

To participants in the seminar in moral, political, and legal theory

As I age, I have less faith and less interest in making abstract philosophical arguments. I am drawn more to performing and narrating those arguments. So, despite superficial appearances to the contrary, my work on governance is motivated by philosophical interests and commitments. In case you are more like my younger self, though, I thought it might promote discussion if I made explicit some of the theoretical claims that are enacted and/or implied by this paper.

1. Philosophers should spend less time on abstract arguments and more time telling stories. I'd defend that claim not only in terms of rhetorical efficacy but also by a meta-ethic according to which moral intuitions are less stable than facts and require a historical story to justify them.
2. Social science makes the world at least as much as it describes or explains it. So, even when a social theory captures facts, it can be a mere self-fulfilling prophecy.
3. Modernist social science is philosophically flawed, and there is a tension between the flawed explanations of social science and the principles of deliberative democratic theory. Much of the "empirical turn" in deliberative democracy verges on being theoretically incoherent.
4. Genealogy is not inherently critical. Although the genealogy in the first part of my paper could be parsed as a critique, the main critical work is done by the section on resistance.
5. Much of the governmentality literature is philosophically flawed. It neglects agency and treats patterns as if they explain instances of themselves. It thus depends covertly on functionalism.
6. We live in a post-neoliberal world, not a neoliberal one. Policymakers draw less on neoclassical economics than on mid-level social science. Critical theorists get around this problem only by offering caricatures of neoliberalism and (cf. point 5) replacing genealogy with reifications.

Thanks for reading the paper. I look forward to discussing it with you.

Best,  
Mark

## **A New Governance: Hierarchies, Markets, and Networks, cc. 1979-2010**

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## Abstract

When governance refers to changes in the state, it surely captures one of the major trends of recent times. Many social scientists, especially those who work on public administration and local government, argue that the leading forms of public organization and action have shifted from hierarchic bureaucracies to markets and networks. Debates rage about the extent of this shift: bureaucratic hierarchies clearly remain widespread and arguably the most common forms of government. It is clear, however, that successive governments have introduced wave after wave of public sector reform in their attempt to promote markets, contracting-out, networks, and joined-up government. This paper focuses initially on the intellectual sources of the transformation of the state and its relation to civil society, highlighting the role of modernist social science, with its reliance on formal explanations based on either economic models or sociological correlations. So, modernist social science informed the main narratives of the crisis of the administrative and welfare state in the 1970s and modernist social science also inspired the two waves of public sector reform that responded to this crisis. In Britain, the first wave of reform was most prominent under Thatcherism, at which time an economic modernism inspired marketization and the new public management. The second wave of reform was most prominent under New Labour, at which time a sociological modernism inspired joined-up governance and networks. The second half of the paper shifts the focus from the sources of the reforms to their impact on practices. It relies on a series of short ethnographic stories to illustrate some of the complex ways in which public servants now juggle the competing demands of bureaucracies, markets, and networks.

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It is clear at least that successive governments have introduced wave after wave of public sector reform in their attempt to promote markets, contracting-out, networks, and joined-up government in place of hierarchic bureaucracy. This paper focuses initially on the intellectual sources of the transformation of the state and its relation to civil society. It highlights the role played in this transformation by modernist social science, with its reliance on formal explanations based on economic models or sociological correlations. Modernist social science informed the main narratives of the crisis of the administrative and welfare state in the 1970s. Modernist social science also inspired the two waves of public sector reform that responded to this crisis. In Britain, the first wave of reform was most prominent under Thatcherism, at which time an economic modernism inspired marketization and the new public management. The second wave of reform was most

prominent under New Labour, at which time a sociological modernism inspired joined-up governance and networks.

The second half of the paper shifts the focus from the sources of the reforms to their impact on practices. Although modernist social science often suggests that reforms will work predictably and so more or less as policymakers, real practices of governance are constructed not just by policymakers but also by the actions of numerous individuals involved in the implementation of policy. Civil servants at various levels, as well as the citizens who are the targets of policies, resist the modernist intentions of policymakers, complicating the way governance works on the ground. This paper relies on a series of short ethnographic stories to illustrate some of the complex ways in which public servants now juggle the competing demands of bureaucracies, markets, and networks.

### **A Genealogy of Governance**

In the late nineteenth century, social science was dominated by a developmental historicism that inspired grand narratives centered on the nation, the state, and freedom. Developmental historicism appealed to narratives that situated events and institutions in a larger order of evolving continuity. Examples include Whig history, idealist philosophy, and evolutionary theorizing. The most significant feature of twentieth century social science was, in sharp contrast, the emergence of modernist modes of knowledge that atomize the flux of reality. Table 1 provides an overview.

