012) *Education, Education, Education: Reforming England's Schools*, London: Biteback, p100



approaches would draw on the insight of those with local knowledge and the expertise of frontline staff and leaders, enhancing their autonomy and responsibility.

It is not obvious that empirical targets and performance indicators can be adapted to capture the quality of relationships. And there is a strong case for cutting back on the compliance regime in which public service professionals feel they are enmeshed. Local, democratic 'live' and 'bottom-up' forms of accountability offer the potential for the quality of services to be checked on an ongoing basis, capturing qualitative dimensions that empirical assessments inevitably miss.

However, there are risks with 'letting go': power must be matched by responsibility, especially where public money is involved. And a democratic society must have a way of assessing whether public service providers are doing a good job and providing value for money, even if individuals contest what the essence of 'good' is. The test here is whether relational accountability can be designed in a way that meets this goal, while avoiding being captured by vested interests and ensuring independence and transparency.

### **Conclusion: the politics of the relational state**

The central proposition in this collection is that the concept of the relational state offers the centre-left new arguments and ideas for improving public services and governing the state. It responds to the limitations of what Mulgan calls the 'delivery state', reflects the necessary constraints on state power which are highlighted by Stears, and suggests a path for moving beyond the tired divisions which characterised debate about public service reform under the last government. In particular, it offers the potential to forge new intellectual alliances and coalitions for reform among those concerned about an overly centralised, standardised and bureaucratic form of statecraft.

In this essay, we have attempted to provide a framework for, or guide to, the essays that follow. In doing so, we hope to have provided an introduction to the emerging ideas associated with the relational state, highlighted how it differs from the dominant statecraft of the last Labour government, and laid out the core arguments at the heart of this vital debate. However, the main objective has been to help those of Britain's centre-left to confront the legacy of the last Labour government's programme for public services and its approach to governing the state, in both its good and bad aspects. Alongside an understanding of the new political conditions – not least the reality of fiscal constraint – this is a prerequisite for the development of a coherent and confident governing agenda.

This book marks the beginning of a debate, not the end. It argues that the traditional delivery state has over-reached and is incapable of addressing many of the major social challenges of our time. The next phase of reform should, our contributors claim, be driven by the importance of relationships. Forms of relational practice have, of course, long been present in parts of our public services, as some of our authors point out. But where they have been partial and peripheral, the suggestion is that they should move centre-stage. Given pride of place, they can provide the energy and ideas to replace an approach to governance that has exhausted itself and been overtaken by social, cultural and technological change.

We have sought to highlight rather than hide the differences between those who argue for a more relational state, with the hope that these provide points of intellectual clarity. They are also vital for considering the politics of this agenda, which is where we want to finish. There are two dimensions to this final question. First, the extent and depth of the relational critique of the status quo determines how broad and profound is the reform agenda

that it implies. Are we looking at a gentle correction of goals and methods in our public services, or a fundamental reconception of the purpose of public services and their mode of operation? Second, should this occur over a small number of discrete service areas, or right across the broad plain of government?

These are vital questions to confront, not least in turning theoretical insights into practical policies and reforms – and building coalitions to support the changes that would be required. They also speak to the electoral strategy that might be allied to the relational state. This turns on a basic question of whether voters want a government that tries to solve their problems for them, or one which gives them power over their own lives. Does the public want outcomes delivered for them or space in which to foster the relationships that matter to them? In the past, politicians have tended to go into election campaigns promising better schools or more nurses. That might not work anymore, especially when the money to pay for such promises has dried up. If such pledges are abandoned, what comes in their place? Such dilemmas are not the place to start thinking about the relational state, but they are, ultimately, where these ideas and debates will have to end up.

### Postscript: a strategy for advancing the relational state

The contributions in this collection represent a range of different perspectives on what the ideas associated with the relational state might mean in practice. The debate has a long course to run, and we do not pretend to prejudge which ideas will win out.

From our perspective, however, the potential appears to exist to craft a new agenda for public services and the state from a blend of ‘Blue Labour’ and ‘New Labour’ thinking. This approach would be based on a shared commitment to innovation and excellence, recognition of the value of human relationships, and a mission to redistribute power.<sup>10</sup>

‘New’ and ‘Blue’ are, of course, shorthand labels rather than fixed doctrines, concealing considerable diversity and disagreement among their adherents. However, they do represent broad strands of thought within the contemporary British centre-left. Indeed, a number of insights and positions important to both camps are contained in this collection – and in our introductory essay – from which we believe a new governing spirit and strategic direction could be born.

In practice, each different public service has its own culture and challenges, requiring a different approach to improving standards and experiences. However, it’s possible to identify a number of the core elements of a more relational statecraft, which could then guide specific reform plans and policy ideas.

**A commitment to fiscal realism and clear strategic funding priorities, based on democratic debate.** This could include, for example, deciding to devote extra resources to childcare and social care, while giving the NHS a tight but long-term spending settlement. It could also include using funding to guide practice or focus, such as extending the principle of the pupil premium to services beyond education. In the run-up to the next spending review, the public could be actively involved in considering the trade-offs and choices facing the country, perhaps through a major deliberative citizen’s convention tasked with providing advice and input to the Treasury.

**A small number of core goals and citizen entitlements in the main public services, leaving space to innovate.** Political leaders need to be able to set priorities. But these should mobilise, not stifle. In education, for example, the focus could be on a national attainment ‘floor target’ and an entitlement to catch-up support for pupils at risk of falling behind. In health, it could be on waiting times and a right to GP access. However, these must be limited, to maintain strategic focus and to ensure space for adaptation, innovation and experimentation – along with local, democratic priority-setting – where standardisation is damaging or inessential.

**Real power for citizens over the public services they use.** People, not providers or bureaucrats, should be in charge of public services. This requires much more than a personal budget or being given a choice of providers (though both can be valuable). In health, it could mean patients with long-term conditions driving the

<sup>10</sup> See Cooke G (2011) ‘Something new, something blue’, Progress, 20 April 2011. <http://www.progressonline.org.uk/2011/04/20/something-blue-something-new/>.

design of their care. In children's centres, it could mean parents setting everyday priorities, perhaps through such centres' governance. In education, it could mean parents being able to trigger new provision (where current services are either failing or not offering what groups of parents want). In housing, it could mean citizens being part of a democratic panel to make local decisions about allocation of social housing (and maybe even expenditure plans).

**Support for world-class public service professions which can cultivate their own identity and protect their status.** The workforce is, alongside citizens, the central agent affecting standards and experiences in public services. A bargain could be struck with professionals that frees them from the worst aspects of a distracting compliance culture, rewards excellence through pay and status, asks them to become partners in shaping and governing services, and challenges them to stand up to bad practice (with their own performance rigorously held to account). Like lawyers and accountants, public service professions could become self-governing, and take responsibility themselves for rooting out poor performance.

**Institutions that serve the public interest, enabling non-state, non-profit providers to flourish.** This would recognise the importance of institutions which have their own distinct purpose and values, beyond their instrumental role in serving other ends. The NHS, the BBC and our universities are among the best examples, but more could be cultivated and nurtured. Such institutions – housing associations, academies, social care mutuals, third-sector health providers – populate the space between individual citizens and national delivery bodies, often protected from the over-reach of both profit and bureaucracy. The governance of such institutions should be democratic and aim to balance a range of interests. This could spark a supply revolution, with a range of different providers offering public services.

**Mobilisation of the energy and expertise in villages, towns and cities, by decentralising power from Whitehall.** This is essential in order to create the space for innovation and experimentation, beyond core national goals and entitlements, where services look 'out' to communities, not 'up' to the state. In housing, it could mean putting local councils in charge of housing benefit and capital expenditure, so they can provide the homes and shape their housing market according to local circumstances. In education, it could mean giving all schools the freedom to innovate that is already given to academies. And it could mean the development of independent childcare centres able to provide the types of family services that local parents want and need.

**Stronger democratic forms of accountability, to balance out the competitive and bureaucratic.** The drive for institutional independence, provider diversity, professional autonomy and local control must be matched by strong forms of accountability. These should focus on both outcomes and experiences in public services embracing democratic forms of accountability rather than an over-reliance on targets and markets. This might take the form, for example, of a 'middle tier' in education – such as school commissioners or chains and federations – to hold schools to account, 'peer juries' to hear complaints from service users, and greater transparency around performance data. Ultimately, the state must continue to

stand behind these relational accountability strategies wherever providers and professionals tolerate bad practice or poor performance.

**Use of technology to understand users and connect professionals, while driving efficiencies in non-relational spheres.** By taking advantage of the huge innovation in online technologies, public services are gaining new opportunities to interact with users and understand what they want. They are also enabling citizens and professionals to connect: to hold services to account, share experiences and build expertise. This will – and should – continue to develop very largely outside the state. Technology could also be used more systematically to drive efficiency in areas which do not rest on relationships, such as organising care packages between different agencies for disabled people.

- *Graeme Cooke is research director at IPPR; Rick Muir is associate director for public service reform at IPPR. Each writes here in a personal capacity.*

# GOVERNMENT *WITH* THE PEOPLE: THE OUTLINES OF A RELATIONAL STATE

GEOFF MULGAN

This paper sets out a new way of thinking about the role of government and the design of public services. Its central argument is simple. All governments wish to be trusted and legitimate. In recent decades, many have concentrated on improving efficiency and the delivery of outputs and outcomes as the best way to achieve trust. But the reforms designed in this light have often failed to rebuild trust; some have even corroded it. I argue that, in the next few years, governments should not only address trust indirectly, through outputs and outcomes, but also directly, through their relationships with citizens, as well as citizens' relationships with each other. I also argue that the growing volume of data on wellbeing in all its forms will reinforce the critical role that relationships play in our lives, highlighting along the way the importance of everything from loneliness in old age to learning as a teenager the skills needed to handle relationships.

The paper then demonstrates how to think about the very different types of relationship that matter to governments, and how to embed attention to relationships in the everyday work of everyone from national departments to frontline staff. It draws on many other people's ideas, as well as my own work with a number of governments around the world.

Relational government is not a panacea. There are many things that governments need to do for people, or to them. But the proportion of activities which have to be carried out *with* the public is rising. This change brings with it a radically different logic, as well as new skills and tools.

## Background: from delivery state to relational state

Governments are sometimes described as monoliths. But they are more accurately thought of as flotillas of disparate elements, from core functions of security and governance to the diverse roles of doctors in hospitals, teachers, police officers, tax collectors, refuse collectors, planning officials and many more besides. Some interact a lot with members of the public; others not at all. Some have a good deal of discretion; others none. Some make rules; others just implement them.

Over time, the balance between these different types of roles has shifted radically. Seen in the very long view, government can be understood as passing through three stages:

- In the first stage, government stands *over* the people, as warrior, policeman, tax-collector (at worst, as a predator; at best, as a paternalistic protector).
- In the second, government becomes a provider, offering welfare, education and health *for* a largely passive public.
- In the third, government increasingly acts *with* the public to achieve common goals, sharing knowledge, resources and power.

These three stages are natural evolutions of democracy, and of rising numbers of better-educated and more confident citizens. With each stage, the functions of the earlier stage don't disappear, but they become less central. This paper focuses on some of the key aspects of the transition from the second stage to the third, where many governments are beginning a transition that can be understood as the shift from a provider, production or delivery state to a relational state, from a state that does things to or for people to one that more often does things *with* them.

In some cases, the main pressures are fiscal: the need to encourage people to take more responsibility for themselves and those around them so as to save money. In other cases, the pressures are attitudinal: the demands of citizens whose own lives are changing and who want more responsive services. And in some cases the pressures come from the

capacity of new technologies to shape services in a different way, with increased use of on-line social networks.

In some respects the idea of a relational state is very old: it connects back to the longstanding concern of governments of all kinds to retain and grow public trust. But in other respects it is new, a product of specific 21st-century circumstances that are forcing governments to attend much more systematically to the quality of their relationships with citizens.

Here I briefly explore some of the elements that are likely to be relevant to governments and agencies. I explain the theoretical background and concepts, show how these translate into policy approaches, and finally point to how these can be operationalised in particular fields.

### The rise of delivery and performance management

Over the last 30 years – since the oil crises of the early 1970s and what was widely seen as a legitimisation crisis for western governments resulting from fiscal pressures – the OECD countries have implemented a wide range of reforms centred around performance, delivery and reshaping the state to demonstrate its ability to do things to or for people more efficiently.

The implementation of these reforms across states has been very uneven, the premise has been that success in setting targets and achieving them would reinforce public trust. Greater transparency, efficiency, choice and competition would arrest the crisis of legitimisation. Becoming more like businesses would prove to citizens that their taxes were being well spent. Greater effectiveness would foster trust, which would in turn enhance effectiveness, since citizens would be more willing to pay taxes, obey laws and support public servants in doing their jobs.

Parts of government were therefore remodelled to resemble more closely a manufacturing industry, transforming inputs of money into measurable outputs. The ideas of Ford, General Motors and later Toyota were adopted, either directly, or indirectly via their application to large-scale services like banking and retail. Consumers were to be given more information, and sometimes more choice, but were mainly conceived as passive recipients of ever-more efficient services.

In different forms these ideas have had considerable success, and they remain influential today. Many governments around the world are still experimenting with markets and quasi-markets, or putting in place performance management systems and strategic plans with quantitative targets, whether they concern economic growth, ubiquitous broadband, subsidised childcare or carbon reduction.

These ideas are being implemented in many fields which were traditionally seen as less well suited to business models, such as eldercare, family services and welfare. The model was of a government doing things for and to people, and delivering packages of services to or for people.

This idea of the ‘delivery state’, conceived as something like a production line, has never been fully realised, or even come close. There are good reasons for wanting more of what Don Berwick, Obama’s health lead, calls ‘delivery science’: the more systematic learning about what works in improving outcomes and, in health, in such things as cutting unnecessary infections. During the Blair government, the Prime Minister’s Delivery Unit, led

by Michael Barber, achieved a lot in terms of focus and rigour, and helped to shift the civil service's culture away from seeing policy as all-important towards a greater appreciation of implementation.

But even where the delivery model was enthusiastically implemented it repeatedly hit barriers. Even if the targets were met they often 'missed the point', not connecting to the things the public actually value. Some had negative indirect effects or unforeseen side-effects. Professionals were demotivated. Costs of inspection and audit mounted up, creating new bureaucracies to monitor activities, displacing resources from the activities themselves. Effective and efficient delivery turned out not to deliver trust, and many governments observed that, although their own indicators of performance were continuing to improve, indicators of public satisfaction or confidence declined.

Other factors which forced a rethink include:

- longer-term shifts in citizen aspirations: once material needs are substantially met, attention turns increasingly to psychological needs and relational values, and citizens expect more-engaged relationships with service providers
- expectations of continual feedback have been partly fuelled by the private sector, and by on-line social networks
- new technologies have made it possible for relationships to be organised more systematically, for example with real-time feedback and horizontal connections between users
- in some fields, any significant productivity gains have depended on mobilising greater citizen contributions, both in terms of time and money (for instance, in relation to ageing, the environment or integration).

