Ethnic Equality Policy and Local Governance: A British Case

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There exist around 600 languages and 5,000 ethnic groups in the world today but only about 180 nation-states (Kymlicka 1995: 1). In practice all nation-states are de facto multicultural societies, containing many groups and communities with competing cultural and ethnic traditions. It is now doubtful that the nation-state, based more or less on mono-cultural presumption, works as an effective social model for stabilising the multicultural society. How can we govern the multicultural societies, realising their integration or cohesion within?[1] Citizenship has been considered as a prospective tool for realising integration or cohesion. Especially in Britain, recently since the "race riots" in cities in Northern England and the introduction of citizenship classes to the national curriculum in education, citizenship has come to the fore for reducing tensions in social spheres such as housing and education, helping communities to mesh with the whole of society, and developing common goals and a shared vision (Home Office 2001). The ultimate research question in this field is whether or not citizenship is effective for realising integration or cohesion in the multicultural society. However, before the ultimate question is approached, other fundamental questions should be investigated.

First, citizenship may be a tool for creating integration or cohesion in multicultural societies including ethnic communities, while it may be

used for excluding Black Minority Ethnic (BME) people toward marginalised positions without enjoying rights and benefits (see Brubaker 1989; 1992). But, once the distinction between formal citizenship and substantive citizenship is introduced, this issue is understood as a mismatch between them. That is, some citizens with formal citizenship cannot enjoy citizenship rights substantively. In such a situation, substantive citizenship should be focused on to explore the usefulness of citizenship as a tool in the multicultural societies.

Second, as is widely known, citizenship has two aspects: rights and responsibilities (see Marshall 1992). Since ancient times, these two aspects have made for a tense relationship, for example, between the Athenian model and the Roman model. While the Athenian model of citizenship was bound to membership of a specific *polis*, to a community based on kinship, the Roman model extended from a city-state to a huge empire free from myths of common origins. As a result, on the one hand Athenian citizenship implied thick citizens with responsibilities such as exercising political power, and on the other hand Roman citizenship supposed thin citizens who could enjoy rights within the political community regardless of whether they fulfilled their responsibilities or not (Castles and Davidson 2000: 28-33; Faulks 2000: 1-21; see also Heater 1999). When the concept is expected to bring about integration or cohesion, thick citizenship is more likely to be admired than thin citizenship is. But this article will not be involved in controversies over priority of citizenship, thick or thin, because the distinction of the two types of citizenship must be gradated and the controversies may fall into normative evaluation without investigating its bases.

Lastly, before inquiry into the effectiveness of citizenship for integration or cohesion, one question should be explored: how has an institution been changing to fit with creating and implementing citizenship policy for

BME people? In particular, even if BME people are granted formal citizenship at a legal level, if they do not enjoy substantive citizenship at a practical level, the institution of citizenship must be considered as an issue. Such an institution, called substantive citizenship institution in this article, is developing, staying constant, or going backward due to various factors such as political and economic circumstances and policy principles. Here, the concept of institution is defined as a self-sustaining system of people's belief in routine and repetitive interactions by actors (Aoki 2001). People can take interactions, expecting others' actions through the institution which provides summarised and compressed information about services of substantive citizenship.

This article will focus on the last point. It does not intend to produce a comprehensive analysis of substantive citizenship institution and policy, especially through hypothesis-testing approach. Rather, through a hypothesis-proposing approach, it will focus on the three research questions: First, what are the present policy issues in substantive citizenship for BME people?; Second, how has the institution in substantive citizenship been changing?; Finally, why has such institutional change been taking place?.

From local government to multicultural governance

Since the influx of immigrants from the New Commonwealth countries, the substantive citizenship institution for BME people have worked through the local government model.   In this article, model is understood as an ideal type of institution for participants rather than for observers. Since the 1950s, a number of local authorities had deployed ad-hoc policies on substantive citizenship issues, which entailed the establishment of voluntary committees composed of representatives of statutory and

voluntary social service agencies, migrant organisations, interest groups, trade unions and individuals. Section 11 of the 1966 Local Government Act and the Local Government Grants (Social Needs) Act were initiatives for aiming at financial support from the central government for local authorities to tackle urban deprivation in multicultural settings. Although some of them recognised the existence of multicultural inequality, local authorities generally gave limited support to Community Relations Councils and allocated grants to some local community groups (Solomos 1993:98-100, 102-4).

