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The focus of this book

Michiel S. de Vries and Juraj Nemec

1. Introduction

Are the underlying ideas behind New Public Management (NPM) forgotten? Many scholars of Public Administration have argued that other paradigms such as those of (good or sound) governance, the Neo-Weberian State, public value pragmatism and public service motivation have replaced, until recently dominant, the idea of NPM. This book investigates whether these ideas are reflected in the real world of Public Administration or are mere wishful thinking.

That NPM has lost ground has been argued before. Already in 1998, Lynn told us that “[m]ost of us could write the New Public Management’s post mortem now” (Lynn, 1998, p. 231). In 2004, Pollitt and Bouckaert pointed to the inevitable reaction to NPM-based reforms because after a period of NPM-based reforms, reactions to the norms and values on which these reforms were built are to be expected (Pollitt and Bouckaert, 2004). Simultaneously Pollitt (2003) acknowledged that NPM is not over. Olsen in 2006 wrote an article with a title which leaves very little to our imagination: “Maybe it is Time to Rediscover Bureaucracy?” (Olsen, 2006). In the same year, Dunleavy proclaimed that NPM was indeed dead (Christensen & Laegreid, 2007, p. 1). Orozco (2009) argued that NPM is based on neo-liberalism and owed its development to this doctrine. In his opinion, the end of NPM is visible with the exhaustion of neo-liberalism. Roger Levy (2010) calls NPM arguably as much a casualty of the global economic crisis as are the markets and market mechanisms which underpin it. Some talk about post NPM (Christensen & Laegreid, 2007; Olsen, 2008) others argue for the emergence of the New Weberian State (Drechsler, 2005). This idea is seen in Drechsler’s publication of 2005 under the expressive title: “The Rise and Demise of New Public Management”. There the author states “I would say that in PA: in 1995 it was still possible to believe in NPM, although there were the first strong and substantial critiques. In 2000, NPM was on the defensive, as empirical findings spoke clearly against it as well; in 2005 NPM is not a viable concept anymore”. However, he immediately adds that “Yet in many areas both of scholarship and of the world as well as in policy, NPM is very much alive and kicking”. Lapsley noted that there is evidence that, over the period from 1999 to 2009, New Labour policy advisors in the UK translated NPM into modernization (Lapsley, 2010, p. 8). Still others spoke of the upcoming Public Value pragmatism and the new paradigm on Good Governance, emphasizing the increased recognition and need for the quality of the public sector to be improved instead of its efficiency.

Notwithstanding the enormous increase in theory-building around governance seen in recent scholarly publications and the relative decrease of scholarly publications regarding developments related to NPM in the practice of public administration all over the world, the ideas behind NPM in such systems might still be very much alive. Even though they are nowadays translated into different tools, the ideas about their functionality and ability to deliver results might still be valid.

This book investigates the degree to which processes of public administration systems and reform are still influenced by recommendations flowing from the NPM tradition.

Firstly, it aims to provide an account of Public Administration reform processes and the role of NPM at the end of the first decade of the 21st century. Secondly, it provides indications of the nature of

the changes taking place in public administration in different parts of the world and the commonalities therein.

The contents of the chapters in this book are based on research presented by major scholars from all over the world who attended the IIAS/IASIA conference held in Bali, Indonesia, in the summer of 2010. The IIAS and IASIA are worldwide organizations in Public Administration which have existed for 80 and 50 years respectively. The former organization is constituted by State members and the latter has as its members, schools of administration. Once every three years, a combined conference is organized in which scholars and practitioners from all over the world meet to discuss the main developments taking place in public administration in their home country or in the case of comparative studies, their region, as well as presenting their research on those developments. The interesting thing is that the research presented during that conference did not focus on already well-investigated countries such as the USA and UK, of which the developments in Public Administration reform are already well-known. Instead, the investigations in this volume comprise studies not only of European countries, but also of major Asian, African and Latin-American countries, that is to say, countries about which much less is known regarding the developments in Public Administration reform.

