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# Disorderly cities and the policy-making field: the 1981 English riots and the management of urban decline

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**Abstract** This article develops a framework for understanding policy-making responses to the crisis of the post-industrial urban economy in Britain through an exploration of the policy event of the 1981 English riots and the policy-making field that surrounded it in which the rival positions of ‘managed decline’ and concerted urban regeneration became reconciled through a roll-out of neoliberal governance mechanisms. The value of this framework for contemporary analyses of urban policy in the context of social marginality and uneven economic development is discussed in the conclusion.

**Keywords** Urban unrest · Urban policy · Managed decline · Liverpool · Bourdieu

*Alone, every night... I would stand with a glass of wine, looking out at the magnificent view over the river, and ask myself what had gone wrong for this great English city. The Mersey, its lifeblood, flowed as majestically as ever down from the hills. Its monumental Georgian and Victorian buildings, created with such pride, still dominated the skyline. The Liver Building itself, the epicentre of a trading system that had reached out to the four corners of the earth, stood defiant and from my perspective very alone ... everything had gone wrong.*  
(Michael Heseltine in Hunt, 2004).

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## Introduction

In this article, we examine the urban disorders in England of the early 1980s, and in particular those that affected Liverpool, in the context of a contested set of responses at a national government level. This contest pitted the Treasury's advocacy of a 'managed decline' of the city against an interventionist business-first strategy promoted by the Department of Environment under the stewardship of Michael Heseltine. Those events resonate with the urban and social conditions that underpinned the more recent riots of summer 2011 and a sense that political conditions and reactions related to them continue today. Using the work of Pierre Bourdieu, we discuss how the field of urban policy emerged during this earlier phase. This was characterised by a terrain that was defined largely by elites in a top-down process of political decision-making that heralded the re-centralisation of urban politics after the brief sojourn of the municipal left in cities like Liverpool. Among contemporary political debates about devolution, planning localism and austerity the events that unfolded in Liverpool highlight the relevance of analyses focusing on the role of political structures and key actors, both of which framed and came to shape the policy field and that of British cities more broadly since that time. Our analysis is thus guided by an ongoing concern that centralised and bureaucratic disjunctures remain and thus feed the potential for further unrest and social anger in the future.

Our analysis is developed through a close reading of Cabinet papers from the first Thatcher government and is supplemented by an analysis of the biographies and of interviews with the principal protagonists, along with relevant public and independent enquiry reports. Rather than focusing on the experience and testimonies of the affected communities themselves—several studies have covered these themes in detail (see Cooper 1985; Frost and Phillips 2011; Belchem and MacRaild 2006)—we expand on our previous recent work on 'non state space' (Atkinson et al. 2017) in which the state, private service providers and citizens combine to avoid or diminish contact or responsibility for neighbourhoods and urban areas seen as being unworthy of salvation in part because the residents and/or those who represent them are deemed as bearing responsibility for their own deprivation. Work by Wacquant (2002, 2018) has also highlighted the production of 'defamed' and stigmatised neighbourhoods as a particular strategy of a new type of emerging neoliberal governance. For Bourdieu and his colleagues (Bourdieu et al. 1999), the state was seen to have abdicated responsibility for poverty, despite public proclamations of inclusion and investment. We build on these studies by further evidencing how it is that stigmatised and excluded spaces come into being as a process of neglect (benign or planned) by central government. We also seek to identify what distinguishes sites of social relegation from other urban locales and how strategies of inclusion and exclusion are contested and legitimised at different levels of government. Thus, the primary goal of this article is to remedy what has been a tendency to side-line the important role of higher-level policy-making processes and their response to sites of urban crisis that assume rival positions within the national policy field. Bourdieu explains the field of power in the following terms:



The field of power is a field of forces structurally determined by the state of the relations of power among forms of power, or different forms of capital. It is also and inseparably, a field of power struggles among the holders of different forms of power, a gaming space in which those agents and institutions possessing enough specific capital (economic or cultural capital in particular) to be able to occupy the dominant positions within their respective fields confront each other using strategies aimed at preserving or transforming these relations of power (Bourdieu, 1996: 264–3).

If we consider the deeper history of interventions into spatial inequality, it was particularly the challenges to national prosperity across many European states in the late twentieth century that generated policy innovations to tackle uneven economic development, poor housing conditions among the working classes, service provision and to deal also with skills and local economic investment. The rise of a new bureaucratic caste of specialist technocrats, which Bourdieu meticulously researches in the case of the graduates of the French *grandes écoles* (Bourdieu 1996), finds its equivalent in the UK in the emergence during the post-war period of specialist think tanks, governmental advisory bodies, such as the Central Policy Review Staff, and senior civil servants who increasingly performed a policy shaping as opposed to a policy advisory role.

As a field of power, urban policy-making emerged as a relatively late, explicit formulation of national governance strategies in the United Kingdom, in their most conspicuous form from the 1980s onwards, but with some antecedents in local economic planning initiatives during the 1970s (Gough and Eisenschitz 1996) and the community development programmes of the 1960s. Particular to programmes in the UK was a concern with how globally mobile capital investment, trade union obstruction and city governments had produced a poverty of urban social conditions and the need for the central state to provide extending arrangements and mechanisms by which investment could be directly provided and co-opted from the private sector in specific geographies of decline and economic change (Urban Task Force 1999; Bennett 2005). Central to this objective was the management of urban populations. As Mike Raco argues:

[t]he governance of urban populations has ... become a significant problem for government, particularly in a context where divisions between communities are growing and earlier modes of citizenship-building, embedded in national identities and other social conventions and norms, have been eroded and fragmented (Raco 2009, 440).