Not surprisingly, some governments are now moving on. They want to bank some of the gains of the last waves of reform, which at their best did reduce waste, variations in performance and complacency. But they realise that they have exhausted its possibilities. If trust is actually the heart of the state, perhaps government can succeed better by *directly addressing the quality of its relationships with the public*, rather than by doing so only indirectly, through promises and their delivery.

By this view, then, government becomes the hub for a series of relationships throughout the economy and society, which are organised in ways that create trust, legitimacy and public value. Of course, they can only do this by also contributing to the achievement of other goals – better health, a stronger economy, less crime and so on (and many of the tools for achieving these more effectively remain as valid as ever). But it's the relationship that is at the core, not the production line, and although relationships and outcomes cannot always be separated (since the relationship is a key to other goals, such as citizen wellbeing or health) what is being suggested here is a significant shift in emphasis.

### Theoretical considerations: dimensions of a relational state

Governments have accumulated many different functions over the centuries. In my book *Good and Bad Power*<sup>1</sup> I showed that the goals of protection, welfare, justice and truth connect today's governments to those of the distant past, and provide a near-universal architecture to the goals and legitimation of the state. But the relative importance of these goals has shifted greatly as governments have expanded their roles in welfare in all its forms, in guardianship of the environment and in orchestrating knowledge.

---

1 Mulgan G (2006) *Good and Bad Power: The Ideals and Betrayals of Government*, London: Allen Lane

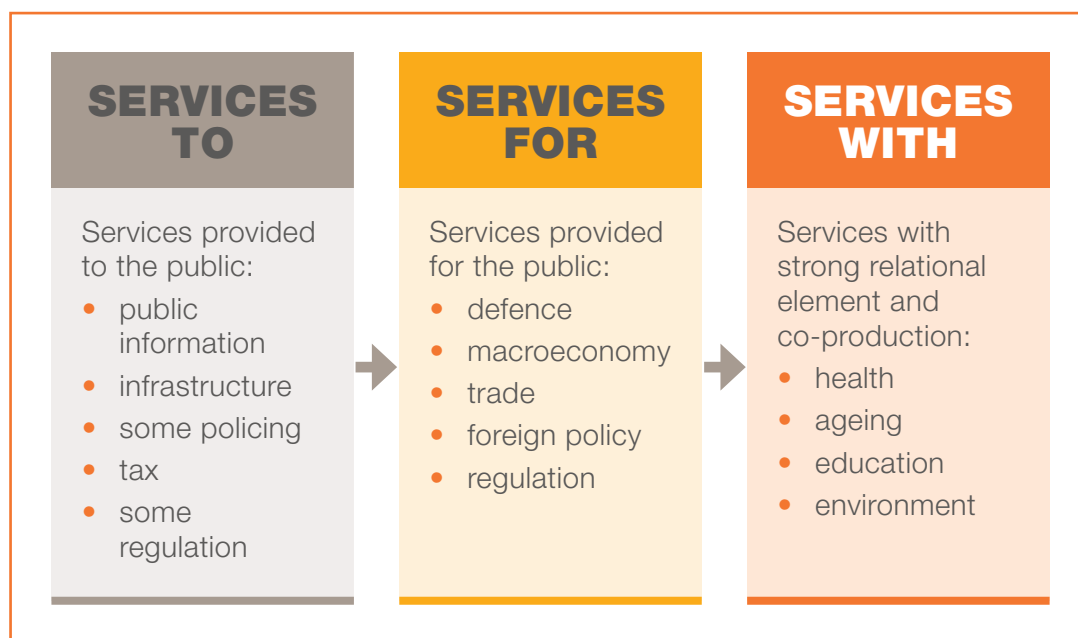


Many different political traditions have commented on the ideal relationships that surround the state, ranging from the paternalism of Confucian ideas and traditional conservatism, to communitarian arguments against an overdependence on contracts and formal rights.

Not all parts of the state can become relational in the same ways. Much of defence and security is necessarily founded on very different principles, and if we look at all of the activities of government, the relational approach matters to some much more than to others.

To return to the schema suggested earlier, we can distinguish three types of government activity, to, for and with the public:

**Figure 1**  
Government activity to, for and with the public



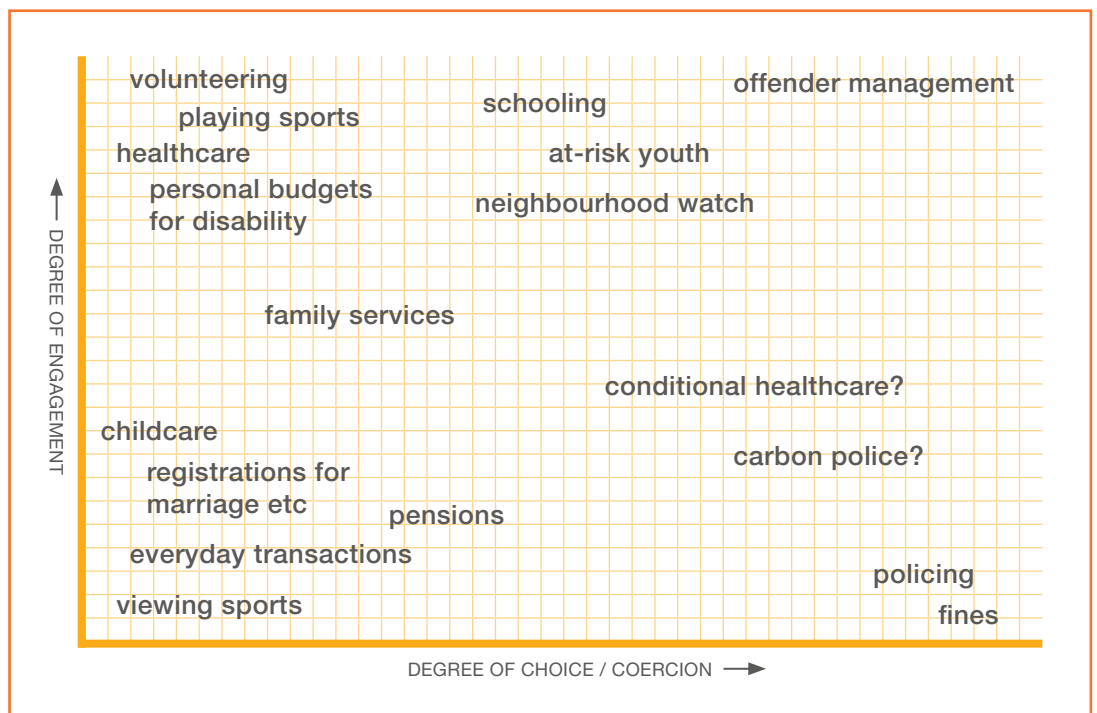
The ideas set out in this paper are most relevant to the left-hand group of services, ones which by their nature require engagement and commitment from the public. These are the ones that require the most work by the public – they are ‘co-produced’. That these activities already constitute a large proportion of public spending – and a share that is likely to rise – is one of many reasons why this agenda is gaining greater attention.

What kinds of relationship does the relational state involve? If different parts of the state involve different needs for relationships, they also involve different types of relationship. In daily life we can easily distinguish different types of relationship: parent to child, friend to friend, elder to younger, club to member, personal service provider to customer (your hairdresser or therapist), invisible service provider to customer (your utilities company). Each brings with it very different norms and ‘scripts’ for behaviour, which we learn early on.

There is a similar diversity of types of ideal or appropriate relationship for governments. We react badly when governments take on a parental tone for choices which we think we should be able to take as adults. Conversely, none of us wants a government that is constantly seeking to engage us, or pushing us to take part in consultations. Nearly as bad as a government that never listens is a government that is addicted to conversation.

Figure 2 provides a way of understanding these different types of relationship. It maps government services on two dimensions. The first defines what degree of engagement is desirable in a service or policy field. At the top end of the spectrum there are good reasons for wanting citizens to be highly engaged. Engagement matters greatly if you want people to be healthy or well-educated, or if you want criminals to be rehabilitated. In all these cases, good outcomes depend on collaboration between the state or service provider and the citizen: the teacher teaching well and the pupil doing their homework; the doctor providing care while the patient (and those around them) sticks to a diet, exercises or completes a course of medication.

**Figure 2**  
Engagement versus coercion in public services



At the other end of the spectrum, in the lower part of the diagram, are services and policy areas in which there are good reasons for wanting relationships to be as painless, invisible and frictionless as possible. Many of us prefer using ATMs for banking to dealing with banking staff and cashiers because we don't particularly want a personal relationship with our bank. Similarly when we have to renew a passport or driving licence, or pay taxes, we want the relationship to be as invisible, quick and painless as possible.

The second dimension of this diagram, along the x-axis, maps the degree of freedom in the relationship. Government's interactions with citizens involve many different asymmetries of power and coercion. At the left-hand end are services that involve relatively high levels of freedom and choice for citizens: their obligations are modest at best. So, for example, you may have little choice over where to get your passport, but government can't force you to get one. At the other end are ones that involve marked asymmetries of coercion: government has the power to force you to do things against your will.

So, in the top right we have services like probation and offender management, involving high levels of engagement between citizen and state but also high levels of coercion.

Schooling falls closer to the middle, with a fair amount of coercion (children can't choose not to attend) but requiring fairly substantial engagement. Some services straddle different positions. Childcare involves no coercion – but can range in nature from highly engaged (where parents spend time within the childcare centre) to highly disengaged (where they do little more than drop their kids off at the beginning of the day and pick them up at the end). In the past, there have been suggestions that childcare should be linked to coercion, with access to some services and benefits made conditional on parental behaviour.

This framework reminds us that governments shouldn't try too hard to engage citizens in areas where engagement is inappropriate. But it also focuses attention on areas where there may be good reasons for fostering more engagement, where citizens want more involvement in decision-making, or where there is a need for more-formalised combinations of rights and responsibilities, such as around healthcare and health behaviours.

The other dimension of the relational state is the interest in relationships between citizens. If the delivery state assumed largely atomised and passive citizens, often described as consumers, the relational state concerns itself with encouraging, supporting and rewarding citizens coming together to get things done. Instead of a linear delivery model, government moves to a more two-way relationship with citizens, as well as encouraging citizens to collaborate.

Much of this thinking parallels what is sometimes called 'co-creation'. Co-creation covers a range of different ideas, from co-decision-making (when governments involve citizens more directly in making decisions about anything from budget allocations to planning, for example, in Porto Alegre's famous participatory budgeting), through co-design (which means involving users, or lead users, in the direct design of services, such as in various 'expert patients programmes'), to co-production (the many ways in which users of services produce them in partnership with providers, such as patients with long-term conditions playing a vital role in self-management).

All of these ideas attempt, in different ways, to combine some of the features of hierarchical, pyramid-shaped government structures with the more circular, open, reciprocal relationships of civil society. Much of the practice of co-creation and user-led design in business encourages users to give their ideas, and to share in the design process, but leaves decisions and power tightly controlled by the holders of capital or by public sector managers. The same is true of much consultation in government, which encourages inputs and engagements while keeping the formal powers of action, legislation and finance for accountable politicians and bureaucracies.

### Goals and tools for making government more relational

Some of the goals of government have to be concerned with outcomes – fewer families in crisis, for instance, or better survival rates in hospitals. But others should be relational: more satisfied customers, or more families able to draw on support from other families, or more older people able to rely on regular visits or help from neighbours and family.

Within any agency there is an important discussion to be had about the balance between these types of goal – and which can be measured. In socially oriented departments, we might expect up to 50 per cent of targets and formal goals to be relational in nature, once a reasonable standard of material prosperity has been achieved. My experience suggests that any in-depth engagement of the public in goal-setting tends to lead to a better balance of outcome, output and relational goals.

Once it has set such goals, a government which is organised around relationships, and around an emphasis on acting with others rather than just doing things to or for them, starts to take on a very different character.

To be good at relationships, government needs to know how healthy they are and it needs to be able to track improvements. There are several dimensions to this, many of which can be measured or at least mapped:

- The strength of social bonds and commitments, within families, neighbourhoods and so on: who do people feel they can turn to for support – for instance, if they fall sick, into debt or lose their job? Where are the key gaps – and is there a lack of what can be called social wealth (the wealth people have which consists of other people)? There are many survey tools to help with this, providing insights at the level of communities as well as individual families.
- The quality of the relationship with the state: how is it experienced by citizens? When is it supportive, informative, or coercive? Which parts of government are seen as the most reliable, honest, supportive? And are there key differences between agencies or professions?
- Then there are a series of options for mapping the relationships of government to agencies, such as NGOs or intermediary bodies. What is the functional role of the relationship? How is it experienced in terms of effect? It is vital that these evaluative exercises are done by third-party organisations and fully anonymised, so that respondents needn't fear that honest feedback could be detrimental to their interests.

Some of this mapping can be done through formal surveys, or techniques like social network analysis. But it should also be enhanced by direct engagement: by senior managers sitting anonymously on front desks and reception areas, for instance, or spending time with frontline staff. Even better is giving decision-makers the chance to do in-depth interviews with their clients and users – this is an approach which invariably uncovers more emotionally powerful insights than any secondary analysis can do.

These insights can then be used to shape targets, or measures of progress. Specifically, a relational state needs to be better at measuring perceptions and experiences as well as 'hard' outcomes. Some governments already use subjective measures as targets, assessing fear of crime as well as recorded crime, or patient satisfaction as well as health outcomes. These types of indicators encourage public agencies to behave quite differently to ones driven solely by more apparently objective measures. Hospitals have to pay attention to the fine grain of patient experience; police have to pay attention to the finer grain of social dynamics and feelings of safety.

The movement on the part of many governments to measure subjective wellbeing – as well as such things as connectedness (whether people feel that there are others they can turn to) and influence (whether people feel that they can influence the decisions that affect them) – is part of this broader trend to take perceptions and experiences seriously. The Young Foundation's WARM metric – wellbeing and resilience measurement – is an example, and is being tested in various European cities as a way of achieving a more realistic picture of the state of social capacity in neighbourhoods. Making use of both quantitative and qualitative information, government can then become more feedback-intensive, seeking out and encouraging feedback from parents, citizens, victims, patients, entrepreneurs, welfare recipients, taxpayers and so on, but also communicating back (as, for example, agencies now intervene via Twitter or online comments on their services).

## Delivery at the frontline to support relationships

There are, then, many options for rethinking the shape of the front end of government – that is, of the direct interactions of government and citizens through the work of GPs and nurses, teachers, police officers, tax officials, planning officers and so on – relative to the administrative back end.