Table 1: The rise and varieties of modernism

	<u>Developmental historicism</u>	<u>Modernism</u>	
		<u>Government</u>	<u>The new governance</u>
<u>Concept of rationality</u>	Civilizational	Economic and sociological	New theories of governance - rational choice and new institutionalism
<u>State formation</u>	Nation and/or Imperial state	Corporate and/or welfare state	Neoliberal and/or network state
<u>Public sector</u>	Civil service	Bureaucracy	New worlds of governance – markets and networks
<u>Mode of accountability</u>	Responsible government	Procedural accountability	Performance accountability

The modernist break with developmental historicism had formal and substantive aspects.<sup>1</sup> In formal terms, modernists turned from historical narratives to formal models, correlations, and classifications that held across time and place. They explained outcomes by reference to psychological types, functional requirements of systems, a general human rationality, and ahistorical mechanisms and processes. In substantive terms, modernism overlapped with new emerging topics, including political parties, interest groups, and policy networks. The substantive and formal aspects of modernism often reinforced one another: the new techniques made it easier to study some of the new topics, and the new topics appeared to require new techniques for gathering and arranging data.

Modernist social science is dominated by two strands. Although the two strands of modernism contrast with developmental historicism, they instantiate different formal and ahistorical concepts of rationality associated with different forms of explanation and so different analyses of governance. On the one hand, the economic concept of rationality privileges utility maximization; it arose with neoclassical theory and spread to rational choice. On the other, the sociological concept of rationality privileges appropriateness in relation to social norms; it arose with functionalism and spread to network theory and communitarianism.

The economic concept of rationality found in neoclassical theory has a distinctive history. For much of the nineteenth century, economists merged analyses pioneered by Adam Smith with organic and historical themes. Neoclassical economics established its dominance only as developmental historicism gave way to modernism. Even then it did not obliterate other traditions. Historical and institutional economics continued to thrive, especially on the European continent where economists remained divided about the relevance of utility theory as late as the 1930s.<sup>2</sup> Nonetheless, the spread of modernism saw diachronic narratives of the development of economies, states, and civilizations give way to synchronic models and somewhat later rational choice theory.<sup>3</sup>

Neoclassical economics instantiates a concept of rationality suited to modernist emphases on atomization, deduction, and synchronic analyses. Economic rationality is a property of individual decisions and actions; it is not tied to norms, practices, or societies save in so far as these are judged effective or ineffective ways of aggregating individual choices. In addition, economic rationality is postulated as an axiom on the basis of which to construct deductive models; it is not deployed as a principle by which to interpret facts

discovered through inductive empirical research. Finally, the models derived from the axioms of economic rationality are applied to general patterns irrespective of time and space; they do not trace the particular evolution of individuals, practices, or societies. A modernist view of knowledge set the scene for the economic concept of rationality, but the concept acquired its content from utility-maximization. In neoclassical economics, individuals act in order to maximize their personal utility, where utility is defined as a measure of the satisfaction gained from a commodity or other outcome.

The most prominent alternatives to the economic concept of rationality are a cluster of sociological ones, all of which replace instrumentality with appropriateness. Sociological rationality is about acting in accord with appropriate social norms to fulfill established roles in systems, processes, institutions, or practices. Some sociologists, including Emile Durkheim and Pierre Bourdieu, argue that even modern individuals are best conceived not as instrumental actors but as followers of social norms and roles. Others, including Max Weber and Herbert Marcuse, express fears about the spread of selfish, acquisitive, and instrumental norms in modern societies. These two strands of modernist sociology can come together in broad condemnations of modernity, capitalism, or consumerism for spreading selfish and instrumental norms that wreck older forms of solidarity and community.

It is worth noting that these sociological traditions with their alternative concepts of rationality date, like neoclassical economics, from the broad intellectual shift away from developmental historicism toward modernism with its emphasis on synchronic analyses. The commonalities of the economic and sociological concepts of rationality are just as important as their differences. Modernist economists and modernist sociologists



compartmentalize aspects of social life so as to manage and explain facts. They seek to make sense of the particular not by locating it in a temporal narrative but by reducing it to formal mid-level or universal generalizations that allegedly hold across time and space. Sociologists might eschew deductive models, but they too reject narratives, preferring formal classifications, correlations, functions, systems, and ideal types. Although we can find functionalist themes in nineteenth century thinkers, formal sociological forms of explanation flourished only with the rise of modernism; it was Durkheim and Bronislaw Malinowski, not Auguste Comte and Herbert Spencer, who distinguished functional explanations that refer to the synchronic role of an object in a system or social order (a type of explanation they considered to be scientific) from both the psychological question of motivation and the historical question of origins.

The shift from developmental historicism to modernism altered the concept and nature of the state.<sup>4</sup> As modernists rejected historical narratives, so they challenged the concept of the state as arising out of a nation bound together by a common language, culture, and past. Modernists turned instead to formal patterns, regularities, or models of action and institutions across space and time. Again, when modernists turned away from a substantive focus on the state toward topics such as political parties, interest groups, and policy networks, these sub-state institutions were then studied in terms of laws or regularities derived, for example, from their functions in abstract systems. Even when modernists continued to study the state, they increasingly portrayed it as fragmented into factional interests associated with different classes or parties.