The local government model of substantive citizenship institution for BME people was propelled by the 1976 Race Relations Act which includes Section 71:

> Without prejudice to their obligation to comply with any other provision of this Act, it shall be the duty of every local authority to make appropriate arrangements with a view to securing that their functions are carried out with regard to the need: (a) to eliminate unlawful racial discrimination; and (b) to promote equality of opportunity, and good relations, between persons of different racial groups (Race Relations Act, 1976)

Section 71 of the Act placed a duty on local authorities to make and implement substantive citizenship policy. In the aftermath of the "race riots" in Bristol, London and Liverpool 1980-81, a number of local authorities developed on the policy by introducing ethnic monitoring in the allocation process, employing BME staff, and improving communications within the authorities (Solomos 1989: 105).

Thus, the local government model of substantive citizenship institution for BME people was established. The local council in the public sector, largely dominated by the White majority, was the main and almost

singular actor in deciding and implementing substantive citizenship policy. The "Town Hall" was supposed to command their own internal sections and to control policy process through its organisational hierarchy and its path from the governors to the governed. Policy output was produced through organisational process within the council (Leach and Percy-Smith 2001: 1–20).

The local government model did not developed without difficulties. During the 1980s and 1990s, the Thatcher and Major Tory central governments attempted to reduce the role of local authorities as direct service providers in diverse local issues. Moreover, the central governments tried to deprive the local authorities of their policy initiatives as an alternative to the central government. By the end of the 1980s, the media criticised the race equality policies of local councils, and the local White majority resisted the local government initiative in the policies.

Around the time that the Blair Labour government replaced the two Tory governments, the substantive citizenship institution began to change into a new model. Compared to the local government model, the new model has some distinct characteristics. The local council in the public sector is not a singular agency to create and implement policies any more. Various actors in private and voluntary sectors of civil society are involved in the policy process. Prime Minister Tony Blair acknowledges, "There are all sorts of players on the local pitch jostling for position where previously the local council was the main game in town." (Blair 1998: 10) That has led to the formation of networks and partnerships among various actors including the White majority and BME people. The local governments do not exclusively command and control the policy process but lead and collaborate with agencies to provide services. Policy outsourcing by the local councils become the normal process in the model. This model of substantive citizenship institution

for BME people can be called the multicultural governance model.

Research approach and design

As described above, the local government model has been rapidly transforming itself into the multicultural governance model. However, what has been changing in reality? And what factors have brought about such institutional change?

To take the hypothesis-proposing approach to these questions, semi-structured interviews with local actors were carried out, in September 1998, August 2000, August 2001, August 2002 and August 2003, in London where there are full of multicultural issues. Here, the local government model had been targeted for weakening by the Tory governments. The selection of the local actors for interview involved a three-stage process. In the first stage, some of the Local Councils of London Boroughs with a high proportion of BME residents were chosen to see senior officers in charge of ethnic equality policy. As a result, officers of Camden borough and of Waltham Forest borough kindly found out time for interviews. This stage aimed to ensure an overall picture of the transformation of substantive citizenship institution. In the second stage, based on the information from the officers above, a senior officer of the Association of London Governments and officers of voluntary network organisations were interviewed. Among voluntary network organisations, the Ethnic Minority Foundation (EMF) and the National Council for Voluntary Organisations (NCVO) were selected because of their importance in providing services of substantive citizenship policy. In the final stage, a business firm and various voluntary groups were selected for interview in order to confirm the information gathered in the first and second stages. Thus, the local actors who were interviewed are classified into four

Table 1: Interviewed Local Actors

Mainstream agency	the Local Council of Camden Borough
	the Local Council of Waltham Forest Borough
	the Association of London Governments
Voluntary network organisation	the Ethnic Minority Foundation (EMF)
	the National Council for Voluntary Organisations (NCVO)
Business firm	ALERT (in Waltham Forest)
Voluntary group	Bangladesh Welfare Association
	Indian Workers Association, Hounslow Multi-Cutural Centre
	Akali Dal Heston, Hounslow Racial Equality Council (in Hounslow)
	E-mag (in Richmond-upon-Themes)

categories: mainstream agencies, voluntary network organisations, business firms, and voluntary groups (Table 1).

