Governmentality, subject-building, and the discourses and practices of devolution in the UK

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This paper uses a Foucauldian governmentality framework to analyse and interrogate the discourses and strategies adopted by the state and sections of the business community in their attempts to shape and influence emerging agendas of governance in post-devolution Scotland. Much of the work on governmentality has examined the ways in which governments have developed particular techniques, rationales and mechanisms to enable the functioning of governance programmes. This paper expands upon such analyses by also looking at the ways in which particular interests may use similar procedures, discourses and practices to promote their own agendas and develop new forms of resistance, contestation and challenge to emerging policy frameworks. Using the example of business interest mobilization in post-devolution Scotland, it is argued that governments may seek to mobilize defined forms of expertise and knowledge, linking them to wider political debates. This, however, creates new opportunities for interests to shape and contest the discourses and practices of government. The governmentalization of politics can, therefore, be seen as more of a dialectical process of definition and contestation than is often apparent in existing Foucault-inspired writing.

key words Scotland devolution governmentality business politics competitiveness Foucault

Introduction

Devolution has been one of the key policy agendas pursued by the Blair administration. Institutional structures of decisionmaking and executive power have been re-cast with the creation, alongside the Westminster Parliament, of a Scottish Parliament, Welsh and Northern Irish Assemblies and English Regional Development Agencies (Hazell 2000). Devolution has been based on the principle of subsidiarity – that decisionmaking powers and responsibilities should be devolved to the most appropriate level of governance (Blair 1997). It is characterized by proponents as a set of institutional reforms that will help bridge the growing divide between the state and civil society in the UK, as the new institutions will facilitate closer links between democratic representation, decisionmaking processes and policy effectiveness (Department of the Environment, Trade and the Regions 1999). In Scotland, Wales and Northern Ireland, devolution discourses explicitly draw on existing nationalist/regionalist identities and (institutional) histories to promote new systems of governance which in the longer term seek to deliver a range of socioeconomic benefits through more responsive and open decisionmaking processes, enhanced policy legitimacy and more relevant and effective policy measures (see Department of the Environment, Trade and the Regions 1998; Brown and Alexander 1998).

Reform has been most advanced in Scotland where the Scottish Parliament, and its executive arm the Scottish Executive, came into being in June 1999 and took responsibility for a wide range of functions...
transferred from Westminster. Policy decisions are now taken by 129 elected Members of the Scottish Parliament, which also has the power to raise up to three pence in the pound income tax and change non-domestic local taxation or business rates. Whilst Scotland had retained a distinct set of legal, educational and other state institutional forms within the United Kingdom, the reestablishment of a Parliament brought a new set of agendas into prospect (Kellas 2000; Mitchell 1996; Hassan and Warhurst 1999). As the Scottish Labour Party made clear, one of its first priorities was ‘a Scotland Bill giving Scotland the right to run its own affairs while still playing a full part in Britain’ (1999, 1).

However, the effects of devolution may be more ambivalent. As Foucault (1991) suggested, the emergence of modern government requires new links to be formed between governance, space and power. Devolution provides one mechanism in and through which the spatial configurations of state power are re-cast to provide new mechanisms of policy development, control and effectiveness. It represents an attempt to actively constitute and construct new subjectivities to facilitate effective forms of governance. This directs attention to Foucault’s concept of governmentality as a means of analysing and seeking to make sense of the political project of devolution. Such an approach examines how subjects of governance are actively created and mobilized and the rationales and techniques of government that define, characterize and incorporate them for particular ends. It focuses attention to what Hunt and Wickham refer to as the emergence of new and distinctive mentalities of government and governmental rationalities which involve a calculating pre-occupation with activities directed at shaping, channelling and guiding the conduct of others. (Hunt and Wickham 1994, 26)

As Foucault argued, the governmentalization of policy agendas seeks to make government ‘possible so that governmental actions mean that things work out for the best’ (1996, 338).

Whilst there has been much writing on the constitutional implications of the devolution project (see Nairn 2000; Mitchell 1996 1998; Wright 2000), few studies have yet been made of the practices and processes involved in making devolution ‘work’ in different parts of the UK. This paper, drawing on a study of Scottish devolution, adopts a Foucauldian, governmentality approach to explore some of the key dynamics of contemporary change. In particular, it explores the relationships between the new institutions of government in Scotland and the emerging subjectivities devolution is seeking to create through an examination of sections of the Scottish business community. It assesses the ways in which the former have sought to define, codify and use the latter as key agents in ensuring the longer term ‘success’ of the devolution project. In constructing new platforms of political engagement, new subjectivities take shape along with new agendas. The paper assesses the ways in which businesses have responded and the new forms of politicization that have taken place. It also draws on a discussion of transport policy to examine the extent of business influence on policy agendas. It highlights the utility of a governmentalist approach for conceptualizing the rationales of government programmes and the strategies and tactics of influence that particular (groups of) subjects can adopt and deploy to establish their own spaces within the discursive terrains of political change. The paper begins by defining a governmentalist approach before examining the relationships between devolution and economic competitiveness.

Devolution, governmentality and economic competitiveness

Foucault’s original concern was with the problem of governing modern societies. Through his analysis of governmentality, he examined how it was possible for governments to shape and control increasingly disparate and numerous subjects in ways that facilitated effective governance to take place. He argued that the ‘art’ of liberal government was to govern without governing society, or the development of reflexive governance – a rationality where the ends of policy also become the means (see Raco and Imrie 2000). Liberal governments are preoccupied with ‘the practical problems of managing the behaviour of free persons and securing the basic conditions of their freedom by means of a variety of governmental practices’ (Hindess 1998, quoted in Murdoch 2000, 504). Government becomes focused on the ‘conduct of conduct’ – seeking to establish and build subjectivities in and through which government programmes and strategies can be operationalized and implemented. It involves the formation of strategies
through which different forces seek to render programmes operable, and by means of which a multitude of connections are established between the aspirations of the authorities and the activities of individuals and groups. (Rose and Miller 1992, 183)

In Bevir’s terms, a governmentalist approach is concerned with tracing ‘the operation of power as it creates subjects, discourses, and institutions through time’ (1999, 353). Developing successful modes of government action, therefore, requires the active definition, mobilization and (directed) institutionalization of particular groups or populations, possessing the required forms of knowledge or expertise to facilitate policy agendas. This process is necessarily spatialized in that it involves what Foucault terms the ‘ordered maximisation of collective and individual forces’ (1998a, 24–5) existing in a defined territory.

Foucault’s work has become increasingly popular in the geographical literature over the last decade or so. There has been a particular focus on the ways in which relations of power have been spatialized, often at the institutional level of the prison, workhouse or asylum (see Driver 1985; Philo 2000).

Other work has focused on Foucault’s conceptions of space as an integral element in state practices – from the definition of populations and territories of action to the interpretation and characterization of particular problems which should be addressed by policymakers (Philo 1992; Murdoch 2000). A range of studies have also examined the complex relations between government, identity and space and have used Foucault’s work to assess the form and character of cultural practices in liberal societies. His methodologies have also inspired a range of discourse analyses and a growing concern with textual studies that characterize much of the work of disciplinary approaches (see in particular, Dean 1999; Rose 1993 1996 1999 2000; Cruikshank 1998; Hindess 1997; O’Malley et al. 1997).

This is not to say that Foucauldian, governmentalist approaches have been without their critics and can and should be adopted by geographers without careful reflection. One recurring criticism of governmentalist approaches is that in adopting, often explicit, anti-foundationalist positions, its potential to establish alternative, critical political agendas is highly circumscribed. Frankel (1997), for example, argues that the plethora of discourse analyses and textual studies that characterize much of the work of governmental writers do not get to grips with the social, political and economic structures in and through which policy debates and practices are implemented. Moreover, despite its anti-totalitarian and anti-Marxist rhetoric, governmental writers are often ‘close to appearing as new structural functionalists in their preoccupation with order and regulation . . . leaving little room for emphasising alternative political processes’ (Frankel 1997, 85).