Modernism challenged the idea that representative democracy was a way of electing and holding to account politicians who would act in accord with the common

good of a pre-political nation. Representative democracy was thus in danger of losing much of its legitimacy. However, modernist modes of knowledge opened up new ways of making and legitimating public policy in representative democracies. Modernist social science inspired a new belief in formal expertise. Public policy could be legitimate if it were based on the formal knowledge of modernist social science. Elected representatives no longer need express a national character and common good. They could define policy goals and check the activity of experts. Social scientists, professionals, and generalist civil servants would use their expertise to devise rational scientific policies in accord with these goals. Modernist social science thus helped to create the conditions for the administrative state.

One important justification for the creation and expansion of increasingly insulated and centralized bureaucracies was that they cured the abuses and irrationalities in democratic processes. Modernist social scientists, such as Mosei Ostrogrorski, Graham Wallas, and W. F. Willoughby, wrote of the factionalism, propaganda, and financial extravagances to which democratic governments were prone. Many believed an insulated and centralized bureaucracy could preserve democracy while removing its worst features – instability, irrationality, and sectarianism – from the day-to-day activities of governing. Corporatism and the welfare state were meant to overcome factionalism and irrationality. Under corporatism, the bureaucracy reached out to organized interests.<sup>5</sup> The corporatist state gave particular associations a privileged status as the representatives of social and economic groups. The privileged associations were involved in the formulation of public policy, and in return those associations helped to ensure the effective implementation of the policies. The bureaucracy also reached out to individual citizens, assuming greater

responsibility for their welfare.<sup>6</sup> The welfare state took control of the individual's health, education, pension, and unemployment insurance.

Governance arose out of a crisis in the modernist state. Over-simplifications will abound in any attempt to differentiate the plethora of ideas that fed into narratives about the crisis of the state in the late twentieth century. Nonetheless, one way of approaching these narratives is as the products of different modernist theories. Some narratives of the crisis of the state challenged bureaucracy, corporatism, and social welfare by drawing on the economic concept of rationality. Neoclassical micro-level assumptions informed, for example, narratives that tried to show fiscal crises were a pathology built into the welfare state. These narratives went as follows.<sup>7</sup> Citizens, being rational actors, try to maximize their short-term interests, privileging welfare policies that are of benefit to them as individuals over the long-term, cumulative, and shared effects of rising state expenditure. Similarly, politicians, being rational actors, try to maximize their short-term electoral interests, promoting policies that will gain the votes of these rational citizens rather than pursuing fiscal responsibility. Narrow political considerations thereby trump economic imperatives. Groups of voters demand more and more welfare benefits, and politicians constantly pass welfare legislation on behalf of these voters. A growing proportion of the national product goes on welfare, making fiscal crises inevitable. These narratives of state overload and state crisis pointed to a clear solution – fiscal austerity, monetary control, and a rolling-back of the state.

Other narratives of the crisis of the state drew on more sociological analyses of changes in the world.<sup>8</sup> These narratives implied that the state had to change in response to international and domestic pressures. Internationally, the increased mobility of capital

made it more difficult for states to direct economic activity. The state could not go it alone, but rather had to pursue coordination and regulation across borders. Industries that had operated in the domain of the state became increasingly transnational in their activities. The increasing number and prominence of transnational corporations raised problems of coordination and questions of jurisdiction. There was a gap between the national operation of regulatory structures and an increasingly international economy. Domestically, the state confronted the rising demands of its citizens. These demands arose from popular discontent with the state's handling of the economy and its apparent unresponsiveness. Many states were saddled with large debts. Globalization provoked anxieties about competitiveness and wages. Sections of the public worried that the state had lost control. Equally, state-actors often found they were subject to varied and even contradictory demands from the public. Voters wanted better services and lower taxes. They wanted a more effective state but also a more transparent and accountable one. They wanted decisive leaders and yet more popular participation.

The new governance consists of the interconnected theories and reforms by which people conceived of the crisis of the state and responded to it. These theories and reforms rejected the expertise associated with the post-War state. However, instead of challenging the idea of applying modernist expertise to social life, policy actors turned to alternative modernist modes of knowing to sustain new forms of expertise. Governance then rose in two analytically distinct waves of public sector reform. The first wave of reforms echoed an economic concept of rationality; neoliberalism promoted the new public management and contracting-out. The second wave echoed a sociological concept of rationality; the Third Way promoted joined-up governance, networks, and partnerships.

A first wave of reforms drew on public dissatisfaction with bureaucracy, and also on neoliberalism and rational choice theory, both of which explained and legitimated this dissatisfaction. Neoliberals compared the state's top-down, hierarchical mode of organization with the decentralized, competitive structure of the market. They argued that the market was superior. They concluded that when possible markets or quasi-markets should replace bureaucracy. A quest for efficiency led them to call on the state to transfer organizations and activities to the private sector. Organizations could be transferred by privatization, that is, the transfer of state assets to the private sector through flotations or management buy-outs. Activities could be transferred by means of contracting-out, that is, the state could pay a private sector organization to undertake tasks on its behalf.