Here we quickly come to recognise the need to differentiate between types of relationship, so that some become more effortless and invisible while others become more personal. A good general principle might be that governments should aspire to automation where possible and one-to-one support where necessary. Automation should go further where this is what the public wants and where (to return to the earlier diagram) the ideal is relatively little engagement from citizens (for example in taxation or licences, paying bills, or border controls).

The pressures for public sector productivity mean that there will be strong reasons for wanting to reshape front-end interactions and service journeys, so as to reduce waste, bottlenecks and failure demand. But resources freed up should then be invested in the more one-to-one relationships that are critical for personal progress in health, learning or welfare.

In health, for instance, we know that co-production is increasingly important. Sixty-six per cent of the NHS budget is spent on long-term conditions. Patients spend around 6,000 hours managing their own condition and only five or six hours being helped by a paid professional. One implication is that the five hours might be better used to coach patients on how to make the most of their other 6,000 hours. Other evidence points to the importance of social support in helping people to stay or become healthy.

Not surprisingly, many doctors want to be able to make ‘social prescriptions’, prescribing relational supports as well as more traditional medical ones. (This has been a major theme in Nesta’s People Powered Health programme, working with primary care providers across England.<sup>2</sup>) Various policies make this easier, including personal budgets for care. But it also brings with it big challenges, not least in terms of workforce development (how to train, recruit and appraise doctors so they’re equipped to work as partners with patients).

The various options for promoting co-production elicit very different responses from different groups. Past evidence suggests that relatively older and poorer people are more attached to traditional delivery models. We also know that many of these methods are more successfully promoted by peers than by professionals.

Another challenge is the ever-more-tricky question of personal identity. Governments struggle to be trusted to manage the personal data that is essential for more customised services. This is why models like Mydex – in which personal data is held by a trusted third party and only lent to commercial and public agencies with consent – are likely to become more important.<sup>3</sup>

The drive to further co-production also applies in education. Home-school contracts attempted to solidify the principle of coproduction with commitments from parents to read to their children. Some are experimenting with ‘flip learning’, where much of the formal pedagogy happens at home and online while the school focuses more on coaching and emotional development (this is the approach of the Khan Academy, for example<sup>4</sup>). The

---

2 See [http://www.nesta.org.uk/areas\\_of\\_work/public\\_services\\_lab/people\\_powered\\_health](http://www.nesta.org.uk/areas_of_work/public_services_lab/people_powered_health)

3 See <http://mydex.org/>

4 See <http://www.khanacademy.org/>

mirror of these more distantly networked models is the greater use of learning mentors and other types of more personal relationship to spur children on to learn.

### What if government trusted the people to share the job of governing?

As well as transforming the frontline interactions between governments and citizens, the goal of improving relationships with the public may also encourage new ways of involving the public in the day-to-day business of government.

A large number of examples from around the world show just how much can change. Each of these implies a more overtly collaborative relationship between government and the public. They present a radical solution to the problem of declining public trust in governments: why don't governments show greater trust in the people?

- Peer to Patent: the use of the web to encourage inputs to patent applications in the US, designed to draw on the knowledge of a community of experts, saving money and improving the quality of decisions<sup>5</sup>
- Challenge.gov: the US government's attempt to mobilise public engagement in solving problems, and the many parallels in civil society, from Kaggle and Innocentive to ideas platforms like quirky.com<sup>6</sup>
- London Datastore: the government of London's initiative to put out raw data to encourage citizens to design new uses and businesses, such as mobile phone apps, and the imminent moves to open up Whitehall's administrative data<sup>7</sup>
- Who Owns my Neighbourhood: a Nesta-supported experiment which provides an open platform for councils and the public to crowdsource property ownership patterns as an aid to local planning<sup>8</sup>
- Intellipedia: the system linking 16 US intelligence agencies to share non-classified data and assessments
- NATO's Policy Jam, which involved nearly 4,000 people from over 100 countries in a discussion of strategic options
- New Zealand's (brief) experiment putting police legislation up as a wiki that anyone could amend
- Patient Opinion<sup>9</sup> and other sites in the UK encouraging people to feedback on experiences of public services and to engage in improvements
- The many thousands of examples of participatory budgeting, which has surprisingly quickly become mainstream, at least for relatively small budgets.

All of these experiments are attempts to embody the broader shift of government from standing over people, through providing things to people, to working with the people. Not all have worked perfectly or as expected. There is so far little evidence on their efficacy. But they are rapidly providing lessons as to how government can change the nature of its relationship with citizens.

In all of these cases, the process of decision-making can be as important as the outcome, with a high premium put on methods that allow large numbers of people to feel that they have had a say.

---

5 See <http://peertopatent.org/>

6 See, respectively, <http://www.kaggle.com/>, <http://www.innocentive.com/>, and <http://www.quirky.com/>.

7 See <http://data.london.gov.uk/>.

8 See <http://whoownsmyneighbourhood.org.uk/>.

9 See <https://www.patientopinion.org.uk/>.

The virtue of the best of these methods is that they can make possible much more radical policy options. For example, in many countries, healthcare needs to be shifted away from the predominance of hospitals in order to extract the maximum benefit from the next generation of technologies and medical knowledge. Where the public has been only superficially engaged in conversations about options, they tend to react defensively, protecting existing hospital services and so making it harder for new, more effective models to be introduced. Distrust leads to immobility and waste. However, where the public is involved in an in-depth dialogue, they often end up supporting more radical change, and sometimes the public engagement drives a shift in responsibility away from the state and towards the public, manifesting, for example, in a greater willingness to improve diet or exercise.

There is extensive evidence on how public engagement can evolve. One thesis is that there is a roughly U-shaped pattern: where there is very little expectation of engagement, an equilibrium can be achieved. But introducing small amounts of information and engagement may reduce public confidence and trust in the short run. It can prompt unrealistic demands. If there are doubts about the integrity of these processes these will become apparent. Consultation may be, and may be seen to be, cosmetic.

Fuller and more genuinely extensive engagement can then grow trust as the public comes to understand trade-offs and complexities, and those issues where they themselves need to change as well as government. The challenge therefore is to move quickly through very partial or cosmetic consultation exercises to more substantive engagement. However, this needs to happen where there is a genuine openness about what needs to be done, clarity about who will make the ultimate decisions and how, and a willingness to communicate and explain what was decided and why.

### Adapting relational skills for public servants

What kind of public servants are good at relationships? Relational approaches require skills that are distinct from those of management and delivery. They require greater empathy, a better ability to see things from the point of view of others, stronger skills in both communication and listening, and skills of mobilisation, including particular skills in how to organise coalitions for change, particularly where the goal is to change cultures. Management becomes as much about mobilisation as about control through the line.

Most of these skills are better learned by experience and reflection than by formal pedagogy, since they involve judgment about people.

Within government, new methods of performance appraisal can help to embed different skills and cultures. Some private sector firms appraise their staff using so-called 360-degree feedback from key relationships rather than traditional output targets (and calibrate pay accordingly). Quite a few public services are moving towards what could be called a dual system of appraisals, where one part deals with the usual array of outputs, outcomes, activities and so on, and another with relational performance, as measured through 360-degree feedback, including from stakeholders.

### Supporting citizens to support other citizens

Many governments now aspire to encourage citizens to support each other in ways that deliver public value. They may be motivated by the need to save money or to improve outcomes. This section outlines a few options for consideration.

### Education for social results

All schools adhere to both an implicit and an explicit curriculum. The explicit curriculum is tested in formal exams. The implicit curriculum signals what kinds of behaviour are desirable. Many schools encourage giving, sharing and generosity. But these expectations usually fall outside the normal curriculum, which remains individualistic, test-oriented and wholly non-relational.

There have been some attempts to go further, mainly within individual schools. There have also been some larger-scale moves, such as PHSE (personal, social and health education), the national citizen service programme<sup>10</sup> and some parts of citizenship education. The Studio schools (which will number 30 by next year) are putting relational, non-cognitive skills at the heart of their curriculum, recognising that these 'soft skills' are increasingly important in the new phases of the service and knowledge economies, which depend on higher levels of relational skills as well as more the familiar logical, analytic and vocational skills. By the middle of the decade, the OECD plans to measure collaborative learning, like the ability to work with others.

Other new approaches to skills are also pushing the boundaries. They range from the School of Life in London<sup>11</sup> to The U (the Citizens' University), a programme to provide skills – including first aid, CPR and stopping fights – through high-street locations.<sup>12</sup> Part of the role of The U is to promote the very simple relational skills which make life in an urban neighbourhood easier: the ability to recognise and smile at partial strangers, for instance, or to come together when a crisis hits. A more deliberate strategy to support the public's capacity to form so-called weak ties and to take responsibility is an important element of the relational agenda.

### Providing platforms for citizen organisation

Platforms for mutual support are another important growth area. The whole field of collaborative consumption is partly about utility: getting access to household tools or cars more cheaply than in the mainstream market. But it also creates new relationships, by easing the face-to-face interactions that surround these transactions: you get to know the neighbour whose drill you rent.

Platforms for time, like the many timebanks, do the same. Web platforms like Tyze – which enable circles of support to be organised around older people, or communities to share time in a structured way – are another example.<sup>13</sup> There is great interest around the world in expanding the role of complementary currencies of this kind, providing a halfway house between services financed in the usual way and purely voluntary services. These are particularly relevant in the case of services for the elderly – offering options for creating embedded timebanks or credit models to reward other elderly people who provide care or support (these credits can then be converted into such things as public transport, use of leisure facilities or discounts at commercial retailers).

Co-production and co-creation can become more formalised, for example through personal budgets for health or care, or through community dividends, which allow communities to share in savings achieved. Personal budgets hold great potential in many areas of activity and can transform the dynamics of relationships, albeit with major

---

10 See <http://www.education.gov.uk/childrenandyoungpeople/youngpeople/nationalcitizenservice/b0075357/national-citizen-service-prior-information-notice>

11 See <http://www.theschooloflife.com/>

12 See <http://the-u.org.uk/>

13 See <http://www.tyze.com/>



complexities in tow. In some cases, they further the push to make healthcare more like education, deliberately aiming to raise the skills of the public through, for instance, courses or e-tutorials for patients who have been diagnosed with conditions such as type 2 diabetes or for adults whose parents are declining or suffering from dementia.

### Changing relationships between the state, civil society and citizens

The next set of issues concerns how government interacts with civil society, and how it can act in ways that enhance the capacity of people to support each other. Many governments remain largely hostile to civil society and their relationship with civic organisations is unequal, uncomfortable, and prone to bullying and heavy-handedness. However, many aspire to a more reciprocal relationship and various political traditions have encouraged governments to deliberately support such ‘horizontal bonds’. There has also been a steady rise in appreciation of the virtues of working in close collaboration with civil society, particularly around service delivery (eg for young people, the elderly or disabled), around problem solving (eg the environment) and as complements to public services (eg activities around schools).

Some governments now set overt goals for mobilising more volunteering activity and transferring functions out to NGOs. A growing number also promote social entrepreneurship. In each case, there is an implicit or explicit assumption that with the right relationships in place (whether in terms of grant funding, commissioning, regulation or formal partnership) civil society can help to achieve public goals more efficiently than fully public or commercial services on their own, while also leaving behind stronger capacities for society to act for itself.

In the UK, a succession of governments have promoted this agenda, with new laws (from requiring charities to demonstrate public benefit to the creation of new legal forms for community interest companies), new umbrella bodies, large volunteering programmes, and public funds (ranging from Futurebuilders to the Social Action Fund). In parallel, moves have been made to open up public services to social enterprises and charities, to unleash public data, and to support ‘ultra-local’ civic organisation at the neighbourhood level. The rhetoric has shifted from the active community to the big society, but the content has been largely consistent.

Some aspects of this agenda have focused on public services and how they can sustain stronger relationships with citizens. Parental involvement in schools, volunteer involvement in the NHS, experiments passing public parks and libraries out to community groups – these are all instances of this.

Other factors include:

- legal/regulatory conditions, such as providing guarantees that NGOs’ free speech won’t be infringed even when they are in receipt of government grants (like the UK’s compact), creating new legal forms that allow equity to be issued, or regulating conditions for tax reliefs
- grant funding, capacity funding and contracting/commissioning that uses the full range of models, from pure purchasing to active commissioning, engaging a range of providers to allocate funding aimed at individuals
- investment funding, including provision of loans, equity and so on, often with stage-gate models
- contracting for services, from purchasing to commissioning (issues of specification, scale, rights, feedback)

- capacity-building – support for business skills and personal skills, which can extend to business planning, cost structures and data-handling
- involvement in policy shaping and engagement in machineries of government (through units with a significant number of secondees, for example)
- financing models that incentivise focus on outcomes, such as through the US Pay for Success bonds,<sup>14</sup> social benefit bonds and social impact bonds in Australia and the UK.<sup>15</sup>

As will be clear from this list, the optimum relationship between government and civil society is unlikely to be one of pure, harmonious collaboration. In all societies there needs to be some tension as well as cooperation between the state and society, just as there should be with business. Relationships that help with the achievement of year-to-year public goals tend to combine pressure and support, setting stretching objectives but also helping to build up capacity. This can apply to purely regulatory relationships as well as those focused on contracting and commissioning or on grant-making.

Regulatory relationships can be legalistic and comprehensive – or, alternatively, attuned to risk (that is, focused where there are grounds for expecting a greater risk of problems). Relationships that contribute to societal resilience may be somewhat different in nature and their efficacy can be seen in a community's ability to cooperate quickly in the face of events. But here too it is critical to have clarity about the different roles of the sectors.

These issues are crystallised in the contracts issued by commissioners and the measures used to judge success. The payment by results model can be focused solely on outcomes, or it can also have a relational element, bringing in third-party surveys of user and stakeholder perceptions, for example.

### **Social innovation and relational models: a case study of ageing**

Much of this territory of relational change is being driven by practical innovators rather than policy. This trend is a good deal more visible in the social innovation movement, and on the ground, than in the places where policy is debated.

Indeed, the field is dynamic in part as a response to the inability of top-down policy approaches to cope well with the challenges of more relational services. As a rule, the more abstract the policy, the less likely it is to work when it comes to relationships – when it comes to relationships, detail matters, as do context and history. This may be one of the reasons why social democracy (and its centre-right counterparts) has become rather becalmed in the last decade: the energy and dynamism has passed to the more granular worlds of civil society, service design and technology.

These are just a few examples of the tools that a more relational state might use. The specifics need to be tailored to the priorities of particular services, cultural contexts and staff capacities. One area worth focusing on in particular is ageing, a field where many of these ideas are likely to be most relevant. Governments do some things for older people and some things to them – provision of pensions, regulations for employment or services – but increasingly they need to be more adept at doing things with older people. The long shift from deficit models, which see older people as bundles of unmet needs, to asset-based models, which also see them as having many resources and capacities, has helped this.