Others, such as Harvey (1996 2000) express similar concerns, arguing that the inherent pessimism of anti-universalist approaches has helped to create a political vacuum in which those who are punitively disciplined by existing capitalist systems are left without the hope that their circumstances can be improved. Even proponents of governmentality accept that ‘despite the clear potential for linking the governmentality approach to a critical politics, by and large it has not been realised’ (O’Malley et al. 1997, 503). What is required is for a change in methodological focus towards the empirical practices of government and government programmes and less concern with abstract theorizations.

Additionally, Foucault’s work concentrated mainly on the growth of modern states in seventeenth- and eighteenth-century Europe and focused on the ways in which new, modern technologies and practices of government were discursively and practically developed and implemented (Foucault 1998a 1998b). Such studies have been criticized in terms of their
broader generality. Their spatial and temporal specificity concerning a relatively unique period in the history of nation-state formation means that many of the conclusions of Foucault’s work cannot be extrapolated in an unproblematic fashion (see Lemke 2001; Jessop 1990). Indeed, with nation-states facing growing pressures on their traditional mechanisms of control, the Foucauldian focus on nation-state power would appear to be increasingly limited in its analytical value.

However, the principles of government that Foucault laid down in his analysis of governmental- ity are still practised by liberal governments. As social, political and economic processes have become increasingly complex in recent decades, so the requirement for states to develop efficient and effective techniques for ‘governing at a distance’ take on greater salience (see Rose 1996–2000). The Foucauldian concern with the ‘conduct of conduct’ has, if anything, taken on greater significance as neo-liberal or advanced liberal forms of government have become increasingly prevalent in the developed world (see Brenner and Theodore 2002). Thus, across whole areas of state action there is an increased concern with defining and shaping ‘appropriate’ individual and community conduct, regulation and control. In the UK, for example, the Blairite emphasis on establishing new responsibilities amongst recipient communities as a condition for the receiving of welfare state benefits or the expansion of new ‘community-based’ policing strategies can be seen as attempts to mobilize subjects in their own governance. Likewise, the much-trumpeted ‘empowerment’ of communities across a range of policy areas often takes the form of new mechanisms, relations and practices of centralized control (see Cruikshank 1998; Raco and Imrie 2000; Atkinson 1999).

A Foucauldian approach draws attention to how subjects are created in different places and at different times and therefore provides an insight into the ways in which (neo)liberal states use space and place to pursue their strategies of action. It is therefore inherently geographical in its abstractions and empirical characterizations of political processes. Any shift in emphasis in state practices requires a restructuring of the spatial organization of government action. Indeed, one of the defining features of advanced liberal governance is the shift towards new scales of action with ‘local’ or more ‘in touch’ scales being promoted as the basis for new forms of social action and conduct (see Blunkett 2001; Peck and Tickell 2002; Jessop 2002). Within New Labour discourses, there has been an enhanced focus on ‘modernizing’ government, making institutions more accountable and ‘relevant’ to the imagined and real needs of local populations (see Prescott 1998; Mulgan 1997; Department for the Environment, Transport and the Regions 1998).

Reorganizing state practices so that the administrative and organizational boundaries in and through which they operate are more congruent with the imagined places of subject populations is seen as both a vehicle of enhanced service efficiency and a mechanism for encouraging the legitimation of state action and increased complicity (see Taylor 1999). Consequently, the ways in which structures of political power and state action are spatially constructed makes a difference. In the context of the UK, the perceived lack of congruence between the needs and political aspirations of the populations of Scotland and Wales, and the spatial structures of the UK political system, was one of the main catalysts towards the emergence of devolved governance in the late 1990s. Establishing decisionmaking executives was, therefore, seen as a way of re-legitimizing the UK state by bringing about enhanced congruencies.

In governmentalist terms, therefore, devolution has involved the establishment of new boundaries and territories of (albeit limited) power. Within these boundaries new strategies are to be developed, a key element of which involves the transformation of ‘laggard’ or problem regions, in economic terms, into places of entrepreneurial dynamism in which latent resources are mobilized and directed. It is in this context that business communities, along with others, become both the subjects and objects of policy initiatives. In other words, enhancing the performance of regional businesses, as policy objects, becomes the aim of policy. Yet this is to be achieved in and through the mobilization of the business community itself, as subjects in their own salvation, with firms changing their ways of thinking and modes of operating to become more entrepreneurial and successful in the new global economy.

It is in this context that business expertise is construed as a key ingredient in the success of policy programmes in advanced liberal societies, such as Britain. If devolution is to deliver on its promises of enhanced economic efficiency and poverty reduction, a healthy, wealth-creating business sector becomes a pre-requisite. New relationships therefore need to be constructed between state agencies and sections of the business community to operationalized policy.
Such relationships, however, not only serve the interests of the former. The creation of what Foucault (1991) terms new domains and territories of state action provide new platforms and opportunities for the articulation and implementation of alternative agendas. Governmental programmes tend to lack a singular coherence or essence. They may be contradictory or pregnant with unintended consequences. As Malpas and Wickham note,

there is no such thing as complete or total control of an object or set of objects – governance is necessarily incomplete and as a necessary consequence must always fail. (Malpas and Wickham 1995, 40)

The balance of rights and responsibilities between particular groups may be altered to the benefit of some and the determinant of others. Communities, such as the business community, may therefore be able to

ally themselves with political authorities, focusing upon their problems and problematizing new issues, translating political concerns about economic productivity, innovation, industrial unrest . . . and so forth into the vocabulary of management. (Rose and Miller 1992, 188)

This may be particularly relevant to the wider success of the devolution project, for, whilst new devolved scales of policymaking are elided with economic efficiency and competitiveness, the functionality of such a move, in economic terms, is ambivalent. The territorialization of state activity is fundamental to the regulation of economic development but governments, whatever their intentions, must constantly wrestle with wider competing political demands (Jessop 2002; Brenner 2000). In Jessop’s terms, the activation of economic development policies ‘must be coupled with political values and legal norms which are often only indirectly relevant to economic considerations’ (1990, 357). Moreover, devolution can be understood as a response to demands for greater social and political as well as economic rights. As Dean (1994) notes, such calls can only be catered for by multiplying the domains and capacities of the state. New governmental practices are required to secure, defend, protect and foster those rights and consequently the ‘ghost’ of the state is often present in new institutional arrangements that create or expand new rights and responsibilities or claim to empower particular sections of society (see Cruikshank 1998; Keith 2001). Scottish devolution can be characterized in these governmentalist terms, for although the new institutions bring government ‘closer’ to the electorate, they also provide new domains of state action and new territories for interests, such as business communities and others, to shape, influence and direct policy towards their own ends.

The remainder of the paper draws on research conducted in Scotland between August 2000 and September 2002. Through an examination of policy documents and minutes, policy statements and semi-structured interviews with business representatives, it explores the ways in which particular subjectivities have been promoted by the new devolved agencies in Scotland. It assesses the definition and mobilization of sections of the Scottish business community by looking at two different dimensions of change: first, the ways in which New Labour has sought to governmentalize the business community through the creation of new institutional and discursive spaces; and second, the ways in which sections of the business community have responded to devolution and promoted their own agendas of reform. It argues that governmentalization must, therefore, be seen as a dialectical process of contextualized interaction between government and the governed, ‘for the point of governance is that goals are modified in and through negotiation and reflection’ (Jessop 1998, 38). Devolution provides a particularly informative heuristic vehicle for examining such processes in action as it directly concerns the relationships between power, space and identity. Furthermore, devolved policy agendas are still at a relatively early stage of formation with particular identities and processes of decisionmaking still taking shape. The next section examines efforts to governmentalize the post-devolution business community by exploring the institutionalization of business voices and perspectives before focusing on the Labour government’s attempts to create new entrepreneurial discourses by mobilizing the business community. This is followed by a discussion of responses from sections of the business community and a brief discussion of transport policy agendas to exemplify the form and character of post-devolution politics.