All interviews were conducted in the respondents' offices and tape-recorded. Each varied in length between 45 minutes and two and a half hours. In order to provide enough information, some respondents were requested for multiple interviews. These interviews were undertaken to obtain "qualitative" information that cannot be obtained from "quantitative" surveys. While they provide a more in-depth picture of some areas in London, caution is needed in generalising their information for a national level. In addition, it should be noted that this research relies on the subjective views of the officers. However, the interviews enable us to take a hypothesis-proposing approach rather than hypothesis-testing approach and do provide a clue to theorise the institutional change in substantive citizenship for BME people.

Citizenship issues as multicultural challenge

What are the present policy issues in the multicultural governance model? Under the local government model of substantive citizenship, employment and education were typical examples of state policy. In terms of employment, job opportunities should be created and made available in depressed areas. With regard to education and training, discrimination in access to training opportunities should be removed, and the provisions of specialised, compensatory programmes should be introduced (Jenkins and Solomos 1989: 214). Thus, the local government model was orientated toward the policy goals of securing equal opportunities and eliminating discrimination.

Even in the late 1990s and the early 2000s, employment, and education and training remain current issues for substantive citizenship. In particular, one of the classic issues, unemployment, is very often mentioned as a big problem by local actors. For example, Waltham Forest borough, which recently received immigrants from Bangladesh, Cyprus, East European countries, Somalia, includes Pakistani and Afro-Caribbean as the largest groups even at the present time.

> Now those two groups, the biggest thing for them is finding jobs, seems to be unemployment. Now, with the Pakistani group, English is not first language. So they are finding discrimination, when they go to apply for jobs, because English might not be so good. So, this borough does one course to improve their English. So that…. we do, do that. Am, but they still feel they are discriminated more than [other groups are] (Waltham Forest).

In addition, racial harassment, including racial discrimination, is often mentioned as one of the most serious issues, too.

［T］here is a big issue of racial harassment and racial attacks. We need to make sure that we don't put too many corridors. We need to make sure we paint the buildings as people can't graffiti on it. Those kinds of things then get taken up (Camden).

Job is an issue mainly..... Also discrimination. So, harassment. Walking down the street, called names, that type of things, yes (Waltham Forest).

Some cases of racial harassment are elevated to "racial violence".

We have things [that] people put fire bombs through the letter box... fire... you know like a... stay put them towel, a fire through the letter box into someone's house, to... might be racial motivation (Waltham Forest).

These phenomena fit with the definition of racial harassment by the Commission for Racial Eguality (CRE): verbal or physical violence towards individuals, groups, or their properties on grounds of their colour, race, nationality, or ethnic or national origin, where the victims believe the aggression was racially motivated and/or there is evidence of racial motivation (CRE 1997).

Various other issues such as refugee, social care and health can be added to the list for substantive citizenship issues (Interview in ALG). It can be said that, compared to the local government model, the multicultural governance model is expected to deal with a wider variety of issues beyond equal opportunities and the elimination of discrimination. In general, governance at local level is widely constituted by public

services such as health services, education and training services, personal social services, environment services, local highways and local public transport, public housing, planning and land use regulation, parks and leisure services, and public protection services.　Moreover, some of the services are provided against "wicked issues" which are characterised by some points: they are many-sided beyond the departmental structure of existing organisations; many agencies at the local level are needed to address the problem; they require long-term interventions and time-unlimited strategies and plans.　The typical policy areas of the "wicked issues" are urban regeneration, social disadvantage and social exclusion, crime and community safety, sustainable development and environmental issues which are mostly relevant to BME people (Leach and Percy-Smith 2001: 8-9; 186-7).