---

14 See <http://www.whitehouse.gov/omb/factsheet/paying-for-success>

15 See for example <http://www.socialfinance.org.uk/work/sibs>

We know that life expectancy is rising faster than anticipated, and that every advance to extend life expectancy also has the effect of increasing the proportion of the population who are surviving with a serious incapacity or disability. This latter dynamic is one of the most important for the 21st century, since it implies an almost certain growth of very costly needs, and as a consequence increased pressures to innovate to find cheaper and more effective ways of meeting those needs. We can also reasonably expect the proportion of the population who are managing a medical condition to increase over time.

These changes interact with another common trend visible across the developed world: the rise in isolation and loneliness among older people. This is in part an effect of longer life spans, but also of smaller family sizes. Together, these put a high premium on finding creative ways to mobilise resources within the community to provide care and support. Simply providing these 'to' older people, by extending existing models of professionalised and paid-for care, will entail escalating and almost certainly unsustainable costs.

These issues are even more stark at the end of life. In most wealthy countries, the majority of people want to die quickly and at home, yet the majority in fact die slowly and in hospital. At this final stage, the quality of relationships comes to matter more than clinical interventions – these come to be a mark of a 'good death'. Yet the norms of procedure in most hospitals make this difficult. The hospice movement grew up as one response to these needs; today, many countries are experimenting with 'home hospices' of various kinds, to make it easier for friends and family to provide a loving environment. Here too a relational perspective points to very different choices than a perspective solely focused on extending life or achieving other measurable outcomes.

Many other services for older people are also likely to work better if they adopt a relational perspective. For example:

- Housing policy can place greater emphasis on the provision of co-housing, where two to 10 older people live together with some mutual commitment and shared services. Co-housing models already exist informally; more formally, they have spread in northern Europe, particularly in Germany, the Netherlands and Denmark. They are expected to become more important as new generations age without the ability to rely on children to look after them.
- Post-hospital care services can be more deliberately designed to mobilise friends, neighbours and family as well as clinical support in more systematic ways using social networks. Examples of this are now widespread, including the Partnership for Older People Programme pilots in the UK<sup>16</sup> and their many successors, such as Tyze. The broader challenge of redesigning at-home support, including the use of assistive technologies, will increasingly require attention to social relationships as well as smart technologies.
- Educational services can train up family members, for example, helping children to support a parent with early-stage dementia or a spouse to help with management of type 2 diabetes. As well as enhancing their practical usefulness, it's also likely to enhance the quality of their relationships.
- Mobilising the elderly as volunteers, for example, through categories of para-professional work for retired teachers, police, fire, doctors, army (a good number of the projects supported through Nesta's Innovation in Giving fund, for example, aim to encourage the sharing of time and resources among older people).

---

16 See [http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_111240](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_111240).

- Boosting mobility through transport models that mix volunteer and paid labour, such as the ITN model in the US.<sup>17</sup>
- Raising activity rates through specialised employment services, in part to maintain strong social links for retirees, with such services providing links both to paid and unpaid work (many models exist for this, from Taiwan to Australia).
- Shaping building design to encourage social interaction across generations, including social design to create roles for active older citizens, for example, as area guardians.

These examples (some of which can be seen in more detail in the various Social Innovation Exchange<sup>18</sup> publications on ageing) are designed to illustrate the potential of a relational approach to uncover new options which may be more attractive to citizens themselves as well as more productive for government.

## Conclusions

Good governments require a wide range of ways of working, and good leaders and good managers have a wide repertoire of styles. When crises hit, people want governments to act decisively; in other fields, they want government to be a regulator; and in some they want direct provision. But the idea of the relational state looks set to be the one that will become increasingly mainstream, particularly for those services that require collaboration with citizens rather than to or for citizens.

These approaches may become particularly important during hard times, when the state will need to legitimate difficult choices and trade-offs: cutting services or welfare provision, rationing healthcare, or increasing the costs of carbon.

- *Geoff Mulgan is chief executive at NESTA and former head of the Number 10 Policy Unit. This paper builds on an earlier paper by the author, 'The birth of the relational state', published by the Young Foundation in 2010.*<sup>19</sup>

---

<sup>17</sup> See <http://www.itnamerica.org/>.

<sup>18</sup> See <http://www.socialinnovationexchange.org/>.

<sup>19</sup> [http://archive.youngfoundation.org/files/images/the\\_relational\\_state\\_\\_3\\_\\_0.pdf](http://archive.youngfoundation.org/files/images/the_relational_state__3__0.pdf).

# THE CASE FOR A STATE THAT SUPPORTS RELATIONSHIPS, NOT A RELATIONAL STATE

MARC STEARS

I spent some time recently at the self-described ‘university’ of a global sportswear corporation, a vast staff development and training complex in the Netherlands. It was a surreal experience for a British academic. No university I know has 18-foot posters of major sports stars dotted around their campus or seminar rooms looking out not over grass courtyards but enormous state-of-the-art athletics facilities.

But despite the unusual setting, there was something strikingly familiar about the conversations. The focus of debate was on ‘relationship-building’. Or, more precisely, the ways in which the company could develop deeper, more emotionally resonant, bonds between their workforce, their management, their customers and the broader community. ‘It is no good just offering a fashionable brand anymore,’ one of the senior executives told me, ‘we have to build proper relationships. We need to be able to tell a story to each other about the way in which people are stronger, more satisfied, when they feel connected across social boundaries.’

Many of the contributors to this volume would be sceptical of such a view – and sometimes rightly so. But there is nonetheless something striking in this expressed desire. It demonstrates that there is a strong sense across the world of business, politics, culture and sports for interactions that are somehow more humane, somehow richer than those we have gotten used to of late. It is as if a broad section of society has recognised the limitations of the contractual, transactional mindset that has been at the core of modern democratic capitalism since the 1980s. We are now all searching for more meaning in our lives, for a different way of living together, and that search is bringing us to reconsider our relationships with each other.

The question, of course, is what can be done about it. Is it possible to build a culture that is more compassionate, solidaristic, driven by human interconnection, in the place of one that is ruthlessly competitive, individualistic, driven by human disconnection? And if it is, then where? Is it possible to do that in the workplace? In our neighbourhoods? Across our whole country?

This is, in essence, the question that Geoff Mulgan asks of our state. Mulgan wishes to see the state act towards its citizens in a way that generates this new spirit or responds to it where it already exists. He lauds programmes that encourage people to get to know one another again, to develop deeper bonds of both affection and mutual support and to feel that if they act together they may be able to build a better world for themselves and for others.

It is a noble aim and one whose time has certainly come, as other contributors to this volume explain. It is not, however, one without significant difficulties. Some of those are rooted in the facts of the matter, in the nature of the problem that we face. Others are rooted in Mulgan’s own conceptions, both of the nature of the state and the nature of relationship.

My task in this response, therefore, is to trace the ways in which we might best understand a properly relational state and to identify the direction our political travels would have to take if we are going to get there. Putting it another way, I want to ask: if we all want a more relational experience than our politics, economy or society has enabled in recent years, what, if anything can the state do about it?

## The problems

Our challenge first takes us to definitions. In his powerful and provocative paper, Mulgan does not generally differentiate between ‘state’ and ‘government’.

Most of the time, he uses the two terms interchangeably. When he does separate them, the term state is used to identify something that governments wish to become. Governments, that is, are presented as agents (although not monolithic ones) that attempt to move between different kinds of states. They switch, in Mulgan’s latest formation, from being the ‘delivery states’ of the last decade or so to the ‘relational states’ of his aspiration.

Citizens in this story generally seem to be passive players, until they are dragooned into behaving in a particular way. Often described as a unitary ‘public’, Mulgan’s citizens always have things done to them by governments – they just have different things done to them by governments behaving as different kinds of states. In their coercive mode, governments control and direct the public. In their delivery mode, governments give things to passive citizens. In their relational mode, governments somehow elicit new patterns of social interaction, acting together to ‘achieve common goals, sharing knowledge, resources and power’.

Before we look at the political theory of the matter, it is worth noting that all of this is a peculiarly top-down way to start talking about relationships. There is never any doubting the primary power of government in Mulgan’s story – it is the essential; it is the actor; it is the agent of change. This automatically suggests a difference with other players in the recent turn to relational thinking. They don’t think this way in the sportswear business, for example. However powerful a corporate player is, it always believes the competition might come along and do away with it. The customer might always move on; the business might collapse. Hopefully, most people don’t think this way about their personal relationships either. Each of us might feel indebted to our parents or our partner, but we generally feel as if we have some way out of those connections or at least some way of shaping the ongoing pattern of our interactions.

These reflections prompt the question of why Mulgan isn’t troubled by presenting the government in the way that he does. The answer probably partly lies in his own unstated assumptions. Mulgan clearly quite *likes* government. It is not just the central player in his story, it is a *good* one. It is an agent not just of change, but of generally benign change. But the issue goes deeper than that. Mulgan also appears to think that governments are *capable* of almost anything: they can coerce; they can instruct; they can deliver; they can relate. They just have to put their collective mind to it. People want things from governments and, as long as they are led in the right way, governments can respond.

But this is precisely where the argument goes awry. Governments and states are not simply ever-morphing agents, acting above, beyond and in some sense in control of the citizens. Rather, they are particular *kinds* of things, with a capacity to do some things well and others not. They are constrained and enabled, that is, by what they are. So unless we know what they are, we cannot know what they are capable of. We won’t know whether there can be a relational state until we know what a state is to begin with. And it is that question that Mulgan leaves unasked.

## What is the state?

There is a probable reason for Geoff Mulgan's unwillingness to probe deeply the question of what a state actually is. For generations, political thinkers have struggled with the very same question and it has often ended in discord.

For much of the 20th century, two orthodoxies vied for intellectual dominance, each of which underpinned some very different political projects.

The first owes most to a tradition that began with Hobbes but found its modern iteration in the work of Max Weber. That suggested that the state was an agency that was able to dominate all others in a particular geographic region by virtue of its effective monopoly of coercive force. The state, that is, had the police force, the military and other organs of coercion at its disposal, and thus was able to shape other social actors in the way by the use or the threat of use of such force. Government on this model was one part of the state, the executive branch of its controlling agencies, employing the coercive force that was essential to the state's character, either for good or for ill or for no purpose at all, depending on who happened to be in control at the time.

The second owes more to a tradition that began with Hegel but founds its modern iteration in the work of social democrats, including the intellectual originators of that movement, including Sidney and Beatrice Webb in the UK and Emile Durkheim in France. On this account, the state was the expression of a set of organic interactions between the different social actors which together made up the social body. Individuals, groups, organisations come together, that is, to form a social whole, which was best expressed by the term 'the state'. Government, on this model, was the agent that was charged with looking after the interests of that whole. The purpose of government was thus first to understand the complex of social interactions and then to employ its power to modify those interactions in the interests of all or the interests of the whole. In Durkheim's famous analogy, the government was best seen as the doctor to the social body, looking after it, intervening when possible to keep it in good health. The state is all of us together; the government is that agency that looks after our interests and always puts us first.

In recent years, both of these models have received sharp criticism, although they have remained influential in some circles. The first is too pessimistic for many – the state, critics argue, is surely more than just coercive power. Government is surely capable of doing more than bullying people with force or the threat of force. The second orthodoxy, on the other hand, appears too optimistic. Is there really an organic fusion of all the various groups that comprise our society? Aren't we too diverse nowadays to be thought of as a single entity? And even if there is such a unity, is it wise to collapse our understanding of the state and broader society, as those influenced by Hegel tend to do? Can government really be such a benign force, an agent motivated solely by the desire to keep the social whole in health or to restore it to such if it falls unwell?

So with both orthodoxies failing to persuade, theorists have turned instead to a new approach. That approach starts from observations about what actually happens in those places that we like to call modern states. 'Government' clearly exists in those places. Things are controlled. There are agents of coercion. But something else appears to happen too, or at least something more specific. There appears to be some force that *standardises* the otherwise complex pattern of social interconnections. This is a force that is interested in reshaping social life so that it can be more effectively regulated and controlled.

On this new view, this is what the state is – it is:

**‘...the complex of agencies, including the government, that come together to standardise the social experience in a way that responds to the particular demands of place, time and dominant ideology. It is the complex of agencies, in other words, that tries to forge a particular kind of uniformity out of the inevitable diversity that is modern social life.’**

King and Stears 2011<sup>1</sup>

The theorist who has probably done the most to advance this view of the state is the Yale University anthropologist James Scott. He summarises this new view of the state as such:

**‘...the modern state, through its officials, attempts with varying success to create a terrain and a population with precisely those standardized characteristics that will be easiest to monitor, count, assess and manage. The utopian, immanent and continually frustrated goal of the modern state is to reduce the chaotic disorderly, constantly changing social reality beneath it to something more closely resembling the administrative grid of its observation.’**

Scott 1998: 81–82<sup>2</sup>

Some will, no doubt, find Scott's expression overblown, and it is important to note that his theory began as an account of states in rapidly developing economies. But the points that emerge from his accounts are important ones and they have been subtly and importantly developed by other political thinkers in recent years.

If we take Scott's view seriously, then four key lessons emerge.

- First, the most important thing we need to know about the state is that it is an agent of standardisation. It attempts, in other words, to create order out of disorder and to bring things into standard relationship one with another.
- Second, the state is to be understood as a complex of agencies, and not just the government. The boundaries between state and society, that is, are determined more by what these agencies seek to do – its efforts to standardise – and not just what they are.
- Third, the state can employ coercive force in its efforts to standardise, but it does not have to. It can standardise by the use of positive law, but also by the way that it delivers services or shapes norms and expectations.
- Fourth, there is still immense room for diversity between states. In other words, they are states by virtue of their desire to standardise but they can do so in different ways. There is room for a ‘left’ standardisation that focuses on material equality, for example, or a ‘right’ standardisation that focuses on the terms of contract and exchange. The social outcomes will be very different, but the essential thing that the state *does* is the same.

---

1 Stears M and King D (2011) ‘How the US State Works: A Theory of Standardization’, *Perspectives on Politics*, 9: 505–517

2 Scott JC (1998) *Seeing Like a State: How Certain Schemes to Improve the Human Condition Have Failed*, Cambridge MA: Yale University Press



### What does this all mean for the relational state?

All of this theoretical abstraction can obviously confuse as much as it can enlighten. It can certainly annoy. That means that Mulgan's simpler model of a government that seeks to be a state of a particular kind and that can morph from 'coercive' to 'delivery' to 'relational' is not only more straightforward but, in some ways, more attractive.

The theory described above is nonetheless important. It is important because, if it is right, it tells us something very important about what states can and cannot do in a way that differs dramatically from Mulgan's conception. Most crucially, it tells us that states' drive to standardise is not an option, not one way of being, but is an unavoidable element of what states are. It is built into the very notion of stateness.