Devolution and the business community

The governmentalization of business agendas: developing a new politics for a new Scotland

The devolution of limited political powers to Scotland in 1999 re-kindled debates over the meaning and relevance of Scotland as a national container for social, economic and political processes. Under the
Scotland had retained separate institutional structures of civil society such as the educational and judicial systems. Union meant the transfer of executive political power to the Westminster government leaving Scotland, in McCrone’s (1998) terms, a ‘stateless nation’ in which subjects saw themselves as part of a civic community with limited political-executive power (see Figure 1). Scottish civil society is often perceived to be strong, something that owes much to the maintenance of these separate institutional mechanisms as well as shared national ideologies. For McCrone, the perceived ideology of Scottish civil society is reflected in a series of myths concerning its ‘supposed openness . . . (relative to England), its egalitarian tendencies, its capacity to encourage mobility through education and myths about a lack of racism’ (1998, 21). As with all forms of imagined community, Scotland as a country is a landscape of the mind or a place of the imagination. Traditionally, this shared interpretation has portrayed Scotland as a more ‘socially-oriented’ society that those found in the rest of UK. In Nairn’s (2000) terms, it is a latent state awaiting the return of political institutions to re-awaken its authentic national politics and identity. The strength of opposition to the Conservative regimes of the 1980s and 1990s, and the subsequent eradication of Conservative elected representatives in the 1997 UK General Election, have further ‘reinforced a sense that Scotland is an essentially left wing place’ (Paterson 1998, 58).

Whilst critics of nationalist ideologies such as Hobsbawm criticize such imaginations as being ‘fuzzy, shifting and ambiguous’ (1990, 6), their power as discourses have repercussions for emerging political agendas. For those within the business community, a re-kindling of Scottish civic society, allied to the re-emergence of newly established political institutions, represents a particular threat, even if in practice this is more of a perception than a reality (see Allmendinger and Barker 2001). Discourses of civic
responsibilities, strong welfarism and an expanded role for the state pose a particular challenge to business perceptions of what constitutes a competitive society. Consequently, elements of the Scottish business community have been amongst the most vociferous critics of devolution. As Lynch argues, notions of market-building are ‘central to business attitudes’ and business agendas have tended to highlight ‘the maintenance of the UK single market and the retention of a level playing field for Scottish companies which do business in England’ (1998, 87). During the devolution campaign of 1979, for example, Scottish businesses and representative agencies were at the forefront of the Scotland Says No campaign. Despite the existence of relatively small-scale, pro-independence organizations such as Business for Scotland, business attitudes have consistently been characterized by scepticism and suspicion. There has been particular concern over the prospect of Scotland becoming an independent nation-state. A MORI (1998) survey found that 75 per cent of businesses interviewed feared that independence would be ‘catastrophic for Scotland’. Similarly, a broader survey of Scottish business representatives in 1999 found a perception ‘that devolution will bring little or no benefit to the business community’ with ‘remarkable numbers hav[ing] little to say about what such radical change to the way Scotland is governed might mean to Scottish business’ (MORI 1998, 1).

Such concerns reflect Jessop’s (2000) wider point concerning the ambivalence of new state forms as mechanisms designed to both enhance and cater for national differences and promote new modes of economic development. These are clearly demonstrated in the early scepticism of much of the business community. Yet, the governmentalization of business resources, capacities and expertise were seen as critical to the New Labour devolution agenda. Two principal governmental strategies have been adopted for this purpose. First, discourses of development and inclusion have been promoted and second, institutional mechanisms have been established that incorporate business voices and legitimate policy to the wider business community, each of which is now examined in turn.

Discourses of entrepreneurialism – shaping discursive terrains in the new Scotland

From the outset of the devolution process, government ministers have promoted discourses of ‘partnership’ between business and government in an attempt to create new subjectivities within the Scottish business community. As one of the architects of devolution, Donald Dewar, stated in his address to the British Chambers of Commerce,

we realise that if we are to do the job better we need to acknowledge that we have no monopoly on knowledge and experience. . . . Scotland must develop a shared sense of national economic purpose about how we meet the economic challenges of the new Millennium. At the heart of our approach is a new partnership with business. (Dewar 1999, 1)

The stated objective, that devolution will deliver economic growth for Scotland, places the business community in a key position. In order to fulfil their agendas, government agencies have to consider how they may harness, control and direct businesses towards their own ends.

Consequently, government ministers in the run up to the Scottish Parliament were particularly sanguine in their praise of the Scottish business community and highlighted the ways in which businesses could contribute to and benefit from emerging policy agendas. The Scottish Development Minister Lord MacDonald, for example, argued that,

this is a pro-business government intent on creating an enterprise culture, underpinned by core values of fairness and opportunity. I urge business leaders to get out of the Boardroom and join in the public debate. I want the business community centrally involved in the reshaping of Scotland. (MacDonald 1998, 1)

One way in which ministers attempted to shape the attitudes of the business community to the new devolutionary frameworks was to highlight the perceived economic benefits of devolution and allay the fears of business leaders that change would lead to the marginalization and parochialization of the Scottish economy and Scottish politics. Thus, for example, the First Minister Henry McLeish told a business meeting that,

devolution can be a real force for economic improvement and Scottish businesses are challenged to exploit its potential fully. In building a constructive partnership with the Parliament, the business community will have a crucial role in delivering Scotland’s future economic success. (McLeish 1999, 1)

Likewise, Donald Dewar highlighted the mechanisms in and through which the existence of a new Parliament would benefit economic competitiveness, when he told business leaders that,

In economic terms the Scottish Parliament . . . means using our powers to adapt and develop in line with our
own needs. But it emphatically does not mean turning our back on the benefits which we derive as partners in the United Kingdom. Devolution means that, while we secure the ability to decide those matters that can sensibly be dealt with in Scotland, we retain all the benefits of the single UK market. (Dewar 1998, 1)

This particular discourse, that a new Parliament would generate policy proposals ‘closer to [business] issues and more responsive to its needs’ (McLeish 1999, 1) represents a particular governmental technique. The business community, whose resources, capacities and expertise are seen as vital to the wider success of the devolution project, is assigned a set of responsibilities to actively participate in the new governance arrangements. This participation would, it is argued, generate ‘pro-business’ policy agendas whilst helping to legitimate and justify moves towards devolution in the first place. It is suggested, for example, that in a Parliament in which at least 70 per cent of representatives would come from the public sector ‘it cannot be good for business or for Scotland’ (MacDonald 1998, 1). Similarly ‘through building a partnership with the Parliament, the business community can and must play a vital role in delivering a bright economic future for all Scots’ (MacDonald 1999, 1). The implied threat is that a failure of businesses to participate in wider policy discourses would mean the marginalization of business agendas. Business communities will only obtain the right to influence policies if they take on the responsibility to mobilize themselves and create a more competitive Scottish economy.

Ministers, therefore, as well as promoting discursive capacity building within the Scottish business community, also sought to shape wider discursive agendas to allay business fears. Fears over differential tax rates across the UK, for example, were directly confronted by government ministers. Former Scottish Industry Minister Brian Wilson, argued that,

The Scottish Parliament will have powers over local taxation . . . but it is inconceivable that it would deliberately disadvantage Scottish business. I am sure that they will be mindful of evidence from countries such as the United States of the tendency of businesses to move from the States where taxes on businesses are particularly high to those where they are lower. (Wilson 1997, 1)

Indeed, partly to placate business concerns, the Scottish Executive agreed not to execute its right to raise extra taxation during its first four-year term. Similarly, in debates over local business taxation rates and the possibilities for creating variable rates in different local authority areas, changes have yet to be made, with the concerns of the business community a key consideration.