　　It is no doubt that substantive citizenship issues for BME people belong to the "wicked issues" which are known as intractable, persistent and unamiable to simple solutions among policy problems.　In terms of issues, the institutional change from the local government model to the multicultural governance model can be grasped as described above.

　　In addition to the issues of substantive citizenship institution, normative policy objectives can be added as another aspect to confirm institutional change.　Under the local government model, citizenship policy for BME people was a necessary evil to handle the side effects of labour migration from the Commonwealth countries without forward-looking implications.　In contrast, the multicultural governance model has secured positive value to carry out substantive citizenship policy. Such value is called "multicultural diversity".

　　　I think a lot of people don't recognise, don't see always the strength of
　　　diversity.　Big positive, that is good.　But you have to accept [that] the

diversity also brings challenges. If you do not accept those challenges and you don't see them, they then become problems. Once they become the problems, then they turned into, and have to say, Chinese are problems, Bengalis are problems, Africans are problems. Yes? Because if you don't see that challenge, then you are not doing anything about developing that challenge. Therefore, a lot of... my team and my unit of the head... their job is to go and explain to them, saying, "Look! Diversity is good, it is going to be with us for a very very long time, living in a global economy or global market." Consumers are changing. Who use our services today, tommorrow they would be different. We need to be changing as an organisation. We need to understand who customers are. If we don't do that, we can't provide good service (Camden).

Multicultural diversity within the society, which is one of the most pervasive and controversial values across British society, must be positive and fruitful, bringing people, the majority and minorities, to affluence. Once multicultural diversity is accepted, any problems which originate from ethnic diversity become worth being challenged.

As a result, the local government model has been rapidly shifted toward the multicultural governance model. In terms of issue, a wide range of issues beyond equal opportunities and racial discrimination are dealt with in the multicultural governance model. With regard to normative policy objectives, multicultural diversity has been developed as a policy foundation of substantive citizenship institution.

Three policy strategies for substantive citizenship

Under the multicultural governance model, three policy strategies are emerging in local societies to tackle issues originating from multicultural

diversity: funding, contract, and voluntary networking.

Funding strategy

It is not an easy task for the local authorities to handle substantive citizenship issues.   The authorities not only create and implement policies by themselves but also seek to outsource the policy making and implementation to outside agencies.   As one strategy to outsource the policy process, the local authorities supply funding to voluntary groups in the community to develop and supply services.   Typical examples are luncheon club, social care for elderly people and advocacy for young people.

Luncheon clubs are basically for elderly people who often have no place to go and spend their social lives.   The local councils by themselves sometimes hold luncheon clubs, but in most cases the councils ask BME associations to provide lunch for elderly people.   For example, Camden council gives funding to the Camden Chinese Association to provide lunch for about 300 elderly people every day from Monday to Friday (Interview in Camden).

The second example is social care for elderly people.   Like luncheon clubs, elderly people tend to stick to their ethnic cultures.   For example, "if they have Chinese background, they feel comfortable with Chinese wardens, Chinese food, Chinese medicine." (Interview in Camden).   So, the councils give funding to BME associations to run such elderly people's homes.

Funding is a strategy of policy outsourcing not only for cases of elderly people but also for cases of young people.   In Waltham Forest borough, a voluntary group called "Mrs Bangladesh" runs a project for young girls.   The girls' parents who are first generation migrants to

Britain are likely to stick to the culture and value of their origin. In comparison, the young girls easily pick up Western values and habits at school. They adopt Western culture and wish to wear Western clothes and to go out at night as their English friends do, partly due to peer pressure. But at home they are expected to soak in Bangladeshi traditional culture. As a result, the girls are at loss between the two cultures. So, "Mrs Bangladesh" does advocacy to accommodate the conflicts of cultures in young people. Sometimes it teaches the young people the language of their origin to empower their self-esteem (Interview in Waltham Forest).

These cases demonstrate that the funding strategy are adopted by local governments which face difficulties to provide BME people with services of substantive citizenship.