If this is true then states are brilliantly well-placed to ensure some political goals and not others. As we saw in the UK during the Blair/Brown years, an effectively directed state can guarantee that patients all over the country are treated within a certain time by the NHS. Such a state can also guarantee that certain fundamental human rights – such as the right to have a personal relationship with either a man or woman irrespective of one's own gender – are not undermined by powerful interests or entrenched public prejudices. It can also, if it tries hard enough, ensure that nobody has to live below a certain standard poverty line, by fighting to maintain access to working opportunities, by shaping the economy in particular standardised ways, or by guaranteeing direct financial assistance where required. In other words, where a standardised solution fits with our political needs or demands, then state action is a good way of ensuring it. It is what states do best.

But this also means that there are some things which states are not well set-up to do: those things which are not well-suited to standardised approaches. If states are agents that seek to make things the same, then they are not the best agents to do things where the most important consideration is to preserve difference. States work best when a problem has a technical, mechanical solution which can be employed everywhere within a shared geographic space. They are at their worst when they need to respond flexibly to local particularities, when they need to act nimbly or with nuance, and – most importantly of all – when they delve into problems of the nation's spirit or of the human heart. Anything which requires difference, contingency and essential unpredictability is not going to be a skill of the state.

This bodes badly, of course, for Mulgan's notion of a relational state. Nothing is more flexible, contingent, ever-changing, particular or beyond control than a proper, rewarding human relationship. Relationships which are mapped, dissected, analysed and shaped according to standard patterns rarely exhibit the emotional warmth that we require.

In fact, the great 20th-century theorist of relationship Martin Buber distinguished between what he called 'I-It' relationships and 'I-You' relationships. The first, he suggested, were the cold and transactional connections we have with some people, the relationship of the 'deal' or the 'plan', rather than of the heart and the whole person. The second, he argued, were where we find human emotion and meaning, and yet they are always incapable of being predicted or shaped in advance. They happen in the moment and have to be open to a whole range of contingencies. States would seem potentially good agents for promoting the first kind of relationship; they would seem peculiarly ill-suited to the task of shaping the latter. And it is the second kind that we usually mean when we say we want 'more relationship' in our lives.

All of this presents Mulgan's aspirations with serious difficulties. He moves towards recognition of these difficulties when he admits that states will sometimes find it difficult to sustain relationships, as he does when he discusses the dangers of 'regulatory relationships' which can be 'legalistic and comprehensive'. But he does not appear to believe that these problems are endemic, hard-wired into the very notion of what it is to be a state.

For some, the argument is over at this point. These critics insist that as states are essentially agents of standardisation, and if standardisation is inimical to relationship then states should not be in the relationship-building business, pure and simple. Such arguments come from both the right and the left, from those inspired by Michael Oakeshott, who argued against the abstract rationalism of social democratic states, and by those who take their lead from the cultural critics of the New Left, who argue that states never leave room for the dynamic creativity that must be at the heart of all proper relationships.

But it is not definite that these doomsayers have it right – the actual picture, I think, is more complex. The observation that states are essentially agents of standardisation tells us that they can do some things and not others, that is for sure. It does not say that they should eschew any interest in relationship-building at all.

Instead, it tells us that if they care for relationships then states should seek *to do what they can* to build the standardised background conditions in which relationships can flourish and *to avoid what they cannot*. There are, in other words, opportunities and dangers when states seek to assist with the creation of a more relational culture, and it is vital that we are all aware of both.

### What is possible and what is impossible?

The search for an understanding of the possibilities for relationship-building should begin with an appreciation of the nature of relationships themselves and of the conditions under which they flourish.

The sort of relationships that many of us are striving for, whether in our workplaces, neighbourhoods or across the country as a whole, are what we might call 'democratic relationships'. They are the emotionally resonant connections between people of otherwise diverse experiences, background and interests. As has been described above, these relationships are unpredictable and contingent, dependent on the actual interactions between the people at their heart. They depend on people committing themselves in some sense to another, dedicating themselves to doing things for each other not because of personal advantage or as the result of any deal but because of the sense of mutual connection that enables a richer sense of the meaning and purpose of one's own life.

That people increasingly long for these relationships is, I think, beyond doubt. Finding or creating them has often been made more difficult by the demands of a competitive market economy and by the rigours of a structured and standardised state environment. As Karl Polanyi noted, we live in increasingly 'commodified' societies, where people are often treated more as objects than as human beings and respond by treating each other accordingly. The task facing us in so many areas of life is, therefore, to turn away from that objectifying tendency and to try to learn to interact in a more fully relational way instead.

Identifying the conditions for such a development can never be an exact science, of course. But it is fairly certain that individuals relate to each other more fully when they enjoy a relative degree of security, when they feel as if they have something in common despite their differences, when they are able to plot their future destiny together, and

when they feel as if they have the opportunity to work through any remaining tensions thoughtfully and with purpose. In other work, I have argued that from these observations we can derive four factors which have a significant impact on the possibilities for relationship development (Stears 2011<sup>3</sup>).

The first of those is place. People's connection to a physical location can have an enormous impact on their ability to relate. At its most straightforward, a shared identification with a particular place can generate powerful bonds of mutual loyalty. Connections with buildings, streets, neighbourhoods, towns and cities are often the vital precursors to deeper relationships between individuals. Providing and protecting such spaces and making them more amenable for effective relationship building might, therefore, be the first component of a strategy for relationship development. That is why some farsighted companies spend so much time and money on shaping their office buildings in such a way as to allow people both to develop a fondness for their environment and actually to interact with each other in a comfortable way within their structures. Something as simple as a common room or shared photocopying or coffee facilities has been seen to have dramatic impacts in exactly this way.

The second condition is time. Effective relationships between people who might otherwise disagree with each other cannot come quickly. The sense of an openness of time is especially essential for the attentive listening to others that is a core component of full relationships. It is the listening that opens up new possibilities of understanding, appreciation and commitment. As the philosopher Romand Coles puts it, we can only ever appreciate the 'gravitas of what we hear' when we take the time fully to experience it (Coles 2007: 47<sup>4</sup>). Time-poverty is, however, a growing difficulty in many lives, due both to the increase of workplace pressures and monitoring and to the need to spend longer in paid employment at the expense of other, more leisurely forms of interaction. Time-constrained interactions are much more likely to be cold and transactional than time-expansive ones, especially if they are complicated by social diversities of other sorts.

The third condition is organisation. Most human relationships are mediated through some form of institution, be it formal or informal. These institutions provide a structure that enables relationships to persist across time in a way that ensures they are not entirely dependent on the whim of any individual at any particular moment. Persistent organisation of this sort is what distinguishes the euphoric moments of communality that accompany one-off events, such as the Olympic Games or a music festival, from the sustainable relationships that are needed if we are to flourish in the ways that many of us are seeking. Traditional institutions, including trade unions and cooperatives, played this role during the tumultuous time of industrialisation, but many have struggled more recently. An agenda focused on relationship-building should begin by promoting our collective institutional life.

The fourth and final condition is power. Partly for the reasons sketched above, people today feel vastly constrained in their relational opportunities. They are, therefore, extremely unlikely to make the commitment necessary to shape a deeper relationship with their peers unless they believe that something direct and important can come of it. Power is that guarantee. As the 19th-century French sociologist Alexis de Tocqueville famously noted, people often come into relationship with each other 'first by necessity and only

---

3 Stears M (2011) *Everyday democracy: Taking centre-left politics beyond state and market*, London: IPPR. <http://www.ippr.org/publication/55/7993/everyday-democracy-taking-centre-left-politics-beyond-state-and-market>

4 Coles R (2007) 'To Make This Tradition Articulate' in Hauerwas S and Coles R, *Christianity, Democracy, and the Radical Ordinary: Conversations Between a Radical Democracy and a Christian*, Cambridge: Lutterworth

afterwards by choice'. In other words, if there is a chance that a particular relationship will achieve some objective then people will take the time to develop it, and they will only believe in that chance if there is real power on offer. Give people the opportunity to make a difference through association and they will associate; tell them that their association has no chance of changing a thing and they will, unsurprisingly, be much less likely to make the effort.

### A state that facilitates relationships

If the analysis above is correct, then an agenda for a state that is interested in promoting relationships begins to emerge. The state can facilitate the creation of relationships if it conducts itself in the right way.

That, I believe, should be the primary ambition for the kind of state to which we aspire. Our policy agenda should focus not on somehow making the state itself relate more effectively to its citizens, but instead on what it can do to enable citizens to relate more effectively with each other.

There are reasons for optimism here. A standardising entity such as the state can, after all, do something to ensure that people have access to the places that they need to relate; that they are provided with more time to do so; that their institutions are protected and possibly enhanced; and that power is devolved to them so that they can make a difference in their lives.

Some of the policy proposals that would flow from these observations would not differ greatly from those Mulgan outlines. His innovative sets of proposals for providing public services to the elderly, for example, as well as his endorsement of organisational platforms for people to offer each other mutual support bode very well for the development of the kind of relational culture to which we aspire. The fact that organisations such as Nesta, the Young Foundation, the Transition Towns movement and the Dartington Trust are doing practical work to explore possibilities in this area is also to be warmly welcomed. Many of the other contributors to this volume also outline further ways in which similar proposals could be enriched.

There remain, however, two crucial differences that emerge between Mulgan's account and my own as a result of this discussion on the nature of the state. And these could, in my view, determine whether these experiments will succeed or fail.

The first concerns the relative independence of non-state organisations from the purview of the state. The idea that the state can become relational itself is, I charge, the central mistake in Mulgan's vision. And this is no small disagreement: if the state always (or at least almost always) acts as an agent of standardisation then its direct efforts are never likely to promote a fully relational culture. Its efforts will be too scarred by the monitoring, control, oversight and accounting that anthropologist Marilyn Strathern calls the 'audit culture' and which are the essential modern accompaniments to a standardising agenda. What this means is that those services which we wish to provide in a relational way must enjoy some level of protection from the direct involvement of the state itself.

Intriguingly, this was one of the original rationales for keeping certain services at arm's length from the state, even if they were funded directly from public resource, in the early years of the welfare state. Classic examples including the early national insurance programme, which was established and protected by state agencies, including the legislature, but which was directed, administered and run on a daily basis by non-state

agencies, including trade unions. Universities are a celebrated example from our own time: funded largely by the state, they are still run largely as autonomous entities, even in the days of HEFCE and the REF.<sup>5</sup>

It will clearly be difficult to explain to the public in the foreseeable future why the state should provide funds directly to non-state agencies and then stand back from demanding accountability and control. Indeed, in some circumstances – where standardised treatment is of the essence – it would be morally and practically wrong to do so. But it is clear, I believe, that if we are serious about relationship-building then the state will nonetheless need to take self-denying ordinances of this sort, if only because relationships require both risk and contingency and the state is extraordinarily poor at allowing these things. The endowment model – whereby initial seed funds are provided to organisations that then become more-or-less self-supporting – is one way of doing so. A cooperative partnership model is another possibility, through which the power of the state is checked by the equal or superior representation of other forces. Much more policy work is required to describe such possibilities in depth.

The second difference concerns the power of the agents involved. For Mulgan, the emphasis lies on the possibilities of government – it is government that will generate the move towards ‘relationality’, in response to its quest for legitimacy and acceptance. A disgruntled public won’t accept anything else, he hints, but the essential driver for a relational transformation comes from the top. A view of the state primarily as an agent of standardisation must take a very different tack. Seen that way, the state is unlikely ever to be fully comfortable with relationship: it is too unpredictable, too contingent, too particular a phenomenon. It is always going to be an unreliable ally in this particular battle.

The state can, then, help people to have the places, the time, the organisation and the power that they need to build effective relationships, but it is unlikely ever to be the primary agent of a relational revolution. The primary agents will lie outside. They will be those who pressurise the state, who make demands of it, who are unwilling to be told what to do. If the state’s actions are ever to be made compatible with our demand for deeper relationships then the state will have to be pushed or led there by others. Some of those others will be those who seek directly to shape the state itself – including professional politicians and their parties – but others will be external to the state itself – those who pressure and demand, those who are unwilling to be standardised, who insist on a different kind of experience. That’s why the proper addresses of a volume such as this should not be limited to those who wish to run the state themselves but should include those who wish to have little or nothing to do with it, those whose view of life is that the best elements are to be found far beyond the purview of formal power.

### A cautious conclusion

My task in this essay has been to call for caution. Not caution about a new culture of relationship itself – that is a commitment I hold dear – but caution about appointing the state as the agent of a new era of enriched human connection. Those of us who share a commitment to the building of a more relational culture, that is, have reason to be suspicious that the state is the best agent to promote it.

As I hope I have made clear, this is not to say that the state has no role to play. There are some areas of life which should be standardised rather than relational, where there should be no room for contingency. Fundamental rights are of that sort. There are also ways in

---

<sup>5</sup> Respectively, the Higher Education Funding Council for England and the Research Excellence Framework.

which the state can play an active part in shaping the conditions in which a more relational culture can flourish, by doing what it can to help provide the places, time, organisation and power that people need – and then stepping away.

It is also clear to me that the state is far from the only – or even the most important – enemy of relational life. For all of the relational language that abounds in the best businesses today, the excesses of corporate capitalism still push far too many of us into a transactional mindset, our humanity as well as our wallets squeezed by economic insecurity.

This is why the call to ‘privatise’ public services, or to outsource more and more to profit-making companies, is also an error. Recent developments in this regard have sometimes seen a shocking tendency to commodify relationships that really should never be commodified, including some of the most important caring relationships. Moreover, the private sector often deploys exactly the form of top-down, target-driven management processes of the standardised state at its worst. Task-based jobs of this sort leave employees with no say in decision-making and little space to be either creative or relational.

What this leads me to believe is that the most important agents of a relational culture are to be found among those who do not allow their lives to be entirely determined by the market or the state. They are those among us who are not prepared to have their lives reduced to the metrics that appeal to those who prioritise either narrow economics or narrow governability. They are those who know that meaning and purpose is found and sustained in the everyday interactions that escape that control, cannot be quantified, and are often impossible even properly to describe. These people are to be found in every walk of life. We all have neighbours, colleagues, relatives who display these qualities. Taking relationship-building seriously as a political project means doing all we can to enhance their political power.

- *Marc Stears is a visiting fellow at IPPR and professor of political theory at the University of Oxford*

# UNDER PRESSURE: THE DRIVERS OF A NEW CENTRE-LEFT STATECRAFT

NICK PEARCE

Are we at the emergence point of a new paradigm of public administration in advanced democracies? There are a number of reasons for thinking this might be the case. New public management has now been the dominant policy discourse for some 30 years. In important respects, it has proved its worth; public service management has improved along many dimensions. But its longevity has also exposed its weaknesses and revealed its ideological moorings. Greater efficiency and effectiveness have come at the cost of increased centralisation, reduced trust in government, and an increasing distance between the rhetoric of target regimes and their actuality. At the same time, the theoretical underpinnings of new public management, largely shared with neoclassical economics, have come under increasing strain from advances elsewhere in a wide range of social science disciplines, from complexity economics to network theory and evolutionary biology.

