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Post-bureaucracy and Reanimating Public Governance: a Discourse and Practice of Continuity?

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Abstract

Purpose –Seeks to examine changes in the environment in which public policy and public management operate and the claim that bureaucracy has been replaced by post-bureaucracy as a result of these changes.

Design/methodology/approach – It proposes reanimated public governance as a concept that occupies the space between public administration and restructured public governance (including reinvented government and New Public Management (NPM). Rather than accepting the existence of post-bureaucracy, *per se*, the paper argues that there has been a process of extending bureaucracy that cuts across public and non-public boundaries rather than the development of post-bureaucracy per se.

Findings – In examining the claims for post-bureaucracy, we are witnessing a discourse and practice of continuity rather than difference. The need for economies of scale and scope, standardisation and the existence of indivisibilities in public services suggest that public sector reforms and proposals for new governance models establish extended or flexible forms of bureaucracy rather than post-bureaucratic organisational forms. Attempts to introduce ICT-based services and the need for regulatory agencies to oversee the contracts with private and non-profit service providers reinforce these findings.

Research limitations/implications – The arguments in this paper are based on marshalling the literature and debates surrounding public sector reform to advance a central thesis. It draws on real world examples but does not advance direct empirical evidence. There is scope for internationally comparative case-studies of different public service functions and discourses and practices in different countries

Practical implications – Policy makers and managers should treat the clarion call of post-bureaucracy as a way of liberating public services from a lack of creativity,

innovation and accountability with healthy scepticism. In particular, the view that public sector reforms through post-bureaucratic re-organisation will lead to efficiencies is one to be challenged. Reforms in any service driven organisations are not zero-cost and any implied operational cost saving should be considered against increased transaction costs.

Originality/value – There have been heroic claims made for post-bureaucracy in many organisations enabled by developments associated with the concepts of information society and knowledge society. By locating public sector reforms under the rubric of "restructured public governance" a deeper investigation of the implications for the discourses and practices associated with public sector reform is advanced.

Keywords: Restructured Public Governance; Bureaucracy; Post-bureaucracy; Reinvented government; New Public Management; New Public Governance; Digital-Era Governance; Reanimated Public Governance; Trusteeship; Disintermediation; Transactions Costs.

Paper type Conceptual paper

Introduction and Background

In the last twenty-five years, normative assumptions have been held about the superiority of markets over public organizations, embedded in the claim that the "public" has failed as an organising set of institutions for managing and operating the delivery of services that are deemed to be collectively beneficial to society (conventionally known as public services), among the political elites of most countries. The rise of globalization and the apparent reduced ability of the state to manage national economies effectively is one explanation. The privatisation of state-owned enterprises and assets and introducing market-type reform in public services, as a result of successive fiscal crises ,is another. Both these explanations are important in supporting the ideology that the market is the only effective means of allocating and managing societal resources. In economic policy, this ideology underpins the structural adjustment programmes of international institutions, for example the International Monetary Fund (IMF) and the World Bank. The ideology underpinning these programmes and institutions is expressed in the term 'Washington Consensus'[1].

The key question that arises out of these changes is, 'what is the role of civil society, the public domain and public values in a much more private market-ordered world? In this environment, the argument in favour of the modernisation or restructuring of public services along consumer-orientated lines is a powerful one. It is most strongly associated with the discourse and practice of New Public Management (NPM). The advocates of NPM argue that market-led reform of public services:

1. Produce more transparent budgets from an accounting perspective, with performance indicators for outputs and attributing costs to outputs;

2. Organisations engage in principal-agent[2] relationships consisting of networked contracts tied to efficient performance;

3. Public service functions become disaggregated and decentralised into quasi-market and/or quasi-contractual arrangements;

4. Enable competition between public agencies, firms and non-profit bodies through the roles of provider and purchaser;

5. Minimise the size of the provider agency, facilitating greater exit and entry in the provision of public services so as to maintain an effective market for these services

Central to the language of NPM is that of contracts, consumers, markets and quasi-markets. One of its major principles is that state as purchaser and provider of services should be divorced so as to create either internal markets within public organisations or to contract out services to other agencies. This organisational reform creates the conditions for quasi-markets (that is, ones that do not allocate resources purely on the basis of price between different private individuals). In this view the management and delivery of public services are made more legitimate and accountable to the (local) communities they serve because of the efficiency of the market. If this claim is true, what is the role of civil society in this environment? What form should the consequently re-structured public domain take? What is the role of public policy, its institutions and delivery agencies? These are the key questions that this paper attempts to address.