Our analysis here considers the constitution of what would now be classified as ‘urban policy’, a set of statements, actions and frameworks that identify neighbourhoods, cities and other spatial scales to which investment, governance bodies and other arrangements should be devoted. In the case of the UK, as Imrie and Thomas argue, the introduction of the Urban Development Corporations (UDCs) in 1980 marked something of a watershed as ‘the very *raison d’être* of local authorities was being questioned’ through the privatisation of public policy and a significant reduction in the regulatory power of the local state whose



powers of land-use planning and ownership were superseded by the powers of the UDCs (Imrie and Thomas 1999, pp. 4–5). As Meegan (2003) notes, various new geographies and powers were designated in Liverpool itself. Here the city was a veritable test bed for exercises in the depoliticisation of urban government. The city was designated one of the first Enterprise Zones, established in Speke in 1981. The Merseyside Task Force was the first of its kind to be established, while Granby and Toxteth (site of the subsequent riots) were the location for some of the first City Action Teams. Finally, the Merseyside Development Corporation, one of the earliest UDCs to be established, was formed in the aftermath of the 1981 disturbances and survived until 1998, while in 1986 the Merseyside County Council fell victim to the ‘Streamlining of the Cities’ agenda (along with the GLC and a number of other metropolitan authorities) thus removing Merseyside’s only regional tier of government (Meegan 2003, pp. 60–61).

Important although these business-oriented changes to urban policy-making were, it is important to understand that urban policy also involves contests over space and the production of ‘a regime of representation that consolidates a certain spatial order’ (Dikeç 2007, p. 5). In other words, urban policy is not only interested in making cities work according to a given set of economic, social and political priorities. Such policies also require the establishment of a particular urban order that conditions and regulates the dispositions of local actors as well as institutions, in a subordinate position to the place of central and executive power. Imrie and Thomas see this emerging urban policy order as an approach to ‘inner city decline, as market-led strategies to lever in private property investment, with an effective transfer of policy-making from public to private sectors’ (Imrie and Thomas 1999, p. 6; see also; Edwards and Imrie 2015). But while in hindsight this observation appears incontrovertibly true, we also suggest that in the years immediately following the 1981 riots, a very different urban order remained in serious contention at the heart of the early Thatcher administration—one calling for ‘urban regeneration’ while another fought to favour a regime of ‘managed decline’ of peripheral and insubordinate urban jurisdictions, of which Liverpool was emblematic.

Following Pierre Bourdieu, we see this contested policy space in terms of the formation of a newly emergent urban policy field in which political elites with very high levels of economic, symbolic and cultural capital decided the means and terms upon which social mitigation should be provided or denied by the state—often without understanding the poverty of conditions in the spaces over which they argued. In considering the problems of a post-industrial outpost in the 1980s north of England, we inevitably reflect on broader processes and difficulties that continue to pervade regional and national approaches to policy-making on city economic development and renewal today in which allegations of a disconnected metropolitan policy-making elite bandying about massive public sector cuts continue to circulate.

In formulating our analytical framework, we support Dubois’ argument that Bourdieusian field theory allows us to see how the policy space is formed and thereby ‘to construct policy as a sociological object’ (Dubois 2012, p. 204). Dubois elaborates the point by explaining how Bourdieu developed an analysis of the space of positions and position-takings in the production of housing policies during the presidency of Valerie Giscard-D’Eistaing. As Dubois goes on to claim:



What the empirical mobilization of this sociology shows in this case is that the field of production of a policy is rarely reducible to the mechanical reflection of a class relation, and that the dominant groups in established positions have not always won (Dubois, 2012: 206).

These ideas are particularly apposite when analysing competing discourses of legitimation operating within a single party of government. In such contexts, ministers are often vulnerable to embedded cultures of regulation—in particular the ‘Treasury view’—the overturning of which usually requires an exogenous seismic shock such as a world war, a severe economic crisis or in the context of this article, the worst civil disorders in mainland Britain in the twentieth century.

In the policy event that we investigate here, the competing field positions were represented by that of, first, the Treasury, which insisted that capital investment (including support for enterprise) could only be justified where a return on public money could be guaranteed through economic growth. The second, led by the then Secretary of State for the Environment, Michael Heseltine, argued the case for the rescue and rehabilitation of a city that his cabinet colleagues seemed more willing to condemn to a ‘managed decline’. Heseltine’s epiphany followed a series of regular visits to Liverpool as ‘Minister for the Mersey’. These visits led him to take an opposing field position to that of the Treasury’s *laissez-aller* (letting go) strategy and to instead advocate a policy of state-led regeneration that had the ultimate aim of depoliticising and deterritorialising a blighted urban environment through what was to become the first wave of ‘roll-out’ neoliberalism (Peck and Tickell 2002). ‘Managed decline’ versus ‘urban regeneration’ thus came to define opposing positions in the field of urban policy-making in the 1980s, but they were articulated in the context of a significant diminution in the role of metropolitan government and the privatisation of locally managed public assets such as social housing as well as municipal services via compulsory competitive tendering and private–public partnerships.