As importantly, the particular constellation of contemporary governance of which the new public management model has been a part – forged on the anvil of the collapse of the post-war economic settlement at the end of the 1970s and the subsequent reshaping of public services in the following decades – is also now coming apart under the pressure of the long global economic crisis. Austerity economics is leading to service cuts and the redrawing of state–market boundaries, at the same time as demands for the valorisation of state capacity are growing, particularly in respect of economic management – albeit that these are also coupled with demands for new forms of decentralised statecraft and democratic reform. Meanwhile, long-term drivers of change, notably the ageing of advanced societies, are piling new pressures onto the public finances and core health and care services. Tough fiscal choices therefore await all governments in the future, whatever their current economic policies.

Geoff Mulgan's concept of a relational state has as good a claim as any to capture these contemporary trends, in a synthesis as rich and wide-ranging as one would expect from the author. Although not addressed to a politically partisan audience, his arguments have particular resonance for the centre-left in countries such as the UK where large-scale investments in public service have been combined in the recent past with extensive reforms largely guided by the principles of new public management. Here, considerable soul-searching is taking place, much of it hinging on the aphorism that Third Way reformers were 'too hands off with the market, too hands on the state'. Ideologically inhibited from staking out a new political economy, modern social democrats ended up ploughing their energies almost exclusively into public service reform. In the UK, the results were often impressive – witness big gains in education, unprecedented public satisfaction in the NHS, and steep falls in crime. But as Mulgan neatly summarises it:

**'...[E]ven where the delivery model was enthusiastically implemented it repeatedly hit barriers. Even if the targets were met they often 'missed the point', not connecting to the things the public actually value. Some had negative indirect effects or unforeseen side-effects. Professionals were demotivated. Costs of inspection and audit mounted up, creating new bureaucracies to monitor activities, displacing resources from the activities themselves. Effective and efficient delivery turned out not to deliver trust, and many governments observed that, although their own indicators of performance were continuing to improve, indicators of public satisfaction or confidence declined.'**

The relational state promises to address a number of these concerns, not least because it speaks to strategic challenges for state capability that we can now comfortably anticipate, principally the growing need for the care of children and the elderly in an ageing society with a relatively smaller workforce; the fiscal constraint of needing to do more with less; and the imperative of overcoming the dysfunctions and waste of bureaucratised forms of centralisation. Mulgan's paper adduces a number of others.

However, there are at least two major questions that I think Mulgan's arguments do not yet adequately address. At the risk of crude terminological reductionism, these can be thought of as two 'legitimation crises'.

First, as Wolfgang Streeck has recently forcefully argued, democratic governments in welfare capitalist states are now confronted with the systemic challenge of raising the living standards of electorates without recourse either to the tools of post-war Keynesianism or to the debt-financed household consumption of the recent past. As numerous studies have now demonstrated (most notably the work of the Resolution Foundation) there has been a gradual decoupling of wages and productivity and a stagnation of living standards over varying periods of time in a number of advanced economies. This trend looks set persist at least until the end of this decade, perhaps beyond. In conditions of rising debt and deficit reduction, governments no longer have recourse to public spending to plug this gap, and this creates their first and most critical crisis of legitimacy. Any workable theory of the state – at least one that will be of use to social democrats and their allies – must therefore have its role in reshaping the political economy at its heart, if it is to meet the challenge. This is not currently the case in Mulgan's presentation of the relational state.

The second crisis is one more recognisably Habermasian: it centres on the depletion of social meaning and violation of social norms by the circuits of money and power in contemporary capitalist societies (or, if you like, the colonisation of community by market commodification and state bureaucratisation). This shows up in numerous phenomena: the resistance of parents to the commercialisation of childhood or the privatisation of schools, through to public hostility to welfare entitlements and professional resistance to centralised compliance cultures.

The idea of a relational state seems much more capable of speaking to this category of challenges, so long as key institutions can be bounded from the market, on the one hand, and from excessive state bureaucratisation on the other. But here the issue is not whether a relational approach is more instrumentally efficacious. Rather, it is whether reform of both state and market is undertaken to limit the reach of both, on the one hand, or to ensure that where public or quasi-public institutions exist, they are owned, managed and controlled by relatively autonomous, accountable and legitimate bodies, on the other. This points to the need for a more robust understanding of what constitutes the public realm, but also how it can be inhabited by a more diverse range of institutions than those of the traditional public sector, within a statecraft that is more localist, as well as relational.

- *Nick Pearce is director at IPPR and former head of the Number 10 Policy Unit*



# SURE START AND THE DILEMMAS OF RELATIONAL POLITICS

DUNCAN O'LEARY

“What works” is important, but “how it works” ... is equally, if not more, important.’ So wrote Norman Glass, the man who inspired Sure Start, in an article mourning its transformation from community initiative to national programme in 2005.<sup>1</sup> The story of Sure Start, one of the last government’s most ambitious ideas, is an instructive case study for anyone interested in the notion of a more relational state.

Sure Start was an attempt at a more relational politics in two ways. First, its focus was not just on delivering services for individuals, but on supporting good parenting and enriching family relationships. Second, the *approach* adopted was distinctly relational, rather than transactional or bureaucratic. Services were shaped by knocking on doors and asking people what they needed, rather than designed by policymakers elsewhere. Glass’s paean to the programme was prompted by the dilution of these two principles.

When established in 1999, Sure Start’s stated objectives were to:

**‘Work with parents-to-be, parents and children to promote the physical, intellectual and social development of babies and young children – particularly those who are disadvantaged – so that they can flourish at home and when they get to school, and thereby break the cycle of disadvantage for the current generation of young children.’**

Cited in Lexmond and Reeves 2009<sup>2</sup>

By the time Glass was proclaiming the ‘abolition’ of the programme, as it moved towards the ‘children’s centre’ model, the goalposts had moved. The aim was now to:

**‘Achieve better outcomes for children, parents and communities ... through increasing the availability of childcare for all children; improving health and emotional development for young children; supporting parents as parents and in their aspirations towards employment.’**

ibid

The focus on parenting and family relationships had given way to a more straightforward desire to help parents into work. This was far less about relationships and far more about hitting GDP targets and lifting working parents out of material poverty. Thus, family centres became children’s centres.

Running parallel to this change of direction were changes in the way Sure Start was run. As the programme expanded, local authorities were given greater control, heralding an era in which grassroots influence over the direction of centres would be diminished. In part, this decision was made on cost grounds: it was hoped that local bureaucracies could run things more efficiently than local people. But the shift in governance arrangements also reflected a concern that the overriding goal of Sure Start – ‘better outcomes for children, parents and communities’ – was not being met.

The programme had been set up explicitly to tackle disadvantage, but the concern was that the piecemeal approach to establishing which services were required was insufficiently evidence-based. New guidance published in 2005 warned against merely

---

1 Glass N (2005) ‘Surely some mistake’, *Guardian*, 5 January 2005. <http://www.guardian.co.uk/society/2005/jan/05/guardiansocietysupplement.childreNSServices>

2 Lexmond J and Reeves R (2009) *Building Character*, London: Demos. <http://www.demos.co.uk/publications/parenting>

offering the services requested by parents, at the risk of losing sight of the central purpose and objectives of the programme.<sup>3</sup>

Glass was clearly horrified at the transformation of Sure Start – and the changes are easy to criticise. The programme seemed to have less warmth and humanity by 2010 than it had done a decade earlier. But the tensions – between growth and other priorities, and between what people want and what the experts think ‘works’ – will not go away. In a fiscal environment as tight as it is currently, the countervailing pressures against a more relational politics are, in fact, greater than ever. Who will argue against a more rational and efficient way of doing things?

Two responses are necessary. The first is to make some big strategic choices about public spending. As Nick Pearce, James Purnell and others have argued, future governments are going to have to distinguish between desirable policies and real priorities<sup>4</sup> – there will not be enough money for both. A more relational politics would surely establish modern family services, with aims close to those that Sure Start began with, as one such priority.

The second necessity is to recognise that a relational politics is messy and will take time. The ‘most needy’ families will not always come forward first<sup>5</sup> and the services that parents want will not always be those the experts recommend. These tensions cannot be wished away but they can be ameliorated by the right form of statecraft. Government must build on existing relationships by working with institutions that are already trusted by local people (such as playgroups with deep roots in communities) rather than adopting a ‘year-zero’ approach. And it must nurture democratic processes within those institutions, which can bring professionals and the public into a meaningful dialogue with one another about their respective priorities.

Sure Start did not get all of this right. But there are important lessons to be learned, nonetheless, from its pioneering first phase – and the vulnerability of relational politics to the desire for something altogether more rational.

- *Duncan O'Leary is deputy director at Demos*

---

3 Ward L (2005) ‘Surestart sets back the worst placed youngsters, study finds’, *Guardian*, 1 December 2005. <http://www.guardian.co.uk/society/2005/dec/01/childrenservices.childprotection>

4 Purnell J and Pearce N (2011) ‘Ed Miliband should seek to fundamentally change Britain’, *Guardian*, 23 September 2011. <http://www.guardian.co.uk/commentisfree/2011/sep/23/ed-miliband-conference-speech>

5 Eisenstadt N (2011) ‘How government discovered the early years’, RSA blog, 26 October 2011. <http://comment.rsablogs.org.uk/2011/10/26/start-government-discovered-early-childhood/>

# FROM RELATIONAL IDEAS TO RELATIONAL ACTION

HILARY COTTAM

'So you are 9503606,' says one of our country's leading physicians as she rootles through a thick file of papers and various images on her screen. She looks at the myriad test results in front of her – each detailing a disparate part of my husband's brain, ears and so on. We are delighted to meet her. My once fit and healthy husband woke one morning with crippling dizziness and blinding headaches, and we hope for a cure from this highly trained specialist. But what has happened to her relational skills – what made greeting my husband as a number seem normal?

In his paper for this collection, Geoff Mulgan argues that the state must take relationships seriously. A mass sense that being treated as a number is unacceptable is one of the key reasons, he argues, that a rethink is needed. But can we *commission* a relationship? This is the conundrum that lies at the heart of his argument.

Mulgan approaches the question of relationships from his vantage point as a policy expert. Taking a linear historical analysis leads Mulgan to argue that government passes through three stages. In his view, we are currently moving from a delivery state to a relational state, and this leads on to questions of citizen engagement, commissioning and market-making – as well as critical questions about what makes a good public servant in the relational world. Seen within this frame, relationships are a tool in the policymakers' kitbag that should no longer be ignored.

My practice has also brought me to the centrality of relationships, but from the opposite end of the telescope. The determining role emotions and social relationships play in people's lives is a subject which is well understood in literature, in the 'psych' disciplines, and central to feminist theory (because of course relationships have always been there, just relegated to the female, domestic sphere). All these ways of understanding the world are useful tools for my practical work, yet are mostly overlooked by policymaking. In the real world, emotions expressed through relationships to people and to things drive action in a way which often accounts for the failure of rational policy or for the reappearance of problems thought previously solved in new guises – parents producing more children when housing or welfare policy becomes punitive, for example.

Relationships, however, feel under siege: friendships, partnerships, parenting – for a start, these are things that take time, and they do not all have defined ends or market value. In our everyday lives, relationships feel like they're in conflict with both the market and state bureaucracy. Designing public services that build on relationships – what I have called 'relational welfare'<sup>1</sup> – leads me to believe that the challenge is not one of market-making or even of citizen engagement: it is one of cultural change. A relational approach in practice will define not just different ways and means of achieving a goal, but the goal itself. Relational welfare in other words opens up the potential of breaking with – rather than merely extending past – ways of doing things that no longer work.

Let's take two examples to see how a relational approach might work in practice. First, the issue of unemployment – an expensive cornerstone of the current welfare state, which suffers from entrenched failure. Second, the challenges and opportunities of an ageing society, which was not envisaged in the 1950s when our current welfare models were designed.

---

1 Cottam H (2011) 'Relational welfare', *Soundings*, 48

### **Unemployment: beyond welfare-to-work**

The current response to unemployment is a complex, transactional service that responds to market failure. It is broadly believed, on all sides of the political divide, that if the economic incentives and penalties are right then people will seek work. Yet the success of the current approach – of which welfare-to-work is only the latest iteration – is contestable. The services on offer do succeed in getting some people into work some of the time, but they cannot move people up the skills curve nor can they effectively reach certain population groups, such as the young or those 50-plus. These failings are multiplied in geographic areas and neighbourhoods where there is a spatial and historic concentration of unemployment.

Thinking about relationships as a policy tool, we might perhaps begin to improve existing services. If the frontline worker has strong relational skills then they are more likely to have success in motivating the jobseeker. Encouraging peer-to-peer support through job clubs might also help. But, although relationships might play a role in improving a service, the framing of the current offer would remain transactional and any improvements are likely to be marginal.

If we start to rethink the current approach from a relational perspective, it is striking how little is known about the sociocultural dimensions of unemployment, but there are some undisputed facts. Relationships shape the way you see work (largely influenced by friends and family members), your soft skills and whether you will find work at all (80 per cent of jobs available are never advertised but filled through word of mouth). In other words, the most important tool for finding a job is not a CV or a personal worker, but a social network.

Using these core insights from the worlds of social theory, anthropology and work in communities across Britain, the social enterprise Participle is currently designing a new relational employment service called Backr – and the early results are promising.<sup>2</sup>

Service users sign up and are segmented, not by their distance from the labour market, but by their social fitness. This allows Backr to tailor rapidly a response for each new member, connecting them to a network of other individuals in and out of work who can offer support and guidance (community members are trained by us to do this, using a set of simple tools) and connections to work experience and employment. We are successful where those who have moved into work stay on as part of our community to continue to upskill and guide others. Technology keeps costs low and supports a broad-based, potentially national community.

### **Ageing: a life less ordinary**

Five years ago, convinced that the answer to healthy, happy ageing did not lie in rearranging existing services within ever-diminishing resources, Participle started on the innovation path that led to Circle.<sup>3</sup>

Our work started with 250 older people and their families. Living alongside these individuals and their families and understanding the grain of their lives gave us key insights into the role of relationships. The World Health Organisation considers loneliness to be a greater threat to health than a lifetime of smoking, yet one in three people over the age of 60 in Britain only talks to another person once a week. One in 10 people – 850,000 – only

---

2 See <http://www.participle.net/> and <http://backr.net/>. The author is a principal partner at Participle.

3 See <http://www.circlecentral.com/>.

talks to another person once a month. Older people we worked with valued their meal service or their cleaner based on the time they had to stop for a chat, yet outsourcing has reduced these opportunities to zero in a bid to cut costs. The understanding that a rich 'third age' requires both a rich social life and support with life's practical tasks still underpins the Circle offer today.