The public sector in many countries has become subject to these reforms, particularly in former Commonwealth countries, the US and the Netherlands. In a number of developing economies, these kind of reforms are attached as conditions of structural reforms programmes, underwritten by the IMF and World Bank The attempt to put these reforms into practice has produced varying results (Hood and Peters, 2004). What apparently binds all these reforms of the public sector, the management of public

services and associated ideology is the promise of the end of bureaucracy, to be replaced by organisational variants of post-bureaucracy.

The process of "de-bureaucratization" appears to be quite central to the discourses of 'Reinventing government' (Osborne and Gaebler, 1992); 'New Public Management' (NPM) (Dunleavy and Hood, 1994, McLaughlin, Osborne and Ferlie, Pollitt, 2000); 'Network Governance' (Klijn and Koppenjan, 2000); and 'Digital-Era Governance' (Dunleavy, et al 2006) and "New Public Governance" (NPG) (Osborne 2006) These concepts frequently share the language of entrepreneurship, functional decentralisation and quasi-markets, enabled by technological and organizational innovation, as in the example of networks. The main question is, 'how can the reinventing of government and the adoption of NPM', in particular be sustained if they are antithetical to a revival of civil society and its institutions as well as the restructuring of its relationship to the public domain? NPG in this context, as a 'softer' version of NPM, is different in that it recognises the limits to market-driven reforms of the public sector and links governance structures back to a legitimate and accountable public domain. The key issues are, firstly, whether new organizational forms that develop actually can be characterized as post-bureaucratic. Secondly, that a restructuring of the public domain by implementing these processes in reality leads to an extension of the bureaucratic form in the delivery of publicly provided or underwritten services. For the purpose of this paper, the discourses of public management reform listed above are collected together under the term 'Transformed Public Governance" (TPG): a catch-all term for recent developments in public sector reform.

Governance increasingly presents commentators with a dilemma. Its utility in describing the changing institutional nature of the state is unquestionable but the increasingly general and unquestioning use of the term tends to drain it of conceptual and analytical relevance (Newman 2001). The distinction between government and

governance came to prominence in the analysis of corporatism and neo-corporatism[3].

From a political science perspective, government in democratic societies can be defined as the formal exercise of power and authority through the legitimate and accountable undertaking of functional duties that are underpinned by financial resources of behalf of a constituency. Governance can be described as the informal attribution of power and authority to a set of institutions, agencies and/or actors who are incorporated into governmental relations by acting as intermediaries on behalf of government or its functional divisions. Governmental bodies and governance institutions both derive their legitimacy from their ability to deliver bargains on behalf of their respective constituencies, for example business associations and trade unions. The difference is that in the former case, the attribution of power is formal and the latter is informal. (Offe, 1985). In the public administration and public management literature, governance takes on a more nuanced hue. Kelly summarises this neatly;

> In the literature on public policy and administration the concept of governance now dominates contemporary debates (Newman 2001). The concept is mostly used to explore the diminishing capacity of the state to direct policymaking and implementation, something also portrayed as ' hollowing out of the state ' (Rhodes 1997). The term governance is also used to describe governing arrangements that are more than or greater than merely the institutions of government. Hence users of the term tend to focus on the rupture between the formal political institutions and the growth of governance arrangements – such as networks and partnerships – and the increasing use of deliberative forums for service users. (Kelly, 2006; 605).

Public governance in this context is the delegation of powers and resources by public bodies to private and quasi-private agencies to manage and provide governmental functions and underlying services.