Alongside this, a broader agenda has been promoted that seeks to build a wider Scottish identity as a resource for mobilizing, shaping and directing particular interests in and through which processes of governance can be made more effective and efficient. This is exemplified by Ministerial statements in the run up to devolution that sought to re-cast and utilize particular imaginations of Scottish history and community. Lord MacDonald, for example, after highlighting the weaknesses of the current Scottish economy, called on business leaders to encourage again those Scottish values that were once so pronounced in the culture of self-help and entrepreneurial ambition. Where our hard headed, practical predecessors invested for the industrial revolution and mass production, our innovation may have to be even more creative, weightless and instantaneous. Imagineers as well as engineers. (MacDonald 1998, 5)

Such statements promote an alternative discourse to that of a socially oriented civic Scottish society. Instead, Scotland is promoted as a community of entrepreneurial dynamism with a history of innovation and industrialism. Cultures of self-help and practicality are articulated in place of collective welfare and by implication a less entrepreneurial society.

Moreover there has been a clear agenda of promoting a ‘Scotland-within-Britain’ discourse, which is, in part, designed to reassure the business community that devolution does not threaten wider market access. The opening lines of the White Paper, for example, highlight the fact that

the government’s aim is a fair and just settlement for Scotland within the framework of the United Kingdom. Scotland will remain firmly part of the United Kingdom . . . by preserving the integrity of the UK, the Union secures for its people participation in an economic unit which benefits business and provides access to wider markets and investment and increases prosperity for all. (Scottish Office 1997, 1, para. 3.2)

Alongside these discourses, the Scottish Executive has also created new institutional mechanisms in and through which business agendas are mobilized, developed and articulated, and it is to these that the paper now turns.

Institutionalizing business agendas

In order to involve business representatives in the governance of Scotland, selective institutional
mechanisms have been established in and through which particular forms of consultation can take place. There have been two elements to this incorporation: the canvassing of business agendas through the creation of new institutional forums and the co-option of business representatives onto emerging executive and decisionmaking bodies. The best example of the former is the Pathfinder Initiative established by the Scottish Office in 1998, which was established with the specific intention of canvassing the views of the Scottish business community. In 1999, a report was published entitled A Business Agenda for The Scottish Parliament, which identified 13 key sectors in the Scottish economy and appointed a leading business individual within each sector to canvass views and report back. The existence of the Pathfinder can be seen, in governmental terms, as an attempt to establish particular institutional spaces in and through which defined and bounded consultation could take place. Thus ‘business’ is provided with its own discursive space to counter the perception that firms ‘were not engaged in the process of shaping how the Scottish Parliament might operate and how the Parliament would interrelate with Scottish business’ (MacDonald 1999, 3). The Pathfinder process enables particular business agendas to be established and articulated within communities that are traditionally characterized as fragmented, disparate and politically disorganized (see Peck 1995).

As the former Scottish Business and Industry Minister, Lord MacDonald outlines in the document,

The government has been determined to listen and learn from the business community. With that in mind the views of business have been actively sought out. . . . As part of the process we launched the Pathfinders initiative . . . to provide Scottish business with an opportunity to draw up a business agenda for the new Parliament. (MacDonald 1999, 3)

This ‘seeking out’ of business views is indicative of a top–down governmental agenda of establishing mechanisms of consultation on the government’s own terms. It highlights Rose’s (1999) contention that there are times when the allegiance of subjects to particular communities is something that those subjects need to be made aware of and something that governing agencies need to harness for their own ends. This is exemplified by Lord MacDonald, who stresses that

the breadth and depth of the consultation involved gives significant weight to the ideas generated. They represent the views of Scottish business and must therefore be given very serious consideration by the Scottish Parliament and the Scottish Executive. (MacDonald 1999, 3)

A new platform was, therefore, created for the articulation and mobilization of a particular business agenda where previously the discursive terrain had been lacking or absent. This agenda, on the one hand, welcomed the existence of the Scottish Parliament as an opportunity for new agendas and priorities to be established and articulated. On the other, it also highlighted a sense of unease – a fear that agendas of enterprise and development may be subordinated to other political objectives that provide short-term, high visibility returns. It highlights the particular contribution that business expertise makes to Scottish society and calls for recognition and support.

Alongside the Pathfinder Initiative, other institutional platforms of business representation have been created. The Scottish Business Forum, for example, was established by the Scottish Office in 1999, with the specific intention of being a forum for a ‘regular exchange of views’ between the Scottish Executive and business communities. Its rationale was to act as an ‘outward-looking’ organization that would bring expertise and an external focus to Scottish affairs (Scottish Office 1998). The Forum was also designed to focus only on key economic sectors, those on whom much of Scotland’s economic prosperity is perceived to be based. As with the Pathways report, selective elements of the business community have been identified and promoted as more important than others, reflecting the wider governmental objective of boosting Scotland’s economic performance. The Forum also plays a role in highlighting the continuing importance of the UK dimension to economic policy. Thus a third rationale for the organization is that of reflecting

the changing nature of Scotland’s relationship with Whitehall arising from devolution and in particular the need to maintain a level economic playing field and to ensure that Scottish industry and business has access to . . . national policy makers. (Scottish Office 1998, 1)

In other ways too, the coming of the Scottish Parliament has provided new institutional platforms for business interests to articulate their agendas. Joint Committees have been established on a range of issues in which business organizations have played a key role. So, for example, in developing new business support schemes organizations such as the Federation of Small Businesses, The Scottish Chamber of Commerce, The Institute of Directors Scotland, amongst others have been incorporated into Advisory
Boards (Scottish Executive 2001a). Dedicated Scottish strategies have been launched in specific economic sectors, such as tourism (Scottish Executive 2001b 2001c), in which sectoral business representatives have played a key role. In other areas, such as the oil industry, Parliamentary Working Groups, such as The Offshore Operators Working Group have been established at the behest of industrial organizations. Similar processes have been underway in the construction and financial sectors where the significance of the Scottish Parliament has been increasingly recognized by business actors.

More directly, businesses have increasingly been linked to policymaking frameworks through the incorporation of business organizations and leaders onto existing policymaking boards. Enterprise policy in Scotland has been refocused under devolution with greater centralization of the activities and powers of Scottish Enterprise\(^7\) and a concurrent initiative to create Local Economic Forums with the purpose of developing locally sensitive policy agendas. These Forums should possess a ‘significant business element’ given that the ‘business community are the main users of economic development services’ (Scottish Executive 2001d). New policy committees, such as the Enterprise and Lifelong Learning Committee of the Scottish Parliament, have created new opportunities for the articulation of business perspectives and the creation of new formal and informal networks based on co-presence. Business leaders also continue to play a key role within existing organizations such as Scottish Enterprise, with private sector individuals making up 99 of the 154 Board members in the Scottish Enterprise Network.

The Scottish Executive’s key policy statement on economic development in Scotland, The Way Forward: A Framework for Economic Development in Scotland, published in June 2000, also reflects the incorporation of business perspectives. The centrality of the business community to its broader agendas is reflected in its contention that economic development is one of the key drivers in the reduction of poverty and social deprivation and in the promotion of regional dynamism and the strength of regional communities. (Scottish Executive 2000, xix)

Consequently, the Scottish Executive needs to tap into broader networks to facilitate policy effectiveness or ‘to identify the critical contribution of others – contributions that the executive can certainly encourage and facilitate but which are not made most effectively by the Executive itself’ (2000, 3). The expertise of the private sector is characterized as the ‘driving force’ behind the transformation of Scottish society. Its identified concerns are, therefore, reflected through policy measures outlined (and since implemented) in the document. For example, business concerns over additional regulation are specifically addressed by the establishment of an ‘Improving Regulation in Scotland’ unit which seeks to ensure that ‘the regulatory burden’ on businesses is kept to a minimum. Seminars, forums and discussion groups are held to provide business feedback which will be important to the Executive in considering what further action is appropriate, including whether existing legislation and regulations need to be removed to create a more positive climate for entrepreneurs. (Scottish Executive 2000, 56)

The unit carries out Regulatory Impact Assessments of any new Scottish legislation that ‘affects business’ to assess ‘the expected compliance costs to businesses and they are set alongside the benefits of non-regulatory agencies’ (Scottish Executive 2000, 56).