Contract strategy

The funding strategy for policy outsourcing is inadequate to deal with substantive citizenship issues with "wicked" characteristics. The local authorities seek to develop other strategies for policy outsourcing. As the second strategy, the local authorities invent a "contract" with other organisations outside themselves.

The contract approach differs from the funding approach in the following ways. On the one hand, an organisation makes an application for funding, filling out forms with information on the content and the approach of its work and services. Such organisations are considered voluntary groups, because the organisation receives funding as a grant, not as reward for its work. On the other hand, another organisation makes a contract with the local authority, stipulating its work and services. The latter organisation should be called a "firm" or a "com-

pany" because it seeks economic profits and receives rewards for its work and services, as a market agent. In addition, the organisations can hire its own staff, can make decision-making of its management, and can do things other than works for the council.

A typical area is racial harassment. In Waltham Forest borough, the council used to deal with harassment cases by itself. But now, the council has made a contract with an outside firm, called ALERT, to handle harassment issue. Any organisation everywhere in Britain can apply for this contract. Anyone, who suffers from harassment, does not need to keep silent, can easily contact ALERT and receive treatment and consult on legal help. ALERT sometimes takes the suspected to court and wins the case. In other cases, ALERT evicted or removed some people from estates which they occupied. The council gives 200,000 pounds to ALERT to run its service. In the beginning, the council made a three year contract, then extended the contract to three more years. The council and ALERT have regular meetings every two months (Interview in Waltham Forest and ALERT).

Contracts are often mentioned as a symbol of pessimistic future for service providing. McLeod et al. (2001: 82), surveying the BME voluntary sector in England and Wales, suggest two contrasting, potential future scenarios for BME voluntary groups. In the pessimistic scenario, they mention the possibility of a growing "contract culture" around the BME voluntary sector: if a non-strategic, non-joined-up approach is developing, an output-driven "contract culture" will be emphasised. The service providers will seek to deliver equally for all without respect to ethnic background. This trend tends to undermine sustainability of voluntary groups.

Contrary to this negative view of "contract culture", a senior local council officer of Waltham Forest insists that a contract with a profit-

making firm outside the council is a very good way to provide citizenship services for BME people.

> ... and they [ALERT] are very good.　They are going for three years and the public is very happy with them.　So this organisation is very good.　(...) And they have people [who] have come to them and who are receiving years of harassment by this date.　They will take it to the court.　And usually they win the case.　They get the people evicted or removed from the estate. So, [it is a] very good project (Waltham Forest).

From the viewpoint of the officer, this case of contract is successful in providing services against racial harassment.　To evaluate the work based on contract, it is needed to investigate the relation between the form of contract and the effectiveness of services, and between the form of contract and the sustainability of the organisations.　But here, at least, it can be confirmed that contract has become an inevitable component of substantive citizenship institution.

Voluntary networking strategy

The third strategy to provide services for substantive citizenship is to establish organisations for linking and funding voluntary organisations. These types of organisations are called network organisations, network infrastructure organisations, or umbrella organisations.　There is some possibility that the network organisations can overcome local politics that may restrict development of substantive citizenship policy at the local level.

Network organisations have three main aims: First, they deliver their services to various actors beyond specific local areas; Second, they

represent all BME communities without being confined to specific communities; Finally, they seek to supply funds to BME voluntary groups which often face difficulties in sustainability from lack of economic resources (Interview in Camden).

The recent peculiar example is the Ethnic Minority Foundation (EMF). The EMF was established in 1999 and has set up regional branches nation-wide such as in London, Reading, Birmingham, Bristol, Nottingham, Manchester, and Leeds, and are shortly to add new branches in Scotland, Wales, and Northern Ireland (Interview in the EMF).

The EMF has been developing three main programmes. First, to ensure sustainability of BME voluntary groups, the EMF plans to make the core funding of 100 million pounds, then they plan to give four and half million pounds of the funding to BME voluntary groups. Second, the EMF seeks to create the policy platform of BME professionals. Third, the EMF is engaged in a programme to promote and direct BME youth towards taking community leadership. Typically, they receive grants and opportunities to study MBA courses at universities (Interview in the EMF).