## A city apart?

The port city of Liverpool has long struggled to provide adequate levels of employment for its working age population due to the precarious nature of its maritime industries and the decline of manufacturing in the north-west of England in the latter half of the twentieth century. The 1901 census records a city with a population of around 900,000, but this dramatically declined in size over the following years. The Report of the Special Investigators of the Royal Commission on the Poor Law (1905–1909) found that, ‘[o]f industrial conditions, the most potent cause of pauperism to be found is casual labour’, and this was particularly associated with the large sea-ports such as Liverpool where until 1940 employment was entirely dependent on daily hire at the discretion of ‘hatch bosses’ or foremen. Other factors contributing to pauperism were identified as bad housing conditions, seasonal fluctuations in trade, unhealthy trades and insanitary conditions of work, below subsistence wages, and the existence of dangerous trades. In the area around Toxteth Park, which the Poor Law Commission referred to as ‘South Liverpool’, all these contributing



factors could be identified. There was little in the way of manufacturing industry at the turn of the century and a large itinerant workforce relied on the fluctuating fortunes of a shipping trade that was increasingly losing custom to the southern ports (Cooney 1984).

Population loss has proved to be an enduring problem for the city. Over 100,000 residents left Liverpool during the decade 1971–1981, either as a result of slum clearances and the rehousing of the ex-inner-city population to newer social housing in the wider city-region, or in search of better economic opportunities elsewhere. Today the City of Liverpool houses around 440,000 in a story of population decline and suburbanisation that parallels that of Glasgow. The Index of Multiple Deprivation for 2010 shows that fully half of its neighbourhoods were in the most deprived areas in England, with the other core cities (Manchester, Newcastle, Leeds, Birmingham, Sheffield and Bristol) showing between 45 and 12%, respectively. The city thereby remains at the apex of an unenviable league table of ill-health, crime, education and economic indicators, much of this being given a particular fillip by the containerisation of shipping and loss of many dock worker jobs from 1968 onwards (Wilks-Heeg 2003).

On the eve of the 1981 Toxteth riots, unemployment figures were released that showed 81,629 adults without work were chasing just 1019 vacancies in the City of Liverpool. There were only a few dozen openings for the thousands of school leavers who had joined the ranks of the unemployed. Alan Bleasdale's dark comedy 'Boys from the Black Stuff' with its anti-hero Yosser 'Gissa Job' Hughes betrayed an even starker reality that not even Merseyside's famously self-deprecating sense of humour could hide. While Brixton may have benefited from the modest reforms to community policing introduced in the wake of the Scarman report (Scarman 1981), Liverpool continued to haemorrhage jobs. In July 1981, the area that came to be identified by the national press as Toxteth—in reality the district of Granby within the locally more well-known postal district of Liverpool 8 (Frost and Phillips 2011, 68)—along with 30 other towns and cities including Brixton in London, Handsworth in Birmingham and Chapeltown in Leeds, saw rioting that provoked a concerted investigation by the relatively new Conservative government to uncover the reasons for these disturbances.

In Liverpool 8, the unrest continued for nine consecutive nights at the end of which 70 buildings had been destroyed by fire, 500 people were arrested, 470 police officers were injured, and a disabled man had been killed by a police vehicle (Frost and Phillips 2011, p. xx). The unrest itself was attributed to high levels of unemployment (the highest in the country) and the aggravating and aggressive policing of the city's black population. The report by Lord Justice Scarman into the Brixton riots (Scarman 1981) highlighted heavily racialised and antagonistic forms of policing that were later to be echoed by both the Macpherson report on the Stephen Lawrence murder in the early 1990s in London (Macpherson 1999) and by recent accounts of



significant levels of racism across the Metropolitan Police force.<sup>1</sup> As with the English riots of August 2011, many media commentators and politicians identified the sources of the disturbances as racial (angry black and Asian youths) and criminal (violent street gangs), essentially denying the enormous social pressures generated by living in a profoundly declining city-region and long histories of ethnic tension compounded by aggressive and disengaged policing styles.

The panic that surrounded the Brixton and Liverpool riots in 1981 was inflected by the traditional historic elisions of race, place and class—often collapsed into the term ‘underclass’—and the threat to law and order that the inner city in particular had begun to symbolise during the 1960s and 1970s (Hall et al. 1978). The independent inquiry into the Liverpool disorders led by Lord Gifford described the extent of racial discrimination in Liverpool at the time as ‘uniquely horrific’. The inquiry report’s authors pointed to the uniqueness of the discrimination facing Black people in Liverpool in terms of the denial of access to jobs (even low paid ones), the exposure to threats, taunts, abuse and violence which obliged the population to self-confine within the Liverpool 8 district, and because the Liverpool City Council (unlike most other inner-city local authorities) failed to develop lasting policies to promote equal opportunities within its own workforce and the services it provided (Gifford et al. 1989, pp. 82–83).