This paper reviews the conceptual background and frameworks underlying changing in public administration and public management under the rubric of TPG.. In particular, it reviews the debates about bureaucracy and post-bureaucracy in the reform of Public Service Organisations (PSOs). Furthermore, it critically examines the tendency to conflate public administration with bureaucracy and public management reform with post-bureaucracy and the superiority of the latter over the former. Although these debates may seem arcane to policy makers and public managers, the adoption of apparently post-bureaucratic discourses and practices by these communities does bear directly on the operations of PSOs and the individuals whose work for them in their day to day work activities. Within a policy setting of public sector reform the discourses of TPG influence practice and outcomes. As stated above, post-bureaucracy has become a term that has almost become a clarion to practitioners to reform engage in organisational reform of public services. By emulating private sector procedures and organisational values, these communities of practice ironically institute new or extended forms of bureaucracy: the central argument of this paper. Specifically, the replacement of public administered norms by contracts regulated by quasi-independent agencies creates different internal and external bureaucracies.

In the final section the possibilities of a re-constructed public domain, a revival in public values as one of the main drivers of public services within a wider setting of public governance is explored under the rubric of "Reanimated Public Governance (RPG)". We begin though by reviewing some of the debates subsequent to NPM.

New Public Governance (NPG) or NPM with a Governance Face?

A careful reading of the new and old variants of public administration and management suggest some convergence, thereby undermining claims for a new and discrete ideal-type of public governance. If public governance is being reinvented, is NPM and its variants under the general rubric of TPG the driver for converging on this

new form? In the case of NPM, Pollitt makes a strong case for rejecting this hypothesis. In analysing NPM, he distinguishes four types of convergence from which a new ideal-type could be constructed: "Discursive convergence"; "Decisional convergence"; "Practice convergence"; and   "Results convergence" . (Pollitt, 2002). Pollitt finds that there has a considerable degree convergence for the first two in the OCED countries with limited convergence for third and limited information on the outcome of the fourth . However, the evidence base tends to be impressionistic with the geographical distribution of the embrace of NPM being very uneven, limited mainly to the Anglo-Saxon countries (op.cit). Pollitt's taxonomy is useful in suggesting that the caricatured old and the lionised new are part of a continuum. A similar taxonomy would be useful in assessing the opportunities for post-bureaucratic organizational forms and their trajectory in the public domain.

Taking up the apparent failures of public administration and restructured public governance , Osborne and others propose "New Public Governance (NPG)" as an alternative discourse to traditional public administration and NPM.   Drawing on organisational sociology and network theory, one proponent, Osborne   assumes a pluralist state <u>and</u> a plural state within which public management has become increasingly uncertain and fragmented (Osborne, 2006). There is a pluralist perspective in the theory of the state literature that views the state as a neutral referee between the competing demands of society, but a state logically cannot be plural or pluralist. Skelcher gives a better and more precise account when he argues that government has becomes fragmented because of a congested state (Skelcher, 2005) . NPG examines inter-organisational relationships and their   effectiveness in public services delivery, subject to the efficacy of the governance processes that manage these relationships.

One can see that the network approach to public governance is attractive, particularly in the face of a more challenging environment in which public policy

operates, as described above. It has become attractive in a number of social science disciplines, for example economics and geography (see Coriat 1995, Oliver and Blakeborough, 1998 Saxenian, 1994). The theoretical basis of network management comes from inter-governmental relations literature (Klijn and Koppenjan 2000). It does have however have strong lineage in organisational sociology (Granovetter 1973,   Di Maggio and Powell 1983, Nelson and Winters 1982). Its general appeal appears to lie its ability to navigate and make sense of a seemingly more complex and global world in which innovation and flexibility are the seen as key characteristics of the modern organisation, whether private or public. It does make an important connection to public management through organizational forms under 'restructured public governance'. Its relationship to NPM has been described as

> 'While 'new public management' represents an attempt to translate managerial ideas from the private sector to public organizations, such as contracting out, client orientation and the   introductions of market mechanisms, 'network management' focuses more on mediating and co-ordinating inter-organizational policy makin.' (Klijn and Koppenjan, 2000;136).

Mapping patterns of relations between organizations and the influence of these patterns on policy making provides the focus for examining restructured public governance . One can start to perceive how a network approach would be relevant to de-bureaucratization and prospects for post-bureaucratic organizational forms within public governance.