Organisations similar to the EMF, are the Council of Ethnic Minority Voluntary Sector Organisations (CEMVO), the National Council for Voluntary Organisations (NCVO), and Diversity East London. The former two are relatively dominant. The CEMVO is a sister organisation of the EMF. While the EMF manages funding mainly, the CEMVO takes the role of making plans for work opportunities and implementing them (Interview in the EMF). The NCVO is a well-known network organisation in the voluntary sector and works nation-widely. It does not work specifically on behalf of BME people but has some programmes for them (Interview in the NCVO).

The recent trend is that such network organisations have rapidly

constituted a crucial part of substantive citizenship institution for BME people.　They may "bypass" and undermine the traditional local democracy upheld by local governments.

Exploring institutional change of substantive citizenship

To handle multicultural diversity, local governance is developing beyond local governments, which is demonstrated by the emergence of three policy strategies in the local sphere: funding, contract and voluntary networking.　Funding and contract strategies are put under local government initiative, but the voluntary networking strategy goes beyond this initiative.

As surveyed above, the substantive citizenship institution has changed from the local government model into a multi-level governance model composed of the public sector of local authorities, the private sector through contracts, and the voluntary sector through funding and voluntary networking.　Why has such institutional change of substantive citizenship taken place?

Public policy dilemmas

From the perspective of general public policy, two sets of dilemmas are found: decentralisation and recentralisation; and self-help and market competitiveness (Figure 1).

The three strategies of funding, contract, and voluntary networking share common characteristics: decentralisation of planning and implementation of substantive citizenship policy from the local authorities. However, there are differences in principle among the three strategies. When funding and contract strategies are compared, the funding strategy

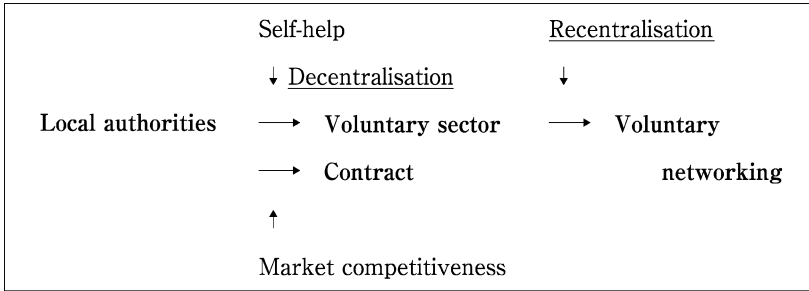|	Self-help	Recentralisation
	↓ Decentralisation	↓
Local authorities	⟶ Voluntary sector	⟶ Voluntary
	⟶ Contract	networking
	↑	
	Market competitiveness	

Figure 1: Public Policy Dilemma

implies self-help on the part of BME people.　Funding seeks to empower voluntary groups of BME people to self-provide services, sometimes for a charitable purpose.　The contract strategy is based on market competitiveness to deal with substantive citizenship issues.　Thus, the dilemma of self-help and market competitiveness is abstracted from the comparison between funding and contract.

　If some difference between funding/contract strategies and voluntary networking strategies is paid attention to, another dilemma is found. Funding and contract are subject to the initiative of local authorities even after policy outsourcing, whereas voluntary networking, being independent of the local authorities, seeks to create another initiative over voluntary groups, sometimes as a counter power against the local authorities.　Voluntary networking can be complementary to the local governments and can collaborate with them in some cases, but it may bring about conflicts with them in other cases.　When voluntary networking is compared to funding and contract, it is found that voluntary networking attempts recentralisation of substantive citizenship institution.　Thus, decentralisation and recentralisation constitute a dilemma in the trend of institutional change in substantive citizenship.

　Eventually, the two sets of policy dilemma characterise the recent

trend of institutional change of substantive citizenship: [self-help / market competitiveness] and [decentralisation / recentralisation].