Some of the best and most illustrative studies on such countries are assembled in this volume. They provide the reader with a remarkable overview of what is actually happening in countries all over the world. More importantly, the chapters provide ample information to find answers to the questions posed above: What has remained of NPM and what is the role of NPM tools in public administration today?

2. What is characteristic of NPM?

Before that overview of research is presented, it is necessary to frame it within the context of our research question. This implies that it is necessary first to state the main characteristics of New Public Management and the main ideas about its successors. In this regard, it is customary to refer to the landmark book by Osborne & Gaebler, of 1992, who wished to reinvent US Government in order for it to work better and cost less. Their ideas on New Public Management were summarized in Denhart (2004, pp. 136 ff) under ten principles: Government under NPM should be catalytic (steering rather than rowing), community-owned (empowering rather than serving); competitive (by injecting competition into service delivery), mission-driven instead of rule-driven, results-oriented, customer-driven, enterprising, anticipatory, decentralized and market-oriented. This view of the public sector is based on a very critical attitude towards it. There is no way out and no matter what one does, the public sector will inevitably perform worse than the market sector. Therefore, leave the rowing to those organizations that know how to deliver services, i.e. the free market. The neo-liberal roots of NPM tell us that society would be better off if the public sector as such were to be downsized and the number of public officials decreased by privatization and economic liberalization (see Gore 2000; Brinkerhoff, 2008, p. 986).

At approximately the same time, Hood (1991, 1995) identified as typical for New Public Management – as it developed in the UK – elements such as hands-on management, performance measures, emphasis on output and controls to ensure that objectives are met, disaggregation of, and competition within, the public sector, copying private sector management styles and input discipline (Hood, 1991, 1995).

According to Hood, NPM does not see the performance of the public sector as something hopeless, but rather as something to be improved, which could be done if it were to act like the market sector, i.e., if it were more product instead of function-oriented, if internally it were merit-based and careers

were organized on a professional instead of a formal-legal basis, if management-objectives were to prevail over legal arrangements, if mobility were to increase and flexible work contracts replaced seniority principles, if the bureaucratic ethos were to disappear and the emphasis be placed on the quality of service delivery and e-Government (cf. Gualmini, 2007).

These two concepts of the internal and external workings of Government, with which NPM is associated, have, despite their common denominator in the market ideology, a rather different focus. Whereas Osborne and Gaebler wanted primarily to improve the way Government works vis-à-vis society, which would, in their view, only be possible if the public sector were to withdraw and leave service delivery to the private sector, Hood emphasized the meaning of NPM as a set of recommendations for making the public sector better organized and managed internally. (Re-)reading both oft-cited publications and with the benefit of hindsight, one can see that NPM became the heading for two related, but simultaneously rather different, streams of reform: one, aimed at improving the quality of the public service delivery on behalf of its customers and the other, emphasizing the need to downsize the public service, because in neo-liberal terms, there is no way out for the public sector but to leave everything to the private sector.

The internal and external workings of the public sector make an important, albeit somewhat neglected distinction between two dimensions of New Public Management. Important, because as the remainder of this volume will argue, the direction of the development of Public Administration reform differs in both dimensions and whereas the ideas of NPM might have become less dominant in one dimension, this is not necessarily the case with respect to the other dimension.

3. Is NPM in decline?

This brings us to the major research question from which this book departs: Is NPM in decline, dead, demised, to be forgotten and not to be taken seriously anymore, or is it still alive and kicking? If NPM's impact has declined, what came in its place? Many scholars have tried to answer this question and this section gives a brief overview of the alternative answers.