Circle was launched in 2007 in Southwark, south London. With almost 2,000 members, it rapidly became the biggest membership organisation in Southwark, and today Circles exist across the UK. Circle provides a universal on-demand service for its members, producing cashable savings for host local authorities and strong social outcomes for its members.

The secret sauce is relationships. Members aged from 50 to 93 and from all walks of life participate because social events and practical support feel 'normal', like any other relationship in their lives – and quite unlike a transactional service. An army of paid and unpaid helpers provide support because they can do so in a way which fits with the other relationships in their lives – an hour or two here and there between school pick-ups, for example.

Technology makes it possible in practice. Costs are low because no buildings, minibuses or other infrastructure investments are needed. Technology so often misapplied in order to support old ways of doing things (tagging prisoners rather than supporting education, for example) but it can make possible and affordable very different ways of doing things. Wide social networks that stretch across what were separate private, public and voluntary spheres can be supported in a way that could only be dreamt of in the 1970s – and not even imagined in the 1950s.

To conclude, we could add relationships to what we are already doing. In some cases it would work – a doctor who greets you by name and makes eye contact would certainly be an improvement. But we could also do much more: a state defined in principle and practice by collaboration and relationships rather than the agenda of institutional reform and efficiency. Relationships are the glue that keeps us together, the dimension that keeps us human – not just atomised parts of the body physical or the body politic.

- *Hilary Cottam is founder of Participle*

# RELATIONAL REALITY: CITIZEN-CENTRED HEALTHCARE

AXEL HEITMUELLER

There are very few public services that are more intimate and relational than healthcare. Treatment is inseparable from those who ‘consume’ it. In that sense, all patients are ‘co-producers’ of healthcare and the success or failure of treatment is often a direct consequence of their level of engagement. In most cases, healthcare also relies on the support of family, friends and carers, beyond the patient themselves.

Historically and very crudely, healthcare was characterised by a close personal bond between patient and a doctor, who would mostly see the patient in their home. Over time, as more complex diagnostics and standardised treatments became available, more patients were seen in healthcare settings away from the home. This was partly a response to expensive and bulky equipment which was only viable if provided to large numbers of patients, but it was also a consequence of the shorter and more episodic spells of care that were made possible by the same technological and pharmaceutical advances.

There is no definite evidence on how these changes have affected the relationship between patient and doctor, though some have argued that it has reduced the relational aspect of care and increased the cost of health services.<sup>1</sup>

And yet, many GPs and clinicians have maintained an element of personal relationship with patients and their families, especially in areas where the population is less transient. A move away from the home and personal is not the inevitable consequence of modern medicine. Medical advances such as the decoding of DNA enabling highly personalised drugs, technology allowing for remotely monitored care at home, and an increasing number of home-testing kits may reverse this trend, resulting in less standardisation and more care delivered closer to home.

But not only is technology changing, health conditions are too. The rising prevalence in long-term health conditions such as diabetes is likely to reinforce this further, requiring more active engagement with the patient and their family in care and prompting a shift away from episodic interventions and towards prevention.

Unlike ‘want’ services, such as hotel accommodation or a meal in a restaurant, healthcare is a ‘need’ service. No one really wants a ride in an ambulance or a colonoscopy, even when they are free at the point of delivery. There are exceptions of course, such as cosmetic surgery or the growing market in preventative health checks for the ‘worried well’. But in the main, healthcare is a highly stressful experience for most people, not least because of its increasingly complex nature and the significant knowledge gap that exists between patient and doctor.

It is not surprising, therefore, that ‘the nature of medical services turns patients into “detectives” looking for “clues” to reassure themselves of their caregiver’s competence and caring’.<sup>2</sup> Numerous studies have shown that patients care at least as much and in some cases more about the interpersonal skills and the care environment than they do about the technical proficiency of their health professional, which is often taken for granted.<sup>3</sup>

---

1 See Lown B (2012) ‘Doctor as scientist, healer, magician, business entrepreneur, small shopkeeper, or assembly line worker — which is it?’, Dr Bernard Lown’s blog, 26 June 2012. <http://bernardlown.wordpress.com/2012/06/26/doctor-as-scientist/>.

2 Bendapudi NM, Berry LL, Frey KA, Parish JT and Rayburn WL (2006) ‘Patients’ Perspectives on Ideal Physician Behaviors’, *Mayo Clinic Proceedings*, 81(3): 338–344

3 See for example Robert G and Cornwell J et al (2011) *What matters to patients? Developing the evidence base for measuring and improving patient experience*. London: King’s Fund for the Department of Health and NHS. [http://www.institute.nhs.uk/images/Patient\\_Experience/Final%20Project%20Report%20pdf%20doc%20january%202012.pdf](http://www.institute.nhs.uk/images/Patient_Experience/Final%20Project%20Report%20pdf%20doc%20january%202012.pdf).

But probably more importantly, relational aspects of care can impact on clinical outcomes: there is now emerging evidence that the quality of the care relationship can affect behavioural and clinical outcomes directly. For example, a recent US study observed a positive relationship between patients' overall satisfaction (that is, clinical as well as relational) and lower readmission rates.<sup>4</sup> A study at Chelsea and Westminster Hospital Foundation Trust found that the length of stay of patients on a trauma and orthopaedic ward was shorter – and their need for pain relief was lower – when they experienced visual arts and live music. Live music reduced levels of depression by a third in patients undergoing chemotherapy, and staff recruitment and retention were improved.<sup>5</sup> We are also beginning to understand how the built environment can help reduce violent behaviour in care locations such as emergency departments.<sup>6</sup>

Clearly, more evidence is required in order to fully understand the causal pathways of patient experience and engagement within the complex nature of health. However, what we know seems to indicate that focusing on relational as well as technical aspects of care is not just a 'nice to have' but a key element of effective and high-quality care.

The importance of relational aspects has, of course, long been understood. Since 2002, every NHS provider has been required to conduct and publish patient surveys. This has clearly helped to shift the focus away from purely technical aspects of care, although the scope and accessibility of most surveys is still relatively limited. Unsurprisingly, there has also been a lively discussion about how best to measure relational aspects to enable performance management.

But this debate appears to be somewhat stale in light of the emergence of social media. More and more, Twitter and other incarnations of social media provide real-time commentary on the behaviour of doctors, receptionists, and cleaners to an audience of thousands at almost no cost at any time of the day. Until recently, complaints about failings in care were mainly an internal matter for the complaints department or surfaced only as the occasional letter in the local newspaper, with a few notable exceptions where failure was catastrophic. Now, social media is making feedback and complaints a very public affair that can make or break personal and organisational reputations. User-driven online services such as Patients Like Me and Patient Opinion<sup>7</sup> capture the experience of hundreds of thousands of patients and have in some cases become alternative data sources for pharmaceutical companies, healthcare providers, and patients themselves, helping them to become better informed as service users.

All of this raises new questions about patient confidentiality, litigation risks, and the balance of power between patient and doctor – challenges that the NHS is only starting to fully appreciate and to which, to date, it lacks a consistent approach.

Patient voice and choice will help to accelerate the necessary shift to a more systematic focus on the relational aspects of care. However, on their own they are unlikely to be sufficient to unlock the full potential of co-producing, designing and decision-making with patients that will be required to achieve greater value in healthcare. A number of other enabling factors are also worth exploring.

---

4 Boulding W, Glickman SW, Manary MP, Schulman KA and Staelin R (2011) 'Relationship between patient satisfaction with inpatient care and hospital readmissions within 30 days', *American Journal of Managed Care*, 17(1): 41–48

5 'The impact of arts and health – the evidence base' in Arts Council England (2007) *A prospectus for arts and health*, London. <http://www.artscouncil.org.uk/media/uploads/documents/publications/phpOUyKfF.pdf>

6 See <http://www.designcouncil.org.uk/our-work/challenges/health/ae/>.

7 See <https://www.patientslikeme.com/> and <http://www.patientopinion.org.uk/>, respectively

For example, most community and acute services are still being paid for on a fee-for-service basis: payments for inputs or processes, even though we may call it payment by result. There are currently few mechanisms that reward genuine outcomes; therefore, there is little incentive for providers to endow patients with the skills or incentives to make informed decisions about their lifestyle and prevent ill health in the first place. The NHS may want to look at other public services such as welfare-to-work for inspiration.

Volunteering schemes offer an exciting avenue to engage the wider public in healthcare and are already being used successfully in a number of hospitals, with potential benefits beyond healthcare. While many volunteers have either been patients themselves or simply care for their local hospital, schemes have also started to experiment with other forms of reciprocity such as timebanking, as in the case of Earl's Court Health Centre in West London<sup>8</sup> or the Nesta People Powered Health schemes.<sup>9</sup> To encourage higher take-up, a common, tradable and sustainable volunteering 'currency' may be required.

Finally, developing relational capital requires training. All too often it is assumed that those choosing to become doctors or work in healthcare will have the right interpersonal skills and tools to be empathetic carers – and many do. But that is not a substitute for systematic learning of customer care or engagement skills in the same way that health professionals learn the technical aspects of their discipline. Again, there is plenty to learn from other sectors, including the hospitality industry. Some interesting international examples where this is already happening include UCLA's C-I-CARE<sup>10</sup> staff pledge, the Vanderbilt Credo<sup>11</sup> and the Mayo Clinic.

Geoff Mulgan's paper makes a strong case for moving towards delivering public services *with* rather than to citizens. At its best, the NHS is already a relational public service par excellence. Patients want more emphasis on relational aspects and the health service cannot afford *not* to engage patients and their families. And yet there is still some way to go: lack of communication and dignity, for example, remain among the most complained about aspects of care;<sup>12</sup> up to 50 per cent of patients fail to adhere to prescribed medication costing billions of pounds;<sup>13</sup> and many foundation trusts are still searching for ways of engaging their local membership meaningfully. In a more fragmented post-reform NHS, there are fewer central policy levers and so more local responsibility to make relational care a reality everywhere.

- *Axel Heitmueller is director of strategy and business development at Chelsea and Westminster Hospital Foundation Trust. The views expressed here are his own.*

---

8 See [http://www.echwc.nhs.uk/Wellbeing\\_Services](http://www.echwc.nhs.uk/Wellbeing_Services)

9 See [http://www.nesta.org.uk/areas\\_of\\_work/public\\_services\\_lab/people\\_powered\\_health](http://www.nesta.org.uk/areas_of_work/public_services_lab/people_powered_health)

10 See [www.uclahealth.org/workfiles/documents/volunteering/CICARE.pdf](http://www.uclahealth.org/workfiles/documents/volunteering/CICARE.pdf); also Michelli J (2011) *Prescription for Excellence: Leadership Lessons for Creating a World Class Customer Experience from UCLA Health System*, New York: McGraw-Hill Professional

11 See <http://biostat.mc.vanderbilt.edu/wiki/pub/Main/RecognizeReward/vumc-credo.pdf>; also Shaller D and Darby C (2009) 'Profiles of High-Performing Patient- and Family-Centered Academic Medical Centers: Vanderbilt Medical Center', Camden ME: Picker Institute: <http://174.120.202.186/~pickerin/wp-content/uploads/2010/06/Vanderbilt-Medical-Center-Profile1.pdf>

12 See for example The Lancet (2012) 'Ward rounds: what goes around comes around', *The Lancet*, 380(9850): 1281. <http://download.thelancet.com/pdfs/journals/lancet/PIIS0140673612617401.pdf>

13 [www.nice.org.uk/nicemedia/pdf/CG76CostStatement.pdf](http://www.nice.org.uk/nicemedia/pdf/CG76CostStatement.pdf)



# POWER GAMES: SHAPING A MORE DEMOCRATIC RELATIONAL STATE

TESS LANNING

From NHS waiting times to exam results, the New Labour government of 1997–2010 undoubtedly improved service outcomes. Labour’s approach to statecraft, however, epitomised the tendency on the left – criticised by Raymond Williams as far back as 1961 – to reduce the people being governed to ‘masses’, as objects upon which to act rather than participants in their own fate.<sup>1</sup> Centralised targets and state-led programmes were premised on the ability of ‘experts’ to identify public policy problems and solve them for people, not with them. In this context, the state was seen primarily as a service provider, with citizens reduced to its customers – evidence, perhaps, of Williams’ allegation that ‘capitalist thinking has triumphed’.

The commodification of the state was accelerated by the rise of neoliberalism. But Hilary Wainwright argues that the reduction of people to objects is also rooted in the traditional left’s view of *labour* as a commodity, rather than a creative economic actor in its own right.<sup>2</sup> In the post-war period, the left sought public ownership to improve conditions but did not promote more democratic means of production. The weak influence of employees and communities in companies’ decision-making processes has been replicated in the centralised management of public services.

In his thought-provoking paper, Geoff Mulgan attempts to sketch out what a more relational and democratic state might look like. The challenge he sets out is a practical one, driven by the need to develop new models of public service reform in an age of fiscal constraint (coupled with an apparent public appetite for greater involvement). Volunteer schemes would help the state to cope with new demands on services, while social media could maximise the number of people who ‘feel they’ve had a say’ and enable the state to become more ‘feedback-intensive’.

Yet power and politics are absent from this account. What’s to stop politicians from suppressing negative feedback? How does this model hold those in positions of power – political and economic – to account? How will it balance the *competing* interests that dwell behind all areas of public policy, including those Mulgan says are off-limits, such as trade, tax and regulation? Answering these questions requires a much deeper examination of how the state distributes power and resources.

Mulgan is right that a more relational state must involve people and communities in decisions and that participatory budgeting, done well, can ensure different interests are represented and considered in how resources are allocated. But his view of the state and citizens as ‘commissioners’ of services, to be delivered by NGOs, undermines the vision of a more democratic policymaking process.

Most charities lack democratic legitimacy, and while personal budgets may empower some individuals, their choices may also fragment service provision and so diminish our collective capacity to meet the needs of all citizens. A deeper form of democracy would be built on negotiation, ensuring that different interests have a seat at the table in decentralised decision-making forums. This requires patient institution-building in order to strengthen the capacity of representative bodies, from unions to residents’ associations, and where they don’t exist to develop new democratic bodies capable of representing different interests.

---

1 Williams R (2001) *The Long Revolution*, London: Broadview Press

2 Wainwright H (forthcoming 2012) ‘Notes for a Political Economy of Creativity and Solidarity’ in Satgar V, *The Solidarity Economy* (working title), Scottsville: University of KwaZulu-Natal Press

The quality of the citizen–state relationship is extremely important. But rather than build ‘relational skills’ into the school curriculum, we should aim to build strong public institutions, run in the public interest, and based on an understanding of the creative potential of employees. This means democratising decision-making at all levels, from staff representation on the ‘top floor’ to innovation teams on the shop floor, where public service employees engage with user feedback and dinner ladies, Jobcentre Plus advisers and hospital porters are involved in decisions about how to design their jobs and organise their work in ways that improve the quality of the service. It also means opening up public institutions to wider collective involvement by community representatives and, in some cases, supporting distinctly local solutions such as cooperative childcare arrangements.