Most neoliberals combined their faith in markets with a faith that the discipline of the market must somehow validate the management practices of the private sector. They redefined public officials as managers or service-providers, and they redefined citizens as consumers or service-users. More specifically, neoliberal reforms of the public sector often reflected formal analyses. Neoclassical economists first developed principal-agent theory to analyze the problem of delegated discretion in the private sector.<sup>9</sup> They argued that delegating decision-making from principals (shareholders) to agents (managers) is risky because the agents may act on their own interests. Economists proposed minimizing this risk by using incentives and market mechanisms to align the interests of the agents with those of the principals. In the public sector, the principals are the voters and their elected representatives while the agents are public officials. For rational choice theorists, therefore, as the basic problem of private sector corporations was to ensure managers acted on behalf of the shareholders, so the basic problem of public administration was to

ensure public officials work on behalf of citizens. Neoliberals extended to the public sector the incentives and market mechanisms that economists had devised to bring the interests of agents into alignment with those of their principals. The result was the new public management.<sup>10</sup>

Popular and neoliberal narratives combined with more formal analyses to produce a paradigm shift within modernism. The new paradigm denounced bureaucracy and public officials, and championed markets and entrepreneurs. It turned away from what was now derided as big government, bloated bureaucracy, and uniform solutions, and toward a private sector that was now lauded as competitive, efficient, and flexible. This paradigm shift was also one from institutional definitions of good government, which emphasized clear-cut divisions of responsibility within hierarchical relationships, toward new definitions of efficient processes defined in terms of service-delivery and outputs with an attendant emphasis on transparency, user-friendliness, and incentive structures.

When social scientists inspired by sociological theories of rationality studied neoliberal reforms of the public sector, they were often highly critical. They argued that the reforms exasperated problems of coordination and steering; they promoted networks and joined-up government.<sup>11</sup> Advocates of networks distinguish them from hierarchies as well as markets. Old institutionalists believed that hierarchies made it easier to tackle many social problems by dividing them into smaller tasks each of which could then be performed by a specialized unit. New institutionalists argue that this hierarchic approach to problem-solving no longer suits today's world. They claim that policy makers confront "wicked problems" that are not amenable to division and specialization; to solve today's problems requires networks.

The concept of a “wicked problem” rose as part of an amorphous mid-range social science associated with institutionalism, organization theory, and functionalism.<sup>12</sup> Social democratic governments then picked up and adopted it to counter the ideas and policies of neoliberals. Wicked problems are usually defined in terms such as: a problem of more or less unique nature; the lack of any definitive formulation of such a problem; the existence of multiple explanations for it; the absence of a test to decide the value of any response to it; all responses to it being better or worse rather than true or false; and each response to it has important consequences such that there is no real chance to learn by trial and error. Typically these features strongly imply that wicked problems are interrelated. For example, a particular wicked problem might be explained in terms of its relationship to others, or any response to it might impact others. Classic examples of wicked problems include pressing issues of governance such as security, environment, and urban blight.

Institutionalists usually accept neoliberal arguments about the inflexible and unresponsive nature of hierarchies, but instead of promoting markets, they appeal to networks as a suitably flexible and responsive alternative based on recognition that social actors operate in structured relationships. They argue that efficiency and effectiveness derive from stable relationships characterized by trust, social participation, and voluntary associations. In their view, while hierarchies can provide a context for trust and stability, the time for hierarchies has passed. Hierarchies do not suit the new knowledge-driven global economy. This new world increasingly throws up wicked problems that require networks and joined-up governance. A new institutionalism, with its sociological concept of rationality, thus inspired a second wave of reforms, including not only many of New

Labour's policies but also Australia's whole-of-government agenda, international attempts to deal with failed states, and post-9/11 security policy in the US.<sup>13</sup>

### Public Servants – Theory and Practice

Whether or not the rise of governance has led to more efficient and responsive public services, it certainly transforms the identity and role of public servants. Public servants find themselves juggling the roles and identities typically associated with old-style bureaucracy, the new public management, and a new public service. Table 2 provides a summary.

Table 2: Competing visions of public administration

	<u>Bureaucracy</u>	<u>New Public Management</u>	<u>New Public Service</u>
<u>Theoretical basis</u>	Old institutionalism	Neoclassical economics	Sociological institutionalism and democratic theory
<u>Public interest</u>	Defined politically and expressed in law	Aggregation of individual preferences	Product of dialogues in networks
<u>Citizens</u>	Constituents (electoral citizens)	Consumers	Citizens (in policy networks)
<u>The role of the state</u>	Rowing	Steering	Facilitating
<u>Organizational structure</u>	Bureaucracy with top-down authority	Small core contracting out tasks to independent bodies	Collaborative links between public and private bodies
<u>Mechanisms</u>	Administration and law	Markets and incentive structures	Diplomatic negotiation
<u>Discretion</u>	Limited: administrative rules	High: managers are free to manage to meet entrepreneurial goals	Moderate: flexibility within networks
<u>Accountability</u>	Hierarchical	Market-driven	Multi-faceted



The problem with most discussions of public servants under the new governance is that they rely on modernist assumptions to obscure the variety and contingency of governance. Modernist accounts of the new governance, and the role of public servants within it, typically imply that we can define the new governance by reference to one or more of its essential properties. They imply that these properties are general ones that characterise all cases of the new governance: we find governance in its contemporary guise if and only if we find a spread of networks. They also imply that these essential properties can explain at least the most significant other features of the new governance.