In the wider social and political relations of devolution, institutionalization may also act as a catalyst for an emerging regional consciousness (or mentality) in which interests, in being defined as bounded subjects, begin to actively reflect and reproduce their directed subjectivities. One of the recurring criticisms of the Scottish business community has been that in terms of outlook, allegiances and ownership structures it has often been relatively unconnected to the Scottish political scene (McCron 1998; Scott and Hughes 1990). However, the emergence of national/regional structures of governance, decisionmaking and consultation may propagate new bonds and forms of allegiance on a more regional scale. As Rose argues, ‘Governable spaces are not fabricated counter to experience; they make new kinds of experience possible, [and] produce new modes of perception’ (1999, 32). Such techniques can be used to create new ‘Scottish’ political spaces, which come to dominate the thinking and practices of communities, such as the business community, within Scotland.

In summary, obtaining the support of the business community for devolution has been one of New Labour’s key priorities. Mindful of business fears of a rekindling of a less entrepreneurial Scottish polity, the government has sought to reassure the business community that only limited power has been devolved, whilst at the same time heralding devolution as a landmark event for British politics. This reflects Nairn’s (2000) broader contention that the discourse of devolution has been as much about
reinforcing the unity of the UK as a nation-state, by nullifying separatist tensions, as it has about ‘empowering’ communities within the UK. Establishing new institutions and promoting discourses of competitiveness has been the main focus of efforts to maintain the broader support of the business community. Such discourses seek to create new terrains of engagement in and through which problems of competitiveness and methods for enhancing it become the collective responsibility of society as a whole with businesses and government developing programmes that activate these wider communities (see Raco and Imrie 2000). It is to such discourses and the ways in which sections of the business community have responded to them that the paper now turns.

Empowering business: the role of the business community in post-devolution Scotland

The previous section examined the ways in which there has been an attempt to governmentalize the business community. This section considers how ‘business voices’ have been articulated in response to the new agendas of the Scottish Parliament and the New Labour government. It explores the methods used to try to shape both the discourses and practices of emerging policy programmes. The first section examines the response of sections of the Scottish business community to devolution and the extent of re-politicization that has taken place since 1999. This is followed by a discussion of one key policy area, that of transport policy, to exemplify the form and character of the post-devolution decisionmaking and governance. Collectively, they demonstrate that some degree of politicization has taken place, alongside a range of organizational and policy reforms. Devolution has also created new opportunities for business interests to influence agendas and pursue alternatives. However, business knowledge and expertise have also been used to legitimate and operationalize broader policy agendas.

The politicization of the business community?

Whilst the overall picture is mixed, devolution has enhanced the politicization of some sections of the Scottish business community in a number of ways. Voluntary membership has increased for all of the organizations interviewed, as more businesses have responded to the new discourses and structures of devolved government. This has reflected both growing demand amongst the business community for membership of representative organizations and an enhanced awareness amongst such groups of the importance of developing a strong membership base in the context of developing strong membership base in the context of political arrangements. In some sectors the new arrangements are regarded as an opportunity for the development of new policy networks and influence. In others, particularly in sectors such as financial services, whose trading and regulatory networks are relatively unaffected by devolution, mobilization has been a reaction to perceived threats of additional regulatory burdens.

One way in which business representation has been affected by devolution and become more focused on political matters is that of organizational restructuring to enhance potential impacts at the Scottish level. UK-wide organizations, such as the CBI and the Institute of Directors, have responded to devolution by changing their regional structures across the UK. The CBI, for example, has given greater autonomy to 12 existing regional sub-committees ‘to ensure that the CBI remains close to and responsive to its members, wherever they are located’. CBIS, with 25 000 members in Scotland, has been given an expanded role and established broad-ranging political agendas to reflect the emergence of new territories of governance. CBIS’s leaders have taken up key positions in formal and informal decisionmaking networks in Central Scotland and, as a policy development officer commented in interview,

\[\text{devolution has made us more conscious of our separate brand . . . although lobbying has always been our main role, the coming of the Scottish Parliament has created new uncertainties for business, so we have worked very hard to understand and influence what the Scottish Parliament is doing and how that might affect business.}\]

Rather than acting as a regional coordinator for the UK CBI, CBIS has found itself playing a more political role, reflecting the new post-devolution context. This is despite the organization’s ambivalent attitude to devolution and its tradition as a UK-focused body.

Other sectoral organizations operating in Scotland have similarly reorganized themselves in an attempt to provide additional congruence between their organizational boundaries and those of the new polity. The Scottish Construction and Building Federation has, for example, become Scottish Building, with regional offices also re-branded to mimic the names of local Scottish Enterprise offices. Representational structures in the IT sector have been rationalized and the organization ScotlandIS now represents 400 businesses in the sector – approximately half of Scotland’s
estimated total of IT firms. Similarly, other bodies, such as those representing electricians, have reorganized their structures and promoted their Scottish credentials. As one interviewee from an electrical contractors association commented in interview,

Being a ‘Scottish’ body has suddenly given us a new appeal to potential members. Our area of coverage, if you like, is now the same as that of policy-makers and that helps us to attract new members.

Similar views were expressed by other agencies. One Chief Executive of an association representing IT firms indicated in interview that,

the first advantage of the Parliament is that the geographic boundary of our area of interest happened to be the same as that of the devolved Parliament, making it a good fit. It also resulted in a strengthening of the Scottishness of the organisation as a whole, for us and the members.

Similarly, the chair of a construction sector association argued that,

Devolution has made us more aware of what is not relevant to us. I see [UK] government ministers talking about health and education and I now think so what? That’s nothing to do with Scotland, doesn’t apply here.

All respondents reported an increase in the numbers of staff devoted to political ‘information gathering’ and ‘lobbying’. CBIS, for example, has expanded its number of staff from six to nine since 1997 and is planning further increases as new forms of politics and consultation require the mobilization of additional resources. Others have established new committees to develop policy networks and agendas on post-devolution politics. For instance, the largest business representative organizations, the CBIS, the Institute of Directors, the Scottish Council for Development and Industry, Scottish Financial Enterprise, and the Association of Scottish Chambers of Commerce, have become known as the Group of Five who work collaboratively to develop ‘business agendas’ on which all of them can agree (see Valler et al. 2003, for a thorough discussion). They establish common positions on policy agendas and each body takes a lead in putting forward a ‘common’ business perspective as and when required. The formation of such networks is indicative of the ways in which political boundaries have shaped ways of thinking within the business community and led to a reorganization and refocusing of agendas and structures.

Aside from these organizational adjustments, some organizations reported new forms of governmentality – new ways of thinking about Scotland, Scottish politics and their place within the wider social, economic and political changes taking place. For some, a new ‘Scottish awareness’ had developed since devolution, with one chief executive from the construction sector, for example, arguing that,

ultimately we are working for Scotland, alright, we’re working for our members, but you know, if it doesn’t do Scotland any good, then there’s no point in asking for it.

Similar sentiments were expressed by a range of interviewees who argued that their political legitimacy came from a desire to help the Scottish economy. One chief executive, from the IT sector, noted in interview that,

Now Scotland is a real country – it’s always been a country and I think there’s a tremendous sense of pride. The Scottish Executive may not be getting it right just yet but we have got our own Parliament and this will create added value as it gives all Scots, those in business and outside, the chance to rally round.