Despite a long history of black and Chinese settlement in what was regarded during the nineteenth century as ‘the second city of empire’, Liverpool was far from the harmonious, cosmopolitan melting pot that official narratives often sought to portray. Indeed, racial discrimination had been a long-running feature of life for Merseyside’s black population. A Liverpool University survey undertaken 5 years before the Toxteth riots revealed that 31% of local employers admitted to acting in a discriminatory way to black applicants. An annual report of the North West Conciliation Committee of the Race Relations Board in the same year drew particular attention to Liverpool, noting the ‘patterns of discrimination and disadvantage against ethnic minorities’ which had ‘become institutionalised and hardened over a very long period of time’ (Gifford et al. 1989, pp. 46–47). Indeed, the *Black Linx* newspaper argued that, far from being a harmonious multiracial society, Liverpool was ‘a city with a more subtle form of apartheid than Johannesburg’ (Belchem and Macrauld 2006, p. 312).

## **The city as author of its own decline and necessary ejection**

The emergence of the urban policy field during the first Thatcher government was structured according to two opposing poles. One, led by the then Secretary for the Environment, Michael Heseltine, supported the need for strategic central government investment—a ‘concerted presence’ that presaged the creation of the Urban

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<sup>1</sup> ‘Met chief admits institutional racism claims have “some justification”’, *The Guardian*, 5 June 2015 <https://www.theguardian.com/uk-news/2015/jun/05/met-chief-admits-institutional-racism-claims-have-some-justification> accessed 7 January 2017.





Development Corporation as an emphatic and essentially neoliberal implement of anti-democratic planning (the Corporation had powers to compulsorily purchase and sell land and assets within geographical boundaries set by central government). The other position advanced by HM Treasury and the then Chancellor of the Exchequer, Geoffrey Howe, became associated with the unspoken and controversial policy of ‘managed decline’, and the state’s abandonment of efforts to breathe new life into what many senior civil servants, ministers and their advisors regarded as a dying city that could not be rejuvenated via continued rounds of state subsidy.

As Michael Heseltine wrote in his emblematic report to Cabinet, *It Took a Riot*, far from strategic abandonment, what was required was a form of direct control or reincorporation of the city:

I opened this report by referring frankly to the inescapable connection between the riots and the visit [to Liverpool] I was asked to make. I cannot stress too strongly that my conclusions and proposals are not based on my fear of further riots. They are based on my beliefs that the conditions and prospects in the cities are not compatible with the traditions of social justice and national even-handedness on which our Party prides itself ... I have not expanded on the concept of a tactical retreat, a combination of economic erosion and encouraged evacuation.<sup>2</sup>

At the same time, Heseltine supported the view that the metropolitan counties (including the Greater London Council) should be disbanded (Hunt 2004). This curious mix of central co-ordination and dissolution can be explained as part of a broader strategy of de- and re-territorialisation at the level of the national political field aimed at reducing the political antagonisms generated by triennial election terms and an embedded left opposition, which continued to dominate the metropolitan scale at that time (Lansley and Goss 1989). Heseltine’s interventionist stance antagonised his opponents in the Treasury on grounds of cost. For Hayekian purists like Sir Keith Joseph, who favoured what has now been revealed as a “‘managed rundown” of Liverpool and its surrounding area’,<sup>3</sup> any intervention in this context was seen as state planning (Hunt 2004). As Heseltine observed, when reflecting on the establishment of the first urban development corporations in London’s Docklands and Liverpool:

My proposals still had a rough ride. For one thing, they offended against our commitment to the slaughter of the quangos [...] For another, the Treasury perceived a wide opening for additional public expenditure.<sup>4</sup> The Prime Min-

<sup>2</sup> National Archives PREM/19/578, Michael Heseltine, ‘It took a riot’, p. 6.

<sup>3</sup> ‘Tories debated letting Liverpool “decline” 1981 archive: Thatcher ministers queried economic regeneration’, *Financial Times*, 30 December 2011.

<sup>4</sup> See for example the minute on the Heseltine report drafted by G. J. Wasserman on behalf of the Prime Minister dated 1 September 1981 which stated, ‘I am, however, not convinced that channeling substantial extra public money into these conurbations is either necessary or desirable at this stage’, National Archives PREM/19/578.



ister, however, overruled objections, sharing my view that the dead hand of Socialism should be lifted (Heseltine 1987, 135–6).

What the lifting of ‘the dead hand of Socialism’ meant in practice was the removal of elected local authority jurisdiction and competence in designated high intervention areas to a central government-appointed management board drawn almost exclusively from private business. Some 6000 acres of land on both sides of the Thames were to form the London Docklands Development Corporation and 900 acres of ‘polluted wasteland in the heart of one of Britain’s great nineteenth-century cities’ was to form the Merseyside Docklands Corporation (Heseltine 1987, p. 136). The economic philosophy which underpinned this rescue of the largely abandoned and run-down post-industrial areas of the ‘inner cities’ was unashamedly Keynesian and interventionist. Writing on the newly created urban development corporations Heseltine explained:

They were to have the powers, with the financial resources provided by central government, to own and acquire land, build factories, and invest in both infrastructure and environment so as to attract industry and commercial and residential development. They were to exercise planning powers. In all practical senses they were to be New Town corporations in old cities. The wheel had turned full circle (Heseltine 1987, 136).