It is only modernist social science that makes these implications seem at all plausible. Really practices of governance are products of people's activity, and people's actions are not determined by institutional norms or a logic of modernisation but rather reflect their agency and intentionality. Really governance is constructed differently by numerous actors grappling with different issues in different contexts against the background of different traditions.

The new governance is not monolithic. On the contrary, part of the point of the term "governance" should be to provide a more diverse view of state authority and its exercise. From this perspective, public servants struggle – perhaps successfully but often not – to govern and steer other actors. Instead of looking for comprehensive accounts and explanations of the new governance, we might accept that it varies widely from case to case. The new governance is a complex policy environment in which an increasing range of actors forge various practices.

Again, public servants actively make their roles and identities by negotiating the often conflicting demands of hierarchic, market, and network approaches to organization. They make these roles in diverse and contingent ways. There is no better way to illustrate this point than with stories about particular public servants. The following abbreviated stories are based on interviews and ethnographic fieldwork.<sup>14</sup> I offer them as examples of some of the contingent ways in which public servants at all levels balance the demands that have arisen out of successive waves of public sector reform.

### The Permanent Secretary

Permanent secretaries sit at the top of a hierarchy where three main tasks come together: political advice to ministers, management of their departments and diplomacy or managing external relations. It is a singular combination. The job's ingredients define the generalist. Yet, since the late 1970s, civil servants have had to resolve the dilemmas that the new public management and the rise of networks pose for this tradition of the generalist. They had to adapt their traditions to the demand for greater efficiency and a reduced role for the state. The extracts that follow indicate how one permanent secretary navigated a career in an age of constant reform.

(i) Career

*You had this apprenticeship where you worked with a principal. There was a mentor as well: someone who looked after you because you were the elite. The personnel management was quite good. You were given tasks that were development tasks, which were highly supervised by senior people. So I suppose you learnt quite quickly. You were socialised into the idea of a profession, which*

*had things it stood for, and what the job was about, and what you were there to do.*

*The codes were of three kinds. There was a code about personal behaviour, so you know you've got to turn up on time and you have to be sober and so on. You have to understand the nature of what you were there to do and the values of the thing. The values were transmitted to you, by a process I couldn't now describe, of watching what went on and getting an idea of what was what and what was not what. Thirdly, you learned the limits to how you were expected to handle issues. A lot of it was done on paper, you know, they'd alter a draft and they would patiently explain to you what they wanted, and you'd say, 'shall we say this', and they'd say, 'not quite, say this'. So you'd realise that what you were being taught was that you were always operating within the framework of the acceptable.*

*(In 1979) I moved to be private secretary to the permanent secretary - Frank Cooper - where I spent 2½ years. This was a classic career move for a civil servant. This was a top job. You were sitting next door to the great man. You saw how he worked. You underpinned what he did. You were on the inside and you could see how top people worked.*

*The post (Permanent Secretary, Ministry of Defence, 1995-8) fell vacant and I was offered it. It was a big department, a massive job. If you are in charge of a big department, you are trying to give a sense of leadership to the whole department. You don't tend to get involved in those bits that are going well. So in a department like defence, the policy bit is a very well run organisation. I used to*

*leave them to get on with it. If it went wrong, or I thought it was going wrong, I would get involved. You spend a lot of time on broader civil service management, corporate issues across the whole service, and on people management, and financial management in the department. Your main role, in my view, is to say 'is what the department is doing coherent in a policy sense?' You think about the big picture and the coherence.*

(ii) The job

*Ideally I think what you want is somebody who is very bright, by which I don't just mean high intellect, but a good thinking capacity because if you don't have that, you've had it really. The subject matter is just so difficult. You have got to have the capacity for logical thought, and for going from A to wherever you have to go in a structured way. Now, if you are going to lead a group of people like that, you've got to be clever because if not, you lack credibility with the best and it corrodes.*

*The second quality that you need is integrity in relation to ministers, parliament, the public, the way arguments are presented, the use of public money.*

*What is absolutely right, and of fundamental importance, is that if ministers say to you 'I don't actually like the advice I'm getting, I think it's too narrow or whatever', then you say, 'well fine, I'll organise so you get the advice you want'. If they want to go outside the civil service, as they do for quite a lot of their advice, fine by me. All I ever say is it would be jolly helpful to know where the alternative advice is coming from.*