These ideas require further exploration, but what is clear is that the challenge is political, not practical. Democratising existing power structures and changing the nature of current decision-making structures is a highly ambitious agenda. It requires organised coalitions capable of challenging established ideas and vested interests, including those of the state. Crucially, the logic of a democratic and relational state must extend to a new political economy that does not seek simply to maximise shareholder coffers but to balance the interests of capital, labour and wider society, build the legitimacy of employees’ voices in the workplace and ensure their creative potential doesn’t go to waste.

- *Tess Lanning is a senior research fellow at IPPR*

# SET OUR SCHOOLS FREE: A RELATIONAL APPROACH TO EDUCATION

JON WILSON

If the words we use shape the way we act, we're in trouble. People in Britain are disconnected from politics because policymakers speak an alien language. Policy talks in the cold language of the technician. It speaks about how to tinker with society as if it were a physical thing. To render policymaking objective and rational, its language ignores the fact that the 'objects' of government are people who have their own way of doing things. Of course, people are represented in policy writing, transcribed into survey results or statistics. But their voice has no power in its own right. In the policy world, what people do and say only matter as the potential object of government manipulation.

The idea of 'delivery' is a good example. It is a word which suggests that the postal service is the best model for the way public services work. Yet the Royal Mail is a system designed to deliver physical objects without the postal worker ever needing to meet the recipient: the notion of 'delivery' recasts the vital relationship between the people who give and receive public services into a dead-letter drop.

The idea of delivery, just like the culture of targets and countable outcomes, anonymises the act of public service. It allows us to forget that good public services are the result of relationships between real people who know each other well. Education is about the relationship between teacher and pupil. The best social care happens when the social worker is a friend.

Geoff Mulgan's paper brilliantly suggests some of the ways we might move beyond the delivery state. But as Marc Stears notes, there's more than a hint that Mulgan still conceives of government as a force that can 'deliver' better relationships with people. A politics about nurturing compassion and care needs to start with a sense of what makes a good relationship. It then needs to think about the kind of places that best allow these relationships to form.

Good relationships happen between people who depend on each other but recognise the other's sense of freedom and self-determination. Good teachers guide young people who haven't yet found their way in the world – but they nurture individuals who have a strong sense of their own wishes and needs. Sometimes those wishes are supported, sometimes channeled, sometimes challenged. But teaching relies on the teacher's skill in responding to the free actions of individuals in a way that can't be defined at the start. The quality of a teacher's relationship can't be prescribed in nationally imposed learning outcomes.

Relational public services like teaching, policing and social care are about the professional development of instincts that we all possess as human beings – to nurture, teach, protect, care. Relationships are natural to being a person. Too often, life in large (public or private) organisations forces us to unlearn the skills of everyday life. The worst bureaucrat is probably a wonderful father and good friend. We need a politics that is about nurturing the instincts we develop in common life.

The problem is that we've got the scale of our politics wrong. Our political culture stresses the role of national rules and targets: they give politicians a story for the press, and create a false sense of the central state's power. We imagine that everything we count can be controlled, and that writing a rule guarantees that it's followed.

The reality is far more complicated. Westminster is too distant to properly hold schools and hospitals to account. The endless directives and guidelines that tell public sector workers what to do create stress and diminish responsibility, without creating better real 'outcomes'. The worst public services – job centres, the immigration service – are

those where local people have no voice at all. We've forgotten that policy can't create relationships. They depend on the culture and character in the local institutions that form the frontline of the 'state'.

Where can dynamic, mutually beneficial interaction thrive? It depends upon strong, local public institutions that are independent and confident enough to let people be human – to listen to one another and work out together how to chart their course in life. This means fewer national standards and guidelines. But it also means public institutions need to be reshaped so that people in the neighbourhood who have different interests have a real voice. A 'relational state' will only happen if public sector workers are entrusted with the freedom to nurture better relationships, and if users and local citizens are organised to participate and hold such workers to account.

What does this mean in practice? Let's take education.

First, we need to stop fixating on structures. In practice, all schools are independent institutions, whether they are 'free' or local authority controlled. The debate about free schools and academies should be about how we ensure every school is connected to its local community and brings children from different backgrounds together – not about a change in legal status which sometimes does but sometimes doesn't make a difference on the ground. The central state should insist that all schools are governed by people elected by the local community and follow the same admissions code. Otherwise – let a thousand flowers bloom.

The fear of external inspection and regulation forces schools to look inwards. Second, then, the guidelines written by civil servants telling schools what to do must be cut massively. This government aims to reduce statutory guidelines so they can be read by a headteacher in a week. But that's still far too many rules for anyone other than the head to have a clue as to what they should be doing. Guidelines should be able to be read by a parent governor in half a day.

Third, we need to find creative ways to give the voices of parents, local citizens and classroom teachers real power, and to make sure they are part of the democratic conversations that run schools. Schools can only be held to account locally, so parents and teachers need regional and national support – but not from bureaucrats, from people like them. Teachers need a proper, independent association to develop their professional skills and protect excellence. Beyond this, however, parents could also be organised. That means taking platforms like Mumsnet a stage further, creating places where the voice coming from support networks is heard. Parents' unions have a good record in improving schools in some parts of the United States. Proper accountability comes from organisation, not regulation.

Above all, this agenda needs a radical shift in the sensibility of our political leaders. Where the state has bad relationships with citizens, that is because politicians and civil servants don't trust the people who work and use public services to run them. Trust begins where people are given responsibility: that's risky, but it's the only way to go. If we want a state that nurtures relationships between citizens, we need to start by changing the relationship between Whitehall and the people and institutions who 'deliver' at its command. It's about creating a conversation in which people are really listened to.

- *Jon Wilson is an historian at King's College London and author of Letting go: How Labour can learn to stop worrying and trust the people, published by the Fabian Society*<sup>1</sup>

---

<sup>1</sup> <http://www.fabians.org.uk/publications/letting-go/>

# THE PSYCHOLOGY OF THE RELATIONAL STATE

## JON STOKES

Geoff Mulgan makes a powerful case that the development of the state has passed through two initial stages from coercive to delivery and he argues for the need to take a third step to the relational state.

These shifts can be seen as one of emotional development and of emotional maturity, as well as institutional or political shifts.

The progress will require an emotional sea-change in the relationship between the individual, the group and state. It will demand the taking of an emotional step that seems superficially attractive but which, on reflection, will call on considerable reservoirs of maturity in politicians, civil servants and – most importantly – in us, the citizens.

Without attention to the emotional dynamics and, more importantly, the emotional maturity required, these ideas will remain no more than a pleasant dream. If the new paradigm is to emerge and take root then it will need to take account of the dynamics of relationships and the potential pitfalls. We need, in other words, to know *how* relationships can actually work differently, as opposed to merely wishing they would do so.

As Marc Stears argues in his contribution, we need a state that facilitates relationships. This is a state which provides space within which development takes place, tensions can be worked at and purpose and meaning can be found. Psychological and psychoanalytic research has provided powerful insights into this sort of development, much of which emphasises the importance of attentive listening, mirroring back but avoiding unnecessary interference with natural developmental processes.

These are all components from which the relational state will need to be built – unfortunately, none is evident in the skill-sets of today's politicians or civil servants. They are valuable aspirations, but experience tells us that, even outside politics, this degree of emotional maturity is always hard-won and never permanent, being prone to regression under the normal pressures and exigencies of everyday life.

In his path-breaking work on *Experiences in Groups*, Wilfred Bion identified three fundamental mental states into which humans in groups can fall when faced with serious internal or external difficulties, tension or frustrations.<sup>1</sup>

Bion termed the first of these states 'dependency', in which the members of the group fall into a state of dependent expectation on the leader, who is expected to provide the solution to the group's problems. Anyone who has attempted a management or leadership role will be familiar with this experience: try as one might, it seems impossible to get the members of the team into effective thought or action.

Bion described the second mental state as 'fight/flight', in which the members of a group are prepared to do either with great emotion but with no great wish to succeed, and so to no great effect. A group of employees may animatedly discuss how they are going to take on their chief executive, imagining dramatic confrontations and success, but when a volunteer and action are required somehow the energy and desire drain away. Political meetings are commonly driven by such dynamics.

The third mental state Bion described is that of 'hope', in which individuals become caught up in an idea that somehow the future will be better than the present – 'when spring comes', 'when we have the new IT system', 'after the revolution' and so forth.

---

1 Bion W (1961) *Experiences in Groups*, Tavistock

Such thoughts encourage people to believe that salvation is around the corner, requiring only that they remain hopeful.

Bion believed these mental states to be fundamental to human nature, having their roots in the course of evolution and the need to survive.

Each of these mental states requires and develops a different relationship between the group and its leader, and hence demands differing personality types in the leader. Observing a group over time, one can see these mental states shifting from one to another.

Recent political history and its leaders exemplify this. Margaret Thatcher was the archetypal fight/flight leader, deliberately seeking confrontation, arguing that 'you're either with us or against us', generating a predominantly paranoid style of government and state. John Major's failure to succeed her effectively saw the leadership mantle handed to the archetypal hope leader, Tony Blair, who talked of the future that we would somehow reach through good intentions and no great effort on the part of ourselves, a hypomanic style of government in which 'things can only get better', driven by a need to avoid any depressive realisation of the hard work entailed. Blair was in turn ousted and replaced by a dependency leader, Gordon Brown, who seemed convinced that he had and knew the answers but that the rest of us were fundamentally too stupid to understand.

As always, the group – the public, in this case – expresses its inevitable frustration with its leader, as each initially enticing solution reveals its limitations and ultimately fails, by demanding a change of leadership. It has been said that politics is the art of manipulating prejudice – that might be fun while it lasts, but ultimately it has a tendency to be ineffective in dealing with real matters.

Mulgan's idea of the relational state offers an attractive way forward, but we should not fool ourselves about the degree of difficulty it entails. Nor should we underestimate the resistance people have to doing the sort of mature emotional work that his proposal demands: taking responsibility for oneself, being accountable for the effect of one's actions, and being prepared to express tension and conflict directly rather than covertly, to name just three.

How a state could plausibly achieve the shift from 'coercive' to 'delivery' to 'relational' needs to be understood. Interestingly, each of these corresponds to one of Bion's three fundamental states: a coercive relationship is driven by fight/flight psychology, delivery by dependency, and relational by hope. This is perhaps no surprise: Bion believed that the three mental states were foundational and could serve important functions and take constructive forms.

Beyond these group dynamics, the key elements of the conditions in which people flourish are relatively well understood by psychologists. Individuals describe themselves as happy when they feel positively about – in this order – their health, their relationships and that their life has purpose and meaning.

These elements could be said to make up the essence of a relational state, suggesting that any government policy with this goal in mind should be focused also on supporting these vital aspects: good health, positive relationships at home and at work, and enabling people to live a life of purpose and meaning – and perhaps not too much more. But for government to make such a move, lessons will have to be sought widely. Despite what

some on the centre-left believe, public sector institutions are by no means paragons of workplace virtue, whereas some large corporations are viewed very positively by those who work there.

How can these ideas help us?

The realities of the current economic situation mean that empowering the citizen is the only way forward. Improving people's living standards and quality of life cannot come from a debt-financed expansion of the public sector. Painful as it may be, we will have to solve our own problems this time. But difficult questions lie in the way of progress.

Mulgan asks why the delivery model 'repeatedly hit barriers. Even if the targets were met they often 'missed the point', not connecting to the things the public actually value. Some had negative indirect effects or unforeseen effects.' These are classic indications of a dependency culture, which suggests that if the relational state is to be successful in the way Mulgan hopes then we need to think a little deeper about the psychology.

But then we also need to think about the agency of change. Can a political party operate in any other mode than 'fight or flee'? Does it depend for its existence on individuals drawn to it with a tendency to split the world simplistically, with a Manichaeian vision of good and bad, inevitably setting up a futile, oppositional stance between the two parties at the heart of the state? As Stears has argued elsewhere, the Labour party has an ambivalent relationship with its leadership, rarely wholeheartedly supporting its leader. To achieve the relational shift, those currently in leadership roles in the Labour party and other potential agencies of change will need to support their leader not just in public but also in private.

Whether politics and politicians – and, indeed, all of us – are capable of the emotional maturity required to bring about the relational state is the challenge that lies before us. It is easy to be sceptical but we also have a need for hope. Geoff Mulgan's important contribution provides a source for mature hope.

- *Jon Stokes is a business and organisational psychologist and a director of consultancy firm Stokes & Jolly*

# THE RELATIONAL STATE: A REVOLUTION IN THE MAKING

TESSA JOWELL

In government, we measure a lot of things: we examine outputs, inputs and value for money. These can be really important indicators of what is happening across the service; after all, we just have to look at what the present government is doing to waiting times in the NHS.

But however we measure these things, for most of us it's the people who help us and the relationships that we form that are the most important things. In the passage of time, few of us remember the exact size of our school classes, but we do remember the teachers that made the difference. We might not know our precise BMI, but we will remember that GP or nurse who managed to convince us to live a bit healthier. The clunky language of public service reform often obscures the fact that it is the relationships that people make with those who serve them and care for them that are among the most important in their lives.

The strength of our relationships in these places doesn't just make our lives better: they are both part of the treatment and part of the cure. They are the relationships that allow doctors to heal, teachers to teach and carers to care. We need an approach to government that embraces the value of these relationships, which can be key ingredients in providing better services for patients.

A relational state would prioritise the giving of power to individuals and communities, for example, by allowing local residents to commission their own services, by giving communities the opportunity to identify the priorities for local spending, or by putting people in need in touch with local residents with skills and time to give.

This can only work if politicians are prepared to trust staff and local people to make decisions. The public service commodity that is so often forgotten is humanity, a quality which can become diffuse when decision-making processes are remote from the public. A more relational approach sees humanity not simply as an optimal by-product but as an important measure of effectiveness and the most powerful element in achieving change.

At one level, this may sound quite laissez-faire, but the way that we get the most from services is to trust the people who use them and the people responsible for delivering them to make decisions about what works best for them.

In every other walk of life we accept that the way to develop talent is to give more responsibility to those who have a stake in an organisation's success. It's no different when it comes to public services.

Government should give people a vision of what it wants to achieve, but not dictate how they may want to do it. It should have high expectations of services, but not micromanage them or straightjacket public servants as to how they fulfil those expectations.

This sounds pitifully simple but, given effect, it would be a revolution.

- *Tessa Jowell is Labour MP for Dulwich and West Norwood and shadow minister for London*