Through this, businesses can play a role cementing the devolution settlement more broadly – sentiments that echo New Labour’s agendas for the role of business in reinvigorating the Scottish, and other, regional UK economies (see The Labour Party 2000; Prescott 1998).

This belief in the propulsive role that business could play is indicated in the policy statements of business organizations. As a CBIS representative commented in interview,

Most Scottish politicians get involved in politics to tackle social issues . . . and it can seem that the business perspective gets lost in key debates. Our lobbying role has become much more important as we need to change the culture within the Scottish Parliament to make them more aware of the role of business in a broad range of issues.

CBIS’s policy statements, for example, argue that ‘a successful Scotland depends on successful and competitive businesses’ (CBIS 1998, 5). Business representatives have tried to influence the mentalities of policymakers, institutions and civil society through selective discourses of opportunity and threat. They have sought to enhance awareness of business needs and objectives and elide them with the objectives and effectiveness of devolution as a whole. Hence, the CBIS’s invitation to,

the Scottish Parliament to join with us in building Scotland’s competitiveness and prosperity . . . [with] our task at CBIS, [being] to assist in this process by pointing out those areas where the Scottish Parliament
can have the greatest impact from the exercise of its powers. (CBIS 1998, 1)

New rationalities or modes of thinking about Scotland as an entity are called for, with the business community playing a full and recognized part in making Scotland a more successful and dynamic place. For example, particular techniques of government, including the use of statistical technologies, are called upon to enhance the competitiveness of the Scottish economy, making it more business-like. The lack of Scottish statistics is cited as a major problem. Their absence precludes

a detailed understanding of the performance of the Scottish economy and assist in the development of policy ... to achieve the goal of building Scotland's competitiveness and prosperity. (CBIS 1998, 4)

Such proposals highlight the broader contention that, whilst support for other communities and policy agendas in Scotland have merit, the benefits of devolution and the success of these wider agendas 'will not be achieved unless the creation of wealth is put at the very heart of a competitive and entrepreneurial agenda' (CBIS 1998, 4). The core argument being that enhanced business competitiveness is the primary mechanism for delivering on the wider objectives of devolution - it provides employment, generates wealth and guarantees the future strength of Scottish civil society.

Devolution has also led to the establishment of a range of new networks and mechanisms of consultation at the Scottish level. Policy networks within Scotland have long been influential in the implementation of policy programmes, although, as Moore and Booth (1989) argue, this influence has often been exaggerated by politicians who have been keen to promote the idea that Scotland is 'different', even though it resides within the United Kingdom. Devolution has created new frameworks of action, both in institutional and discursive terms, with the links between identities and spaces of policymaking becoming explicitly closer. As one representative of a Scottish small business organization highlighted in interview,

The reaction of the business community to the Scottish Parliament has been that we now have to start sorting things out for ourselves, if you like our bluff has been called and we need to stop carping on about what is going on elsewhere and get on with sorting Scottish things out and taking on more responsibility for actually sorting it out ... This is a comfortable feeling but it does mean that we need to do a lot more.

Others referred to the impact that devolution has made on the political process. One construction sector representative, for example, argued that,

It is now also incumbent on us to make sure our case is correct. With devolution if you go in without having talked to other sorts of people who might affect your case, you are going to be shot down so the more we can listen the better for us and everybody.

This enhanced interaction is perceived to be beneficial to the business community, as previously it had been stretched out across broader scales. UK-level government networks, it was frequently argued, diluted the effectiveness of Scottish representation, something that new frameworks or institutional and imagined politics had changed.

However, this 're-awakening' of Scottish subjectivities varies from sector to sector. The representative organization for the major financial institutions in Scotland, Scottish Financial Enterprise, for instance, has been extremely critical of the form and character of devolution and has, if anything, become even more focused on the UK and international levels of politics. As one committee member stated in interview,

they've got a whole bloody (sic.) department for agriculture ... but for businesses and the financial sector which employs thousands of people, they've got nothing.

For a number of respondents, devolution has also been perceived to fail to address business concerns effectively. Another SFE committee member declared in interview that, 'The Scottish Parliament is an unnecessary expense and layer of bureaucracy ... It doesn't understand business or want to understand business'. Despite efforts to governmentalize business support for the devolution project, some within the business community have openly criticized the new institutions as being disappointing. In the words of a leading business actor in Edinburgh,

I don't think as yet the Scottish Parliament has started thinking about the economy. There is not a committee for the economy in the Scottish Parliament ... Section 28 and other issues have been more important in raising the profile of Scottish politicians but it is on the economy that they will be judged.

The Head of the CBI, Digby Jones also claimed recently that,

members of the CBIS ... are saying that the Scottish Executive has not communicated with them and listened to them to show that they believe in the wealth creation process in the same way. (Jones 2002, 1)

For many business representatives, the government's attempts at nullifying their fears on devolution were
not succeeding. This is summed up by the words of a leading business representative in Scotland who, in interview claimed that,

there’s no understanding or realisation that the poor economic performance in Scotland relative to that of the UK over the past 30 years is the root cause of many of the social and environmental problems that we have now.

For some respondents devolution has only brought about new problems, increased fear of new forms of regulation and an unwillingness to change their own perspectives. And yet for others devolution has been embraced as a positive development. As the previous section demonstrated, there have been ongoing attempts to promote business-oriented discourses and policies and for some these are changing their ways of thinking and making them more positive about the potential benefits of devolution. Business voices have had an impact on the agendas of the new devolved politics. In the words of one leading businessperson,

I think a lot of antipathy towards devolution was defused by the limited tax powers of the Parliament and the commitment not to use the tax raising powers.

The Scottish Parliament shows no signs of turning its back on the broader New Labour agenda of promoting and expanding the role of the private sector in the politics and delivery of welfare services and in ruling out any exclusively Scottish tax increases until 2007 at the earliest, the threat of creating an uneven playing field for Scottish-based businesses within the UK appears to have receded.

Overall, then there is some evidence that devolution has had an effect on politicizing and re-subjectivizing the Scottish business community. There has been a re-politicization of the broader business community following devolution. Business organizations have become bigger and have re-focused their attention on the discourses and practices of Scottish politics. In some sectors, such as construction and IT, this has been particularly pronounced and new networks and ways of thinking about political problems and policy agendas have been established. But this process has varied considerably between sectors. For many interviewees, the Scottish level or territory of action has become increasingly important as, albeit limited, decisionmaking powers and resources have been transferred to the Scottish Parliament and Executive. Perceptions of ‘Scottishness’ have taken on greater significance than in the past, when sections of the business community were often unwilling to promote themselves in nationalist terms (see Brand and Mitchell 1997). It has helped to create new forms of hybridized subjectivities, which are transient and subject to change. The reflexivity of businesses reflects Amin and Thrift’s (2002) contention that governmental totalizations are not totalizing, as there exist significant variations in responses and subjectivities which reflect the needs, interests and concerns of different sectors of the business community. The next section draws on a discussion of transport policy in Scotland to exemplify the form and character of post-devolution decisionmaking.

**Transport policy in the new Scotland**

Transport is one of the key policy areas over which the Scottish Parliament has executive power. It has been an area of political controversy with a range of competing interests arguing for very different policy agendas. For businesses it has become a key battleground, as deficiencies in the transport system are perceived to be one of the key checks on economic competitiveness (see CBIS 2000). One tactic used by the Scottish Executive to placate business (and other) political interests has been the use of consultants’ reports and studies to shift the responsibility for policy decisions away from the Executive and on to non-political experts. It is argued that this creates better informed, more inclusive forms of policymaking so that, in the words of the Scottish Transport Minister, ‘by carrying through such studies we are not avoiding action, we are acting responsibly . . . [and] we will implement the decisions following the studies’ (Boyack 2002, 1–2).

Given the political importance of transport as an issue, the Scottish Executive has moved very cautiously in developing any coherent strategy, in typical New Labour fashion.