*You've got the network across the whole of your department, and you've got the network across Whitehall, and, to an extent, you've also got an international network. So you have to establish these relationships, keep them lubricated, keep the show on the road.*

*When I was in defence we had long since discovered joined-up government. It's presented as such a revolutionary idea but I had worked for my whole career in defence on the basis that we joined up everything we did with the Foreign Office and with the Cabinet Office and with 10 Downing Street. It was just deep in our culture: that this was the way you worked and we got it off to a fine art.*

(iii) The changes

*There is a certain sort of civil servant, who in the past did well, who over the last twenty years has been edged out from getting to the top. What stopped them getting to that level? It was that they were insufficiently able to move things along and they didn't see that the purpose was actually to change things. Nor could they lead and manage people. But we should guard against stereotypes. There is criticism of the 'mandarins' from outside and within the civil service, but I have worked with some remarkably gifted people with more traditional characteristics. Michael Quinlan, for example, is clever, fabulously clever, in the best sense, and an inspirational leader in an unusual way because we all have the idea that leadership is strutting your stuff and all that. He doesn't do that. He inspires people to be loyal to him.*

*Has there has been any loss of institutional scepticism? There is a difficult balance to be drawn. You've got to give ministers advice that relates in some meaningful way to what they're after and what they are trying to do, and that must always be the case. You have an issue of 'is this person on message?' So I suppose people are very nervous about not being on message. I can't say it bothers me. I operate on the basis that I can say almost anything. All I ever think about is what is the best way of doing this in order to produce the right result. The right result isn't that I get my way, just that the points are registered and they're addressed. People that argue their corner and do it well, accept gracefully that they haven't won it, and get on with what was decided, these people were gold dust.*

### The Local Manager

This story is from an interview with the Chair of a Primary Care Trust (PCT). He has been in post for less than a year. His job is to provide strategic leadership for the primary care sector of the National Health Service (NHS). Primary care comprises the services provided in a specific geographic area by family or general practitioners and the community health services, such as midwifery, which look after people in their own homes.

*Our major partner is the local authority as a whole, not just social services. One of the first people I met was the chief executive of a local authority. I rang him up and said I'd like to see him and he and the leader of the local authority came round to see me. One of the first things I talked to them about was*

*developing a common planning capacity to support the community plan. We are a small organisation and I'm keen for us to play a part right across the community because the potential impact of what they do on us is great and vice versa.*

*I certainly see the director of the community services, who is the chief officer responsible for community safety, regularly. I see the guy who - he has chief officer status - is responsible for the local strategic partnership in the community plan. There's a lot of issues about mental health and crime and only this week I discovered a whole set of issues around prison health. We primarily meet in a partnership group. It is one of five task groups. It reports to the overall local strategic partnership. The local strategic partnership is the over-arching liaison, strategic, planning mechanism that brings together all the elements of the community plan, but if we need to have a one-to-one, yes.*

*Apart from the local authority and the community plan, the other key actors are the provider trusts and in our case there is an acute trust, a mental health and learning disabilities trust. Then, in addition, there's the whole primary care sector. Obviously in some respects they are major providers but in the main they are still independent contractors and they are not on a contract with us, but they are our partners, they are part of the trust.*

*There are separate meetings of all the chief executives, and there are separate meetings of all the chairs, though as a result of a proposal I made at the last chairs' meeting, we're going to have some joint meetings. But most of the business is done through bilaterals. There are some exceptions that sort of prove the rule, like there was a review of acute services. There is the financial agreement*

*each year, what's called the Service and Financial Framework, which is certainly the centre of the financial frameworks.*

*The health authority is also a major actor. We have to sign an annual accountability agreement with it. The essential element of it is that we will meet the targets laid down in the national NHS plan. We meet them on a quarterly basis. There's the regional office of the NHS executive, to which we are accountable via the health authority. Our provider trusts are directly accountable to the regional office.*

*Within the town, all the major players work in offices within 10 minutes walk of one another. Domestically and socially, everybody knows where you live and where you went. At the senior level, a number of people meet for lunch and have drinks during the day and things like that. There is, undoubtedly, a local network which is beginning to self-consciously think about organising itself, rationalising a lot of the activities.*

*The voluntary or the private sectors are not immensely significant for decision making in the arenas that I operate in. The voluntary sector is, however, a major player in service delivery although it is not a major player in terms of strategic development.*

*A very large part of my role is networking, ambassadorial. I was reflecting on this over the last couple of weeks, perhaps partly because we were gonna talk and you know partly because I was reflecting on the job because I've been doing it for a while. It's almost entirely self-managed. There's no requirement on me to make a lot of all my links.*



*We have a central government that is behaving proactively in relation to a whole range of issues. So people on the ground are suffering from initiative-itis. The benefits are (long pause).*

*The way I conceive of health, and the role of health organisations, means that it's impossible to achieve any goals without working with and through other organisations and other key actors regionally, and especially locally, and to some extent nationally. It would not be possible to do the work that I do, it wouldn't fulfil the goals I have, unless I was approaching it in that way. I guess I am trying to turn this into more of a managed network. I'm hoping to talk to the chief executive of the local authority in the next week or so about how we can rationalise some of our activities and how we can get this common planning support capacity.*