Michael Heseltine was under no illusion as to the scale of the problem that confronted Liverpool, which ‘contained some of the worst housing in the country’ and ‘60 per cent unemployment among the black youth of Toxteth’ (although this figure probably refers to Liverpool 8), the highest municipal rents in Britain and unions that ‘obstructed every change’ to the Port of Liverpool and the city’s two car plants, which ‘frightened potential investors’ (Heseltine 1987, pp. 136–137). In Cabinet meetings Heseltine regularly alluded to the second key policy position that has now been revealed to have been circulating at that time (the relevant Cabinet papers were released only in 2011 under the 30 year rule)—the suggestion by some senior officials that the city be left to rot, its polity neglected as a strategic move by central government to reduce fiscal overheads and leave a population to sink or swim without central state support. This came particularly from the Treasury; in a letter to the Prime Minister from Geoffrey Howe on 11 August 1981, the Chancellor states:

For reasons we all understand, Liverpool is going to be much the hardest nut to crack ... I cannot help feeling that the option of managed decline, which the CPRS [Central Policy Review Staff] rejected in its study of Merseyside, is one which we should not forget altogether. We must not expend all our resources in trying to make water flow uphill.<sup>5</sup>

The Cabinet papers clearly show a more callous disposition in which a city whose political leaders had long been resistant to Whitehall impositions was to be cast as the author of its own demise via high wage costs, fractious union relations and a

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<sup>5</sup> National Archives PREM/19/578.



poor and disengaged population. In numerous documents, this view is offered, largely promoted by the Treasury, in which a managed decline of the city should be instigated, allowing diminishing business confidence, historic out-migration and social decline to take its own path while denying calls for investment to staunch the marginal positioning of the city more broadly. This position is restated later with greater clarity, but there is also a recognition of the potential implications of what was being recommended:

[W]e need to get to grips with the problem. This has implications for urban policy. Should our aim be to stabilise the inner cities ... or is this to pump water uphill? Should we rather go for 'managed decline'? This is not a term for use, even privately' (Letter, Geoffrey Howe 4th Sept 1981).<sup>6</sup>

Heseltine's letter to the Prime Minister indicates his plan for a senior presence in the form of a Cabinet member and department heads who would become responsible for trouble-shooting programme delivery in each of the major conurbations. A review of urban policy had begun in 1980, but it was Heseltine's contention that a combination of bad industrial relations, the costs of running the port, poor housing, education, problematic race relations and policing all needed to be tackled in order to reintegrate the city into the needs of the emerging post-industrial economy. It was left to the Department of the Environment to take on the oversight of the seven 'city partnerships' bequeathed by the former Labour minister, Peter Shore, and Heseltine decided personally to take on the 'tough nut' of Liverpool and Merseyside (Heseltine 1987, p. 136).

While Geoffrey Howe was prepared to agree with his notoriously 'wet' Cabinet colleague, Jim Prior, that a significant contributing factor to the riots had been soaring unemployment levels (2.85 million by July 1981), there was no willingness to support Michael Heseltine's call for a pay freeze—or to abandon plans for further public spending cuts, a Treasury position that was strongly supported by the Prime Minister (Howe 1994, pp. 222–223). Howe does not mention in his biography the subsequent Cabinet discussion of Heseltine's, or unsurprisingly the advocacy of a policy of managed decline, which the former Chancellor later denied was an accurate account of his views from the Cabinet minutes.<sup>7</sup> However, it was no secret that the Treasury had a strong aversion to investing in regional economies that were seen to be afflicted by trade union radicalism, intransigent and wasteful local government and a low skilled and unproductive workforce. Also revealing is a statement from inside the government bundle of letters at this time that talks of a general sense of malaise in the city, the idea that putting in more investment would be frittered away and that the exit of industry could and should not be challenged. These views were also implicitly supported in a report from the Manchester Business School which argued that public infrastructure projects and massive investment would not be seen as a good use of resources (citing, among other problems, the new motorway that

<sup>6</sup> National Archives PREM/19/578.

<sup>7</sup> Sadie Gray, Howe defends urging Thatcher to abandon Liverpool to 'managed decline' <http://www.thetimes.co.uk/tto/news/politics/article3272078.ece>.



had been cut through Glasgow a few years previously) and that consultation with business and young people would be more effective.<sup>8</sup>

As a metropolitan authority, Merseyside had been at the centre of a struggle for control of a Labour Party which had been humiliatingly defeated by Margaret Thatcher's Conservatives in 1979 following the so-called 'Winter of Discontent' and the failure of Prime Minister James Callaghan to impose a wage freeze on public sector workers salaries as part of a long-running austerity programme that had been agreed with the International Monetary Fund in return for a substantial loan in 1976. Leading figures in the Militant Tendency—a Trotskyite organisation whose members were encouraged to become active in their local Labour Party branches and where possible to take over official positions and to stand as candidates in local and parliamentary elections, such as Peter Taaffe, Derek Hatton and Tony Mulhearn—were committed to an all-out confrontation with the Conservative government, which eventually ended with the surcharging and expulsion from office of 47 Labour councillors in Liverpool in 1987 (Frost and North 2013; Taaffe and Mulhearn 1988).