For example, the Scottish Executive initiated a *Strategic Roads Review*, which reported in 1999 on ‘the linkages between good transport infrastructure and the country’s economic prosperity’ and that there is ‘a role for major trunk road improvements within [a wider] integrated transport strategy’ (Scottish Executive 1999, 1). This preceded a series of further *Transport Corridor Studies*, which were asked to develop ‘a long term, integrated approach to improving transport’. The studies reported back in 2001 and focused on the objective of reducing road congestion and increasing the efficiency of the Scottish roads network and, with it, the competitiveness of Scottish businesses. Such reports and the
Executive’s subsequent White Paper on Transport, Scotland’s Transport – Delivering Improvements (2002) reflected the desire to be seen, simultaneously, as both pro-business, in expanding the roads infrastructure, and pro-environment and social inclusion through the promotion of public transport projects. The report on Scotland’s most important road link, the M8 motorway, for example, argued that upgrading was required as its inferiority has been ‘a constraint to commercial development and the upgrade may potentially unlock surrounding sites for development’ (Knight Frank 2001, 2). Without an upgrade ‘manufacturing and electronics [will] continue to suffer’ (p. 5), along with a range of other industries and services.

The White Paper identifies congestion as the ‘overriding transport challenge’ and in September 2002 the Scottish Executive launched a £500 million spending package of transport proposals over the period 2003–2006, of which spending on motorways and trunk roads represented £68 million. This came on top of over £500 million committed to a range of road improvements since 1999. In some ways then road-building and upgrading has come to represent a key element of the Executive’s transport strategy and it is the business community that has played a key part in ensuring that the political legitimacy for these schemes has been given. For example, business interests have been at the forefront of debates over the completion of motorway links in and around Glasgow and Edinburgh. They have played a key role in the Making Complete Sense campaign which, according to policymakers, has become one of the most important lobbying organizations in Scotland. CBIS, the ASCC and other representative agencies such as the Road Haulage Association Scotland (RHAS) and Scottish Airports have mounted a concerted campaign in an attempt to change the direction of Scotland’s transport policies towards road-building and other infrastructure improvements such as the expansion of Scotland’s major airports. This has mobilized the business community into action, as pointed out, in interview, by the Chief Executive of the Road Haulage Association Scotland, Lead players included the CBIS’ Transport Committee, the RHAScotland, the Scottish Transport Policy Group (a significant transport business lobbying group) and the Glasgow and Scottish Chambers of Commerce. Without the concerted efforts of the business community the scheme would not have proceeded in its present form. Indeed, the scheme has been promoted by the local authorities, development agencies and others for over 20 years, with no success. It is only with the coming of the Scottish Parliament and the development of new policy networks and agendas that such schemes have got the go-ahead. New networks have created a new focus for political pressure and reflexive working, which has enabled sections of the business community to have an impact on broader agendas.

Transport policy exemplifies the new ways in which Scottish business organizations are working in more coordinated ways in order to enhance the impact of their lobbying on policymaking processes. The SCDi, for example, has taken a lead role in coordinating the responses of the major business organizations, the Group of Five, over transport policy and has been at the forefront of a concerted campaign to bring business agendas to the attention of the Scottish Executive and others. Correspondence indicates that once again it is road-building that is put at the

Again, the broader politics of the UK is seen to be more business-oriented than that of the Scottish Parliament, something that businesses have tried to address.

At the heart of their campaigning has been the controversial construction of a new urban motorway, the M74, in Glasgow. Debates over the merits of the project had been on-going since the early 1980s, with strong opposition to the project both within the city and across the Scottish political community. Yet, the £250 million project has now been given the go-ahead and the business community, through its various campaigns, has played a key part in the policymaking process. A long-serving senior executive at Glasgow City Council, for example, commented, in interview, that,

the business lobby was decisive in the decision to go ahead [with the M74 completion]. They went to town campaigning for it and they were very astute in their use of media campaigns and indirect pressure on the Scottish Executive . . . . Previously it had been the local authority that had pushed for the project, with no result. But devolution brought a surge of lobbying, mainly from the business community, and this has produced results.

We see the London government moving on transport issues [following the publication of its 10 year plan in 2000] but up here transport isn’t given enough debating time or money, yet it is vital to the future of our companies and to Scotland’s competitiveness . . . . we, and others in the business community, have been at the forefront of campaigns to get roads built or improved – nowhere else in Europe has such a poor strategic roads infrastructure.
heart of the business transport agenda with the SCDI Chair, for example, calling on the Scottish Transport Minister to take account of the ways in which, ‘current transport policies, particularly with regard to roads, continue to affect business and the economy adversely’ (Wilson 2000, 1). It is pointed out that as you are aware, the vast majority of all goods moved in Scotland (by volume) go by road. Any deficiencies with the road system have a direct effect on business operations. (Wilson 2000, 1)

This lobbying and support from the business community has been of great political value to the Scottish Executive. In order to legitimate and justify controversial programmes, such as the M74, the Scottish Executive, along with Glasgow City Council and other agencies, have drawn on sections of the business community to present ‘legitimate’ and ‘objective’ perspectives on the need to fund the link. Many of the arguments put forward by politicians closely reflect those of the business community with Scottish Transport Minister, Sarah Boyack, for example, launching the scheme with the following rationale,

one of the most important reasons for building the M74 extension is to ensure job security and job creation . . . without [it] 5,200 jobs may be at risk in the following years due to companies closing down or relocating elsewhere . . . and it is estimated that 800–1,600 new jobs will not be created. (Boyack 2002, 2)

Echoing the arguments of the CBIS and other business voices, she also went on to claim that,

Over the next 20 years Scotland’s economy is expected to grow by 40% and the West of Scotland accounts for over half of Scotland’s gross output. This will inevitably lead to increased demands on the roads of the West and thus it is important that congestion is tackled now. (Boyack 2002, 3)

Despite this influence, the priorities of transport policy in Scotland are dominated by the priorities of the Labour-dominated administration, for whom interests such as the business community represent allies in the justification and legitimation of particular programmes of government. Whilst the formation of new policymaking networks has created new spaces of influence for the business community and others, the selective involvement of business groups in particular debates is designed to enable the efficient operation and legitimation of policy as and where appropriate for policymakers. The direction of transport policy in Scotland has not, therefore, represented a one-way shift towards the construction of new trunk roads and other infrastructure that sections of the business community have been pushing for. Decisions over road-building projects, with the exception of the M74, have been made on the basis of political expediency. For instance, the major upgrading of roads in parts of Ayrshire and East Lothian is not being carried out on rational, cost-benefit grounds alone. Instead, projects are going ahead in politically marginal seats where they are relatively popular and there has been relatively little local protest. The broader political context within which transport planning is taking place also has a significant effect on the form and character of policy. There exists a long tradition of protest and contestation in many parts of Scotland over the expansion of the road network (see Routledge 1997). A number of transport lobbying groups, such as Transform Scotland and JAM 74, along with a large section of MSPs, have established a strong lobby of their own, focusing on the inability of road building to tackle congestion, which it is argued, is deliberately exaggerated by the roads lobby to legitimate its arguments. Amongst some sections of the business community there exists the perception that environmental groups have been more successful in influencing agendas. As one RHAS spokesman commented in interview,

It has been a challenge to educate policy makers up here. The Committees and other forums of debate have been dominated by lobby groups like environmentalists and others and we have sometimes found it difficult to get our messages across.

Similarly, the head of the Scottish Association for Public Transport argued in interview that transport agendas remained open for discussion and had not been dominated by business interests,

there is a real difference between perception and reality. The perception is that there is a move back to road building . . . with business groups and others leading the campaign. But in practice agendas are broadening out much more quickly. There is a new focus since devolution on new rail schemes, the possibilities for congestion charging in cities, new bus routes, that kind of thing . . . as there is so much pressures on MSPs coming from all sides.