### The Street-level Bureaucrat

Police officers have been besieged by efforts to promote new managerial practices and community policing. The following quotations come from two studies that looked at their responses to these reforms.<sup>15</sup>

(i) On bureaucracy

*There is still a command and control mentality within the service and [a sense] that the police have no ownership of what goes on."*

*They pay a lot of lip service to the notion that we have a corporate mentality – no rank distinction – everyone can say what they want, but believe you me when you step out of line, the military line comes right back and if you want to get on you are not going to be part of a frank discussion.*

(ii) On neoliberal reforms

*When I arrived, in the order of 110 performance measures were being proposed! We got it down to 75 in the end but it was difficult. I couldn't believe it when I saw the rising crime figures and this ongoing preoccupation with things like how many forensic tests we might perform in any one year. There didn't seem to be a concern about crime at all at this point.*

*I think we shouldn't sort of minimize just how serious it is and I keep saying to officers, you know 'to actually arrest somebody and take somebody's liberty away is a very, very major event' and so to see them if you like, in consumerism terms, it sort of wears a little bit thin, probably for them more than us.*

*I think the thing is, for me, that the public actually as a rule have to take the service that they get, they can't actually go out and say, I don't actually like the way X Police do this so I'm going to see if I can phone through and get Y Police to come and do it, because on such and such scales they deal with my type of incident in a far better way.*

(iii) On community policing

*I think your biggest problem will be the culture. It's still isolated, a 'boy's own' club – community policing means beat policing to them [rank and file officers] and they don't do that well. They don't like all this touchy feely stuff.*

(iv) On continuous reform

*[The force] is change weary. Since 1990, it has been one major upheaval after another. The [last Commissioner] had big ideas, and [so did] the*

*Commissioner before him. They would go around telling it how it was but every time there was a change of management, there was another reorganization.*

*Police are so fed up with this, that the [current] Commissioner has decreed that any further change must be incremental.*

### Citizens and Customers

The final story comes from the files of a local authority in North England. Social workers describe the history of one couple navigating their relationships, as citizens and customers, with various state agencies.

*Mr and Mrs R live in a two-bedroom house in the suburbs of a town with a population of some 200,000. Mr R is 83 years old, and wheelchair bound following a stroke six months ago. Mrs R is 79 years old, still active mentally and physically but not strong enough to help with her husband's personal care without help from one other person.*

*For the past six months, they have had a care assistant from a private agency to help Mr R with getting up, toileting, washing and dressing every morning. A local authority Home Help calls at lunch to help with toileting, and personal care tasks if necessary. The Home Help also calls twice weekly to do shopping, as Mrs R can't leave Mr R, because he gets distressed when left on his own. Mr R has a catheter that is managed by his wife and checked by a Community Nurse twice weekly. Three nights a week (Friday, Saturday and Sunday) a private agency care assistant calls to help Mr R to go to bed. The local authority's Home Help service assists on the four remaining evenings a week. The evening call can*

*take place any time from 7.00 pm to 9.00 pm depending on daily demand on staff. The local authority care manager arranged and purchased the private agency.*

*Mr and Mrs R moved their double bed into the lounge because the bathroom is downstairs at the back of the kitchen and Mr R cannot get upstairs. They live and entertain in their small kitchen. Mr R cannot get out without being lifted because there are three steep steps at the front and at the back of the house that make it difficult to install a ramp.*

*To make themselves more comfortable their care manager suggested moving to a new comfortable sheltered housing complex in the centre of town. They have an offer of a one-bedroom flat with a kitchen and living room on the first floor. There are lifts. There is a communal room with regular activities.*

*Mr R would be able to move freely around the flat and use the kitchen, as the units are wheelchair height. He would be able to use the lift and attend the activities at the communal room. He would need assistance at home for personal care. Mrs R would be able to get out to do some shopping while her husband is joining in the communal activities. She would not be so isolated as she would be able to join in the communal activities with her husband.*

*Mr R will not consider looking at the flat until he knows he can have the same carer from a private agency who calls every morning. This will not be possible because his care arrangements will be provided by different locally based staff. His wife needs help to explain this. The Home Care Manager responsible for the new area visits the couple to reassure Mr R that he and his wife will get all the help that they need. The couple visit the new flat and accept the offer.*

## **Conclusion**

The administrative and welfare state of the mid-twentieth century is starting to look as if it might have had a relatively short shelf-life. The initial turn to an ethic of welfare occurred within nineteenth century thought. Idealist philosophy, immanentist theology, and humanitarian positivism all helped sustain an concern with brotherhood, fellowship, and social duty. Arguably, however, this ethic had only limited impact on public policy. The administrative and welfare state depended not only on the persistence of this ethic but at least as much on the rise of new modernist expertise. It was modernist expertise that guided state bureaucracy as it expanded its range into ever wider areas of social life.

