

## Reviving local government is an essential part of the n...

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On Saturday I promoted a [comment to a blog](#): it promoted the idea that local authorities should issue bonds to finance the building of new social housing.

I was asked why local authority bonds has disappeared and offered the response I usually do, that this was because of Thatcher's policy of limiting their opportunity to borrow as part of her drive for monetary control. One of this blog's long standing friends, Open University academic Ivan Horrocks, [took issue with me](#). I think his response is worth sharing in full because of the much broader issues involved:

*It was not just about controlling government borrowing, Richard. Indeed, far from it, though that became the excuse, which, as with austerity, was used to deflect attention from the real reason.*

*It was because the Tories — and Thatcher and her acolytes in particular — were scared that local authorities had the powers at that time to develop and implement policies across a range of policy domains (housing being only one, education and the delivery of many local services also) that ran counter to the neoliberal policies central government wanted to ram through. And you may remember that a variety of local authorities attempted to stand against central government policies of the time.*

*Indeed, if you read any of the text books on local government produced through the 1980s and early 1990s they contain a great deal of discussion on the different types of local authority that were emerging as a result of central government policy (note: I taught British Local Government to undergrad students in the mid and late 1990s having worked in and around local government from 1988). One of the features of these models was that it was assumed that even given the policies of the various Tory governments of the time local authorities would continue to possess considerable autonomy over certain policy areas. Sadly, this assumption was wrong as New Labour also implemented various policies to further control and neuter local government, rather than reverse those the Tories had spent many years implementing. And of course, along come Cameron and co and under the austerity banner double down even more.*

*In short, for approaching 40 years central government has done all it can to undermine and control local government to such an extent that in reality there's very little that's autonomous and local about anything much local authorities do nowadays. They are, in the main, the servants of central government. Were this not the case and we had a system such as exists in France, Germany, Italy or even the US I've no doubt we'd see a burst of innovation in many policy domains, housing being only one, and a reflowering of local democracy too. But by definition that would expose central government policy for what it is — lame dogma — and also the lack of intellect and shallowness of most of the politicians who make it into government, and the self-serving nature of almost all senior civil servants. And shining a light on that aspect of our society would never do, would it.*