The Transport White Paper does indeed signal a variety of objectives for policy of which road transport is only a part. Issues such as congestion charging and levies on car parking spaces for company employees have been prominent. Proposals such as these have been vigorously resisted by all the
main business organizations who claim that it would reduce employment and investment (see CBIS 2000). Moreover, the Scottish Executive has sought to shift the responsibility for the effectiveness of transport policy onto the business community by, for example, promoting the concept of sustainability and arguing that 'all sectors of Scottish society – including business – need to be involved in the debate on how sustainable development is taken forward in Scotland' (Scottish Executive 2002, 1). The discourses of transport policy are shifting in a number of directions and for the business community inclusion and influence may be increasingly hard to sustain and develop.

What this section has demonstrated is that businesses have been highly politicized and organized on policy matters such as transport since 1997. Sections of the business community have engaged in new institutional structures and policymaking networks in an attempt to shape the discourses and practices of policy. In organizational terms, both big and small organizations have changed their structures and strategies as new networks and perceived opportunities emerge. New relationships have been formed with policymakers at different levels. However, there have been a range of influences on transport policy and despite the new Scottish focus that business interests have taken, their ability to influence agendas has been circumscribed. As the case of the M74 extension in Glasgow indicates, when business agendas have been mobilized and activated, they are only identified and used in the pursuit of broader government strategies and agendas. In other policy territories, their concerns are given less significance, with other interests or political factors overriding.

Conclusions

This paper has used a Foucauldian, governmentality framework to assess some of the emerging discourses and practices of devolution in the UK. It has examined the ways in which governmentalist techniques have been developed that seek to define and construct particular subjectivities to facilitate the wider legitimation and effectiveness of policy agendas. A governmentality approach gives new insights into the relationships between space, power and subjectivities. It relates to boundaries, territories, attachments to place, the spatial demarcation of areas of action and the organizational capacities of the state, all of which are integral to geographical study. The paper has used the case of devolution in Scotland, and business communities in particular, to examine these processes in practice.

There have been concerted attempts to governmentalize, define and mobilize the business community as agents in the governance of Scotland. Institutionalizing and placating business agendas has been a central part of the discourses of devolution. New platforms have been established in and through which new subjectivities, built around the concept of a reinvigorated Scottish nation within a strengthened United Kingdom, are created and used to legitimate and enhance the effectiveness of policy. In Rose’s (1999) terms, there has been an attempt to reframe political thought, invest percepts with affects and change the mentalities of the subjects to be governed. There is evidence that this is beginning to take place with broader political discourses in Scotland becoming increasingly ‘Scottish-centred’ and business concerns increasingly articulated at the Scottish level.

There has been a tendency in governmentality-based studies to characterize government programmes as logical and coherent, thereby circumscribing the capacities of subjects to challenge, contest and modify their contexts of governance. Structures are often seen as barriers to agency, rather than constructs actively reproduced by the actions of agents (see Giddens 1995). There has been a tendency to neglect the extent to which programmes of government are internalized and translated by target communities. Yet, as this study suggests, in practice government agendas are far from totalizing. They are contradictory, contested and influenced by the actions of subjects who respond to government agendas in a variety of ways. The example of business communities has been used to document the ways in which governments attempt to governmentalize particular interests and the ways in which those interests respond by developing their own agendas, techniques and practices to shape the discursive terrains of policymaking. It has shown that since devolution Scottish identities and awareness are playing a bigger role in the organization, agendas and identities of business organizations. These new subjectivities have gone hand in hand with a broader politicization of the Scottish business community and, in some sectors, the emergence of (re)articulated policy agendas. However, for some the new arrangements have been, in the main, unsuccessful and damaging to their political interests and economic competitiveness. Such businesses have sought to challenge the legitimacy of new agendas and have been highly critical of
the new arrangements. Governmentalization has, therefore, been a partial process, something that empirical analysis can draw attention to and explain.

The paper has also argued that devolution can be characterized as a programme of government that seeks to develop new relationships between civil society and the state. It is a part of New Labour’s broader agendas of change that focus on creating, empowered subjects who take on a greater responsibility for their own governance (see Rose 2000). By creating devolved polities, New Labour has sought to tap into existing and latent regionalist or national-ist identities and subjectivities and use these as a way of re-legitimizing the New Labour administration and, more broadly, the integrity of the United Kingdom as a whole (Nairn 2000). Policy communities have become both the subjects and objects of policy agendas. They represent both the problem to be addressed and, simultaneously, the source of policy solutions. For example, the low competitiveness of the Scottish business community is construed as a problem brought into relief by devolution, at the same time as devolution represents an opportunity for the business community to change its ways and become more focused, interactive and competitive.

A governmentalist approach is, therefore, a powerful conceptual mechanism for identifying and examining the processes involved in the (re)structuring of socio-spatial relations of power. It facilitates a broader understanding of the rationales, techniques and practices of government and its links with other sections of society. Further research on devolution could, for instance, adopt such a framework to examine other aspects of the relationships between power, space and identity. It could examine questions of how devolution processes are taking shape and the ways in which particular subjectivities are being actively created and mobilized. An assessment could also be made of the processes in and through which particular interests and communities internalize, inculcate and challenge designated subjectivities. The possibilities for empowerment and resistance are always present in such arrangements and studies can demonstrate the ways in which a variety of interests can use (dialectical) governmentalist processes to further their own ends.

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Notes

1 For example, Fyfe’s (1998) work on the securitization of public spaces draws on a range of Foucauldian concepts relating to the conduct of conduct. Likewise, other studies have begun to emerge such as Mackinnon’s (2000) discussion of enterprise policy in Scotland and Murdoch’s (2000) work on planning regimes in the South of England.

2 Advanced liberalism refers to the types of discourses and rationalities of government that have emerged in countries such as Britain and the United States over the last two to three decades. These include the marketization of welfare services; the growth of rationalities of auditing, accounting and consumerism; the fragmentation of collective forms of welfare and the reinvention of community; the emergence of strong, authoritarian, state-sanctioned discipline for deviant performance (see Dean 1999, 209).

3 The research involved 35 semi-structured interviews with business leaders, representatives from national (Scottish) business organizations, representatives of Scottish business organizations in the financial, construction and electronics industries, policymakers, politicians, community organizations and Trade Unions.

4 Business for Scotland is an organization that claims to represent Scottish businesses that argue for an independent Scotland. It was launched in April 1998, by businessmen who ‘support the SNP and Independence for Scotland’.

5 The identified sectors were: construction; defence; drinks and hospitality; electronics; engineering; finance; manufacturing; retail; small business; textiles; tourism; transport; and utilities.

6 The Pathfinder Report presents agendas which are, at times, contradictory in calling for a range of improvements to public infrastructure whilst demanding no tax increases and the deregulation of government controls, in areas such as land use planning. For example, the report highlights, ‘the strong view that the Scottish Parliament should not put Scottish business at a disadvantage by adopting financial or regulatory policies which put additional burdens on Scottish business and make them less competitive in the global marketplace . . . Differences in tax rates would put Scottish business at a com- petition disadvantage from the rest of the UK and could result in a migration of HQs to more attractive environments’ (p. 4). Particular imaginations of open trade, market deregulation and (international) territorial competition are called upon to justify new agendas
for the Parliament. This is despite the relatively weak export base within the Scottish economy and the overwhelming importance of domestic markets to business competitiveness. To a greater extent than other interests, businesses seek to elide their interests with those of society more generally. Demands are made to make Scottish society more business-like – adopting the mentalities and practices of the business community to further Scotland’s place in a global economic environment.

Scottish Enterprise is an organization that promotes economic development in Scotland. It was founded in 1991 as a replacement for the Scottish Development Agency and acts as a quango to develop and enforce enterprise policy across Scotland.

See Routledge (1996) for a broader discussion of the politics of road-building in the West of Scotland.

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