By the late twentieth century, however, modernist expertise itself had undermined faith in bureaucracy. Some policy makers may have rejected an ethic of welfare, others may have clung to one, but almost all of them rejected hierarchic organization. Whether they wanted to promote entrepreneurial individualism or civic spirit, they sought to do so through new forms of public organization and public action. They turned to markets and networks. Still, their policies have not worked as the policy makers intended. Instead, the world of hierarchies and bureaucratic norms has persisted even as it has been overlain by some features of markets and networks. Senior civil servants, agency managers, street-level bureaucrats, and citizens all confront a confusing and unmanageable set of demands reflecting an ever proliferating number of reforms and directives. Each of them muddles through. And it is their muddling through that then creates the practices of governance in which we now find ourselves.

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<sup>1</sup> Compare W. Everdell, The First Moderns (Chicago: University of Chicago Press, 1997); T. Porter, Trust in Numbers: The Pursuit of Objectivity in Science and Public Life (Princeton: Princeton University Press, 1995); D. Ross, The Origins of American Social Science (Cambridge: Cambridge University Press, 1991), chaps. 8-10; and M. Schabas, A World Ruled by Number: William Stanley Jevons and the Rise of Mathematical Economics (Princeton: Princeton University Press, 1990).

<sup>2</sup> For a survey of the varied voices see the oft maligned but still useful T. Hutchison, A Review of Economic Doctrines, 1870-1929 (Oxford: Clarendon Press, 1953). For an example of their debating public policy see Royal Commission on the Depression of Trade and Industry, Final Report, c. 4893/1886.

<sup>3</sup> On the history of neoclassical economics and rational choice theory see respectively Schabas, World Ruled by Number; and S. Amadae, Rationalizing Capitalist Democracy: The Cold War Origins of Rational Choice Liberalism (Chicago: University of Chicago Press, 2003).

<sup>4</sup> The rise of pluralist views of the state was especially pronounced in the US, on which see J. Gunnell, Imagining the American Polity: Political Science and the Discourse of Democracy (University Park: Pennsylvania State University Press, 2004). For the British case see D. Runciman, Pluralism and the Personality of the State (Cambridge: Cambridge University Press, 2005); and M. Stears, Progressives, Pluralists, and the Problems of the State: Ideologies of Reform in the United States and Britain, 1909-1926 (Oxford: Oxford University Press, 2006).

<sup>5</sup> P. Schmitter, and G. Lehmbruch, Patterns of Corporatist Policy Making (London: Sage, 1982).

<sup>6</sup> For discussions of the growing role of expertise from the nineteenth century to the early spread of social welfare see R. MacLeod, ed., Government and Expertise: Specialists, Administrators, and Professionals, 1860-1919 (Cambridge: Cambridge University Press, 1988).

<sup>7</sup> See, for example, A. King, "Overload: Problems of Governing in the 1970s", Political Studies 23 (1975), 284-96.

<sup>8</sup> For discussion see M. Bevir, New Labour: A Critique (London: Routledge, 2005); and A. Finlayson, "Third Way Theory". Political Quarterly 70 (1999), 271-279.

<sup>9</sup> J. Stiglitz, "Principal and Agent" in The New Palgrave: A Dictionary of Economics 3 (1987), 966-971.

<sup>10</sup> M. Barzelay, The New Public Management (Berkeley: University of California Press, 2001); and C. Pollitt and G. Bouckaert, Public Management Reform: A Comparative Analysis (Oxford: Oxford University Press, 2000).

<sup>11</sup> See, for example, R. Rhodes, Understanding Governance (Buckingham: Open University Press, 1997).

<sup>12</sup> H. Rittel and M. Webber, "Dilemmas in a General Theory of Planning", Policy Sciences 4 (1973), 155-169.

<sup>13</sup> M. Bevir, Democratic Governance (Princeton: Princeton University Press, 2010).

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<sup>14</sup> The stories are generally from collaborative research on British governance with Professor R. A. W. Rhodes. The main publications arising out of this research are M. Bevir and R. Rhodes, Interpreting British Governance (London: Routledge, 2003); M. Bevir and R. Rhodes, Governance Stories (London: Routledge, 2006); and M. Bevir and R. Rhodes, The State as Cultural Practice (Oxford: Oxford University Press, 2010).

<sup>15</sup> The study by Jenny Fleming is based on interviews with senior officer and focus group meetings with officers of all ranks in Britain and Australia in 2003. For details see J. Fleming, “Working through Networks: The Challenge of Partnership Policing”, in Fleming and Wood, eds., Fighting Crime Together, pp. 87-115. The study led by John Clarke and Janet Newman is based on interviews and other ethnographic techniques involving all kinds of public service providers and citizens in Britain. For details see J. Clarke, J. Newman, N. Smith, E. Vidler, and L. Westmarland, Creating Citizen-Consumers: Changing Publics and Changing Public Services (London: Sage, 2006). I am grateful for permission to draw on these studies.