As Jon Murden explains, the newly elected Thatcher government regarded Liverpool as, 'expensive, inefficient and badly run—incapable of responding adequately, politically or administratively, to the scale of the problems it faced' (Frost and Philips 2011, p. 111). The Treasury was equally troubled by the fact that three Labour run metropolitan authorities (the GLC, West Midlands and Merseyside) accounted for 6% of local government expenditure and 25% of all planned over-spending. At a Chevening Conference in January 1981, the case for direct controls over local authority spending was forcefully made by Leon Brittan, the Chief Secretary to the Treasury, but resisted by Heseltine and the Welsh Secretary, Nicholas Edwards.<sup>9</sup> Heseltine certainly agreed with the view that the left-wing penetration of local authorities such as Liverpool and Lambeth had contributed to making matters much worse, while calling for 'ways of giving Government support for job creation and wealth creation' (Moore 2013, p. 635). But while some such as Heseltine championed a strongly market-oriented and property-led approach to urban regeneration, this was far from a universal view. Despite initiatives such as the Urban Development Corporations, which sought to remove key regeneration spaces from local political control, the refusal of Liverpool City Council to set a rate and to institute spending cuts—a strategy adopted by other inner-city local authorities such as Lambeth under Ted Knight (home to the Brixton riots of 1981)—helped to strengthen the anti-interventionist view of Thatcher's more hawkish Cabinet colleagues that such insurgent spaces and communities should be required to face the economic consequences of their political choices, a Thatcherite doctrine that was to lead to the controversial and ultimately disastrous introduction of the poll tax, or community charge.

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<sup>8</sup> National Archives PREM/19/578.

<sup>9</sup> National Archives, HM Treasury: Private Office of the Chancellor of the Exchequer: Sir Geoffrey Howe's records T639/86.



## The field of urban policy-making: intervention versus divestment

The spatial patterning and daily trajectories of metropolitan policy-makers and Liverpoolians reeling from the intensity and duration of the riots highlight a broader theme that warrants discussion in the context of our analysis of the urban disorders of the early 1980s. As social theorists have argued, social conditions and membership of in-groups tend to structure the sense of social reality within groups (Berger and Luckmann 1966). Similarly, we may argue that the grounding of a sense of place within groups and in urban space has the effect of influencing the nature of political responses and relative ignorance of conditions that generate a need for such responses—political constructions of place and problems are built from the policy-maker's own spatial and social structural positions and conditions. These are by their very nature socially and spatially disconnected from the reality of conditions faced by other groups. What is interesting in this particular narrative is the crossing of these boundaries generated by Heseltine's fact-finding mission to Liverpool. This appears to have punctured a metropolitan, Whitehall disposition and created a disjuncture between his immersion in the dispassionate, ideological and calculating responses of the Treasury and those feelings of shame at the plight of the city as he experienced it personally and directly:

The Mersey got to me. It was enormously significant in the history of our country, and I felt a debt to that river ... It was an open sewer, and I felt deeply sad that we hadn't realised what an enormous, valuable resource it was. That was where the idea came from, that we must make good the degradation of centurie (Michael Heseltine, Mersey Basin Campaign, 1987).<sup>10</sup>

Nevertheless, on his return to London the spatially distant and socially disengaged quality of policy-making again revealed itself, and the disconnection between the affluent lifestyle of an Oxfordshire estate-living publishing magnate and the symbolic violence of rampant unemployment, social dislocation and diminished life prospects that was the daily reality for the millions of council estate dwellers on their modern 'reserves' is palpable. As Simon Jenkins is reported to have noted, the UDCs eerily resembled a colonial edict 'imposing emergency rule on a defeated tribe' (Hunt 2004). Yet Heseltine's correspondence itself indicates that the release of details of the new arrangements for Liverpool's regeneration should not be released until he had returned from holiday, stressing that 'he does not want the statement to go out while he is lying on a beach in Mauritius. He thinks the reaction would be unfavourable'.<sup>11</sup> This 'London position' reveals a view shaped both by economic logic but also a reading of Liverpool's plight as one of pathological waywardness, self-directed political vandalism by a mafia-like Marxist Left, and trade union profligacy.

However, thanks to the publication of confidential Cabinet minutes we are able to discern the clearly divergent and opposed policy field positions of the Department of

<sup>10</sup> [http://www.merseybasin.org.uk/collections/it\\_took\\_a\\_riot.html](http://www.merseybasin.org.uk/collections/it_took_a_riot.html).

<sup>11</sup> National Archives PREM/19/578, p. 12.



the Environment under Michael Heseltine and also the Department of Employment under Jim Prior with that of the Treasury team led by the Chancellor of the Exchequer, Geoffrey Howe. It is in Geoffrey Howe's response to the Prime Minister on Heseltine's *It took a riot* report that we learn of the alternative plans for a city that was considered to have gone off the rails and to be unworthy of further economic investment. The debates over what to do with Liverpool highlight the tension between a one-nation Conservatism espoused by Heseltine and a more combative *laissez-faire* mode of policy-making in which the riots offered the possibility for legitimising a strategy of neglect. The Prime Minister, according to her official biographer, was somewhat torn between these competing field positions—demanding both that '[t]he law must be upheld' and that '[p]eople must be protected' through the re-introduction of the Riot Act and summary courts where necessary, while also retrospectively pouring cold water on Lord Hailsham's interventionist strategy for the north-east in the early 1960s. Thatcher warned her Cabinet colleagues at its meeting on 9 July that 'We have poured money into big employments in Merseyside; a failure' while blaming the social disaffection of the inner cities on Labour authorities that had created 'horrible housing, high rise, etc.' and the lifestyles of the non-working poor ('We have a whole generation brought up on 5 h a day of TV') (Moore 2013, p. 637). As Margaret Thatcher wrote in her autobiography:

In the Commons and elsewhere I found myself countering the argument that the riots had been caused by unemployment. Behind their hands, some Conservatives echoed this criticism, complaining that the social fabric was being torn apart by the doctrinaire monetarism we had espoused. This rather overlooked the fact that riots, football hooliganism and crime generally had been on the increase since the 1960s, most of that time under the very economic policies that our critics were urging us to adopt (Thatcher 1993, 144).