First of all, some have argued that, comparatively speaking, there has never been a uniform adaptation of NPM principles. König argued already, in 1997, that public management reform is, first of all, a national matter. Polidano (1999, p. 4) argued similarly that "while many developing countries have taken up elements of the NPM agenda, they have not adopted anything close to the entire package; and they are simultaneously undertaking reforms that are unrelated or even contrary to that agenda". Ferlie, Lynn and Pollitt argued likewise in 2005 that "each country makes its own translation or adaptation" (Ferlie, Lynn and Pollitt, 2005, p. 721) and Kickert concluded in 2008 that old and new traditions are often combined in such reforms. This is also visible in recent research on developments in Central and Eastern Europe (Bouckaert et al., 2009). As Nemec argued in 2011, the variance in the nature of such reforms and their effectiveness might well be a consequence of varying (extreme) territorial administrative fragmentation in the public sector in countries; the variance in the level of established competition in the market sector; the varying quality of the state of law; the existence of an institutionalized administration in the Weberian tradition (cf. Peters, 2001, p. 176) and the varying extent to which the Public Administration suffers from corruption. In this regard, one can also refer to Drechsler who noted, already in 2001, that "NPM is particularly bad if pushed upon transition and development countries, because if it can make any sense, then it is only in an environment of a well-functioning democratic administrative tradition" (Drechsler, 2005, p. 101). The same was argued by Schick stating back in 1998 that "The greater the shortcomings in a country's established management practices, the less suitable are the [NPM] reforms" (Schick, 1998, p. 124).

Notwithstanding specific national mixtures, the argument that the impact of NPM has never been significant is, however, given the numerous case-studies on many countries in the developed and developing world, hardly tenable (cf. Peters, 1998; Johnson & Romzek, 1999; Behn, 2003; Haque, 1998; Laughlin and Pallot, 1998; Luder, 1998; Bouckaert & Pollitt, 2004; Powell & de Vries, 2011). To quote Manning (2001), "It [NPM] has undoubtedly left its mark" (p. 310).

The second view on recent reforms in the public sector is that NPM-related reforms have not been replaced by completely different reform directions, but have rather been supplemented by additional reform paths leading to more or less complex mixtures of public management reforms. Such mixtures were, for instance, reported for Norway. In 2006, Christensen and Laegreid reported that reform in Norway had become more complex in the previous decade. Apart from NPM related reforms, such as management by objectives, devolution and the use of market tools, they witnessed more attention to cultural management tools seen in knowledge-based management and ethical guidelines and team-based management. They conclude (p. 20) that "The main picture is increased complexity. New reform tools have been added to existing measures. What we see is more supplementary reforms rather than a process in which post-NPM reforms are replacing NPM reforms". Laegreid, Verhoest and Jann argued in 2008 (p. 94) that: "Over the past decade, a second generation of administrative reforms with a post-NPM 'flavour' has emerged and supplemented the NPM reforms. Yet it remains unclear how the recently implemented post-NPM reforms – e.g., those focusing on whole-of-Government issues, joined-up Government, horizontal coordination, reassertion of the centre, culture and value-based management – have affected the autonomy and control of public organizations".

The third view, which is becoming increasingly popular in Public Administration, is that NPM-oriented reforms have been replaced by reforms of a rather different nature. This is seen in the theories on the Neo-Weberian State (Pollitt, Drechsler), theories on reforms moving towards a so-called developmental state, and theories on reforms to achieve something like 'good governance' (Kettl, 2002; Van Kersbergen & Van Waarden, 2004) and/or 'network Government' (Bourgon) and reforms aimed at Public Value pragmatism.

In these trends, the varying focus on both the internal and external dimension of NPM is reflected. For instance, characteristic of the emergence of the Neo Weberian State is, according to Drechsler (pp. 99-100), the combination of Weberian elements such as the reaffirmation of the role of the State as the main facilitator of solutions to new problems, of representative democracy as the legitimizing element within the State apparatus and of administrative law in preserving the basic principles pertaining to the citizen-state relationship and the preservation of the idea of a public service with a distinct status, culture, and terms and conditions, with "Neo" elements such as the shift from an internal orientation towards bureaucratic rules in the direction of an external orientation towards meeting citizens' needs and wishes, consultation with and direct representation of citizens' views, a modernization of the relevant laws to encourage greater orientation towards the achievement of results rather than merely the correct following of procedure, and a professionalization of the public service. In Drechsler's view, there is a distinction to be made between trends in the external workings of Government, in which a shift is noticed, and in the internal workings, in which NPM elements would still be visible.