Multicultural dilemmas

From the general public policy perspective, it can be concluded that the two sets of policy dilemma, [self-help / market competitiveness] and [decentralisation / recentralisation], have brought about the recent institutional change. However, peculiar points concerning BME people should be added to explain institutional change of substantive citizenship (Figure 2).

From an ethnic and multicultural perspective, there are at least three factors to be examined. First, the specific cultural tastes of BME people can be used for symbolic justification of the institutional change toward decentralisation to voluntary groups.

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                    Cultural taste
                    Organisational
                    ↓
                    Self-help              Recentralisation
                    ↓ Decentralisation     ↓
Local authorities   ⟶   Voluntary sector   ⟶   Voluntary
                    ⟶   Contract                    networking
                    ↑
                    Market competitiveness
                    ↑
                    Skilled service
                    Organisational
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Figure 2: Multicultural Dilemmas

So, we [are] trying to make, you know, the service as much as possible culturally... sometimes what happens [is] whether [or not] the council cannot provide the service. We provide the service through voluntary organisations. We fund voluntary organisations, different voluntary organisations, so that they can provide the service, because people will rather go to them (Waltham Forest).

Here, it is supposed that BME people generally have knowledge of their own needs much better than the local authorities do, and can provide better services for themselves.

Second, to deal with some of multicultural issues such as racism and racial harassment, professionals with special skills are required. The competitive economic market is utilised to find and mobilise such skilled people, which has driven substantive citizenship institution towards decentralisation and profit-making firms.

Third, multicultural issues are likely to bring about internal organisational conflict within the local council.

Lots of problems, lots of difficulties. Yea? One time, ten, fifteen years ago, numbers of these boroughs had equalities unit. But [they] have closed them down. Because they have not found equalities unit to be [an] officiant, they have been lots of tensions between what equalities unit do [and] what the council does. So [there has] been too much fighting. Yea? The equalities unit has seen themselves, has been internal policeman in organisations. And [the] organisation said, "We don't want you [to be] the bloody policeman, we want you to help us to change things." You know? That kind of politics has meant that a lot of boroughs closed equalities units. Yes, yea? (Camden)

The internal organisational conflicts, rising from multicultural characteristics of substantive citizenship policy, lead to policy outsourcing toward decentralisation to voluntary groups and economic firms further.

Conclusion

The local government model of substantive citizenship institution based on the 1976 Race Relations Act has, from the late 1990s and the early 2000s, been changing into a local multicultural governance model composed of the strategies of funding, contracts and voluntary networking.

In this article, the causes of the institutional change were explored. From the perspective of general public policy, the two sets of policy dilemma have made a path of the institutional change. The trend of decentralisation that the Tory governments created around the 1980s cannot be reversed by the New Labour government. Along with the path dependency, decentralisation goes to the two strategy directions: funding based on the idea of self-help and contract based on the idea of market competitiveness. Moreover, a new strategy trend emerged to prevent decentralisation from over-developing: voluntary networking which demonstrates a force of recentralisation for policy making and implementation.

In addition to the public policy dilemma, multicultural parameters of substantive citizenship policy create policy dilemmas which accelerate institutional change. Cultural tastes of BME people are used to justify policy outsourcing of the local authorities to voluntary groups and market firms. To handle some complicated multicultural issues, the local authorities rely on competitive economic market to find skilled professionals and firms. Besides, units in charge of multicultural and

equalities issues within the local authorities often produce internal organisational conflicts, which has induced the decentralisation trend. The trend of re-centralisation toward voluntary networking is a reaction on policy outsourcing by the local authorities.

The substantive citizenship institution would not go backward to the local government model, nor would it be replaced by another re-centralisation by the central government. Policy outsourcing is expected to enlarge more and more. Questions in future research is whether or not the services are provided for BME people to secure their citizenship rights under the new local multicultural governance, whether or not re-centralisation produces effective and accountable agents equal to the local authorities and whether or not the result of the institutional change leads to better implementation of the policy.

Notes

1) In this article, integration and cohesion are used interchangeably, although the latter is a novel concept and may have different implication from the former. See Home Office (2001).

Acknowledgement

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