This provides an important insight into the thinking of the then Prime Minister, but if the causes of the riots were not unemployment and economic deprivation, as her critics among the Tory wets argued, could the blame be laid at the door of poor racial relations and, as Lord Scarman (Scarman 1981) was later to find, in tensions between ethnic minority youth and the police? Margaret Thatcher seemed much more prepared to accept the possibility that events such as the riots in Brixton, Nottingham and Liverpool were in part a reaction to 'police brutality and racial discrimination'. Having visited Brixton police station and met with Sir David McNee the Commissioner of the Metropolitan Police—who was promised every necessary resource to deal with the rioters, including baton rounds, water cannon, longer truncheons and more riot vehicles—Margaret Thatcher travelled to Liverpool on 13 July 1981. 'Driving through Toxteth', she wrote:

I observed that for all that was said about deprivation, the housing there was by no means the worst in the city. I had been told that some of the young people involved got into trouble through boredom and not having enough to do. But you had only to look at the grounds around those houses with the grass untended, some of it almost waist high, and the litter, to see that this was a false analysis. They had plenty of constructive things to do if they wanted.



Instead, I asked myself how people could live in such circumstances without trying to clear up the mess and improve their surroundings. What was clearly lacking was a sense of pride and personal responsibility — something which the state can easily remove but almost never give back (Thatcher 1993, 145).

Thatcher's reception in Liverpool could hardly have been described as warm, however. Her press secretary, Bernard Ingham, observed that she was 'pelted with tomatoes and toilet rolls'. The press were hardly more supportive, most newspapers describing the tumult of the inner-city riots in Ingham's words as 'your 10 most worrying days since you took office' (Moore 2013, p. 636). In her account of the response to the riots, Mrs Thatcher dismissed the interventionist arguments of Lord Scarman and Michael Heseltine—whatever the latter 'might achieve by skilful public relations'—in order to concentrate on the more urgent task of upholding the rule of law, 'to maintain order' and to 'uphold the Queen's peace'.<sup>12</sup> Mrs Thatcher insisted that young people did not need social workers to speak on their behalf, but they did need to listen to the Prime Minister reminding them 'that resources had been poured into Liverpool', that she was concerned about what they had to say about the police and 'that while the colour of a person's skin did not matter to me at all, crime did. I urged them not to resort to violence or to try to live in separate communities from the rest of us' (Thatcher 1993, p. 146). Here the Prime Minister's position appears strongly aligned with notions of individual pathology and the idea that the roots of criminality lay in a lack of personal responsibility. Eschewing a sociological or structural reading of the sources of discontent, discrimination and a setting of profound urban decline, her view inclined towards the Treasury view that Merseyside's economy could not ever have been rescued through a further 'pouring-in' of ever more resources to no purpose.

Through more sustained contact with Liverpool's conditions, Heseltine's views appeared to offer a greater awareness, either of some threat to sovereign power, or to recognise more seriously the plight represented by urban poverty in the nation's 'elsewheres'. Heseltine now insisted that austerity plans for £5 billion in spending cuts and tax reductions 'has nothing to do with [the] problem of Merseyside. Colleagues don't understand how bad it is ... We have a society which is close to much more violence' (Moore 2013, p. 637). The privileging of the City of London as the Treasury's chief interlocutor in the national economy was identified by Heseltine as a major weakness in UK economic policy. Industry was constantly pointed in the direction of the far less powerful Department of Trade and Industry, which possessed no macroeconomic levers and a limited budget for direct inward investment (Heseltine 1987, p. 124). Although Heseltine succeeded in persuading leading figures in UK business and finance to visit the riot torn streets of Liverpool and to see the results of the violence at first hand, there was little to show in terms of new

<sup>12</sup> Margaret Thatcher, speech to the Conservative Party Conference, Blackpool, 16 October 1981, in Harris, 1997: 144.



private investment in the most deprived of Liverpool's wards which still continue to rank among the poorest in the country.<sup>13</sup>

In the face of growing unemployment and declining political support at home, with the newly created SDP nearly winning the Warrington by-election and polling 45% compared to 29% for Labour and a dismal 25% for the Conservatives, only Keith Joseph openly backed the Treasury's deflationary strategy. As a newly elected Prime Minister surrounded by Cabinet colleagues such as Willie Whitelaw and Jim Prior who mostly still espoused 'one nation' narratives of Conservatism, Thatcher reluctantly agreed to Heseltine's request to appoint him 'Minister for the Mersey' and to make inner-city regeneration a political priority for her government. Nevertheless, Michael Heseltine's strategy of a depoliticised and deterritorialised urban political economy, as manifested through the Urban Development Corporation and City Challenge Partnerships (Imrie and Thomas 1999, p. 5), opened-up new speculative opportunities for capital among the post-industrial urban landscape. The new opportunities represented by forms of investment and marketisation of such landscapes can be captured in Margaret Thatcher's visit to Middlesbrough's abandoned Head Wrightson steel plant in September 1987. It was here that she promised to tackle the problems of Britain's inner cities, relying heavily on Heseltine's interventionist economic legacy (Buchanan et al. 2009).