The same goes for ideas on the Developmental State. That there would be a tendency towards such a State is said to be especially furthered in countries not quite belonging to the developed countries but still much further along in their socio-economic development than low-income developing countries. The Developmental State is a State which is different from the neo-liberal State as well as from the all-encompassing State and this has primarily to do with its priorities. Bagchi sees the

Developmental State as a State that puts economic development as the top priority of governmental policy and is able to design effective instruments to promote this goal. The instruments would include the forging of new formal institutions, the weaving of formal and informal networks of collaboration between citizens and officials and the utilization of new opportunities for trade and profitable production. Castells argues that "The Developmental State establishes as its principle of legitimacy its ability to promote sustained development, understanding by development the steady high rates of economic growth and structural change in the productive system, both domestically and in its relationship to the international economy" (Castells, 1992, p. 55). Recently, Marwala (2009) described the Developmental State as different from the hollow State and the model of neo-liberalism, because of its emphasis on market share over profit, of economic nationalism over globalism, of protection of domestic industry over foreign direct investments, of technology transfer instead of capital transfer, of a capable State apparatus over privatization, of corporatism instead of the strict divide between public and private sector, of output legitimacy (effectiveness) over input legitimacy (efficiency) and of economic growth over political reform (Marwala, Tshilidzi, 2009).

Characteristic is an intertwinement of private and public money, an embeddedness of Government in the economy and society and the building of social capital in order to promote a willingness to invest in the building of institutions that further economic development and to devote resources to improving social and living conditions (education, health, sanitation etc.). Hence, the Developmental State model is not so much about making money as, primarily, about making progress. One needs a strong (hard) State (as opposed to the soft State) which in cooperation with, but if necessary without, the market, takes care of the socially needed institutions. The idea being that the process of economic development is "first and foremost to be seen as a process of expanding the capabilities of people" (whole phrase from Tshishonga & de Vries, 2011).

As to ideas of good governance, these are based on the (re-)emerging notion of scholars and international organizations, that Government should do what it is supposed to do, that is at least to create security, protect property rights, reduce societal problems and take back its leading role in controlling and steering societal developments in at least these regards (See, for instance, the recent literature on failed States and nation-building). However, scholars promoting good governance still seem to agree with Ella Fitzgerald that "It's Not What You Do It's the Way That You Do It". The way governments conduct their business can be good or bad and that is what makes the difference according to many scholars (see a/o Kaufmann). Kettle argues that governance is about the links between Government and its broader environment and governments' changing role in society. Governance in this way is interpreted as a shift in the conduct of Government.

Governments should act according to the criteria of good governance. The UNDP sees five good governance principles, namely legitimacy and voice (including participation and consensus orientation), direction (including strategic vision) performance (including responsiveness, effectiveness and efficiency) accountability (including transparency) and fairness (including equity and rule of law). The World Bank has given six dimensions to the concept, namely: Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption (FAQs provided by World Bank) and the EU sees as characteristic for Good Governance, a Government's reliability, predictability, coherence; its openness and transparency; its accountability and responsibility; its professionalism; the extent of participation; and its effectiveness.

If Government were to proceed in this way and improve itself as much as possible within these dimensions, this is supposed to be sufficient to eradicate societal problems.

Since 1995, many aspects and dimensions have been added to the concept of governance. In this sense the concept has become 'slippery' (Kettl, 2002, p. 119). How slippery can, among others, be seen in the much-quoted article by Van Kersbergen and Van Waarden, who depicted the study in Governance as "a veritable growth industry" although also as a possible bridge between disciplines.

On the basis of the above, one can hypothesize that reforms in the public sector are nowadays of a very different nature from say, ten to twenty years ago. Different from the basic principles of NPM or at least no longer solely dominated by this paradigm. Nevertheless, it is difficult to tell beforehand what the commonalities in present-day reforms in the public sector are. The subsequent chapters address this issue and provide an overview of what is really going on, what trends are visible and what explanations can be given.