## Conclusion

How can we understand the interplay in the relationship between unequal urban conditions and policy frameworks devised to ameliorate them? In this article, we have sought to develop a perspective that takes in a recent historical analysis in which the role of policy-making and key actors in the metropolitan core are related to urban conditions and social marginality elsewhere. In urban policy studies, there has been a persistent tendency to see urban public space as being increasingly regulated, either through inclusive or overwhelming forms of policy and policing, or via social scripts associated with privatisation and consumption. However, another mode of control can be found in the imposition of central state designated urban policy interventions. In this article, we have argued that the unrest in English cities of the early 1980s acted as a catalyst for a concerted response by central government. This response was itself bifurcated into contestatory positions in an emerging field of urban policy configured around notions of managing social abjection, on the one hand, and progressive interventions that also opened the way for more assertive forms of control by denuding local government of many of its autonomous policy functions. This ideological divergence between a neoliberal oriented public-private interventionism and a more utilitarian policy of strategic abandonment and divestment came to define much of the British urban policy field in the ensuing decades.

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<sup>13</sup> The English Indices of Deprivation 2010, DCLG [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6871/1871208.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6871/1871208.pdf).





Merseyside in general, and Liverpool in particular, have frequently been confronted by forms of collective symbolic violence (Bourdieu 1991, p. 24) wielded by a London political establishment. In combination with a goading tabloid media, the city has frequently been accused of dwelling on a kind of self-fulfilling nihilism that would always undermine interventionist or supportive economic strategies capable of reconnecting it to the broader healthy body of the United Kingdom. These ideas have continued to retain a strong hold on policy imaginaries more broadly. As the former Mayor of London and now Foreign Secretary, Boris Johnson, wrote in October 2004 in relation to the 1989 Hillsborough tragedy:

Liverpool is a handsome city with a tribal sense of community. A combination of economic misfortune — its docks were, fundamentally, on the wrong side of England when Britain entered what is now the European Union — and an excessive predilection for welfarism have created a peculiar, and deeply unattractive, psyche among many Liverpudlians. They see themselves whenever possible as victims, and resent their victim status; yet at the same time they wallow in it. Part of this flawed psychological state is that they cannot accept that they might have made any contribution to their misfortunes, but seek rather to blame someone else for it, thereby deepening their sense of shared tribal grievance against the rest of society.<sup>14</sup>

Imogen Tyler reminds us that notions of abjection describe ‘the dehumanization of labour, class struggle, mass fanaticism’ that have allowed despised sections of the population to be excluded as moral outcasts, ‘represented from the outside with disgust as the dregs of the people, populace and gutter’ (Tyler 2013, p. 19). As an immigrant city whose maritime economy depended to a large degree on itinerant and casualised labour, Liverpool has long had to endure the social stigma attached to sites of endemic long-term unemployment and urban poverty.

In resisting the stigmatisation of a city that prides itself on its cultural heritage, community spirit and indefatigability, Liverpool continues to challenge a neoliberal policy orthodoxy that has largely deterritorialised and disempowered city governments in the rest of England and Wales (Featherstone 2015). We have argued here that the state can be seen to have attempted a complex patterning of both managed decline and forced incorporation that was steered through the creation of local agencies and geographies of governance (the fledgling Urban Programme), policing (with the advent of elected Police and Crime Commissioners), and the decentralisation of austerity management and welfare retrenchment through the establishment of executive city mayors.

The violent urban disturbances in Liverpool and other inner-city communities in the early 1980s initiated a long-running debate within successive Conservative governments. In this article, we have sought to show that, far from being a momentary lapse of Treasury ‘group think’, the notion of ‘managed decline’ remains a salient policy tool that continues to attract influential support from academics and

<sup>14</sup> Boris Johnson, ‘Bigley’s fate. We have lost our sense of proportion about what constitutes a tragedy’, *The Spectator*, 16 October 2004.



policy-makers on both sides of the Atlantic in a context of diminishing support for welfare pluralism and the elite championing of entrepreneurial spatial competition (Glaeser 1998; Leunig and Swaffield 2007; Florida 2010; Davidson et al. 2013). On the political left, alternative narratives of strategic engagement with the ‘inner city’ and the post-industrial cities of the north have come to emphasise the language of partnership and enterprise as the twin pillars of a new social compact built around a fundamental belief that in terms of the potential for capital accumulation ‘no space should be left behind’. With the apparent demise of the ‘Northern Powerhouse’ as a hegemonic model for re-integrating the cities of Northern England into an increasingly London-centred national economy, it is far from clear, however, that the strategic abandonment of ‘uneconomic’ regional spaces is finally off the policy agenda (Gibbons et al. 2014).

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