Given that there is no single model of NPM, a network approach may provide a way by which more complex institutional interaction can be analysed. The enabling of institutional interaction around public policy results in collaborative, co-operative and competitive policy games between and within networks (Klijn and Koppenajan, op.cit) . In an environment of restructured   public governance, these networks include sponsoring governmental departments and devolved delivery agencies (whether public,

private or non-profit) that operate flexibly rather than being rule-bound.   This further reinforces the perception that the management of networks and constituent policy games encourages the development of post-bureaucracy (Kljin and Koppenjan, 2000).

The adherents network governance and its variants overlook the difficulties of the managing and delivering of public services on the ground in regard to the need for standardisation and conforming to audited targets on the type and amount of outputs In a reformed public sector, the legacy of privatisation and marketisation, reinforces the need for regulatory oversight in the form of contracts, which are legacy enforceable. For example in New Zealand, a country in the forefront of NPM, the running up public services by private firms led to a dissatisfaction with the ensuing quality of services. The government then sued these private firms, but this was rejected by the civil courts in New Zealand because there was no quality clauses put into the original contracts. The subsequent contracts that included quality clauses were too onerous in terms of transactions costs for private firms to bid for them (Lane, 2006).

 Furthermore, as service providers become more decentralised from centrally determined policy making, network benefits become more stretched with a consequent tendency to instability and greater transactions costs.   Thus NPG appears to be the human face of NPM that also suffers from a degree of abstraction through, at times, its proponents' enthusiastic adoption of network governance. The possibility of post-bureaucracy being enabled in an NPG environment then falls at the fence of the need for bureaucratic safeguards from the legacy of NPM and the need for standardisation in public services and the regularity of their production.

The Extension of Public Bureaucracy?

Bureaucracy is often defended from the charges of being a narrowly hierarchical, standardised and inflexible organizational form (du Gay, 2000, 2001, de Lyn Jr 2001). A major challenge for bureaucracy and its defenders is how does it stand up to the

challenges of networked, virtual and partnership organizational forms which contain flexible working patterns and inclusiveness leading to the permeation of work into personal spheres and vice versa?   Proponents of post-bureaucracy suggest that changes in economy and society sound the death knell for the bureaucratic organizational form (Hecksher and Donnellan 1998). However, the claims of the management theory discourse that post-bureaucracy is inclusive of individuals in organizations, whereas bureaucracy is non-inclusive is questionable at a number of levels (Lane, 2000), including:

> 'For a decade, public administration and management literature has featured a riveting story: the transformation of the field's orientation from an old paradigm to a new one. While many doubt claims concerning a new paradigm – a New Public Management – few question that there was an old one. An ingrained and narrowly focused pattern of thought: a "bureaucratic paradigm" is routinely attributed to public administrations' traditional literature. A careful reading of that literature reveals, however, that the bureaucratic paradigm is, at best , a caricature and, at worst, a demonstrable distortion of traditional thought that exhibited more respect for law, politics, citizens, than the new, customer orientated managerialism and its variants.' (Lyn Jr, 2001: 144)

The demand for flexibility within post-bureaucratic organizations suggests a greater absorption of the individual into the world of work, shifting between different roles and capacities. In this context, personalities, social relations, and individual interests may become subjugated to the instrumental concerns of the organization: extending bureaucracy rather than replacing it (Maravelias, 2003). However, given the ideological push for modernisation of the provision of public services in most OECD countries expressed in the discourses and practices of TPG, has the funeral of public bureaucracy already taken place? The drivers of post-bureaucratic organisational forms are closely

associated with the advocates of TPG, particularly its NPM component. Their arguments stem from debates concerning the nature of public and merit goods. Public goods are those that one individual cannot prevent another from enjoying its benefits. The usual examples are street lighting and road maintenance. Merit goods are those that society deems beneficial, but ones that the market would not supply in sufficient quantities. Examples normally cited include education and health. The provision of both types of good by the state is seen as the outcome of market failure. Supporters of NPM point out, however, that technological change allied to post-bureaucratic organisational reforms mean that in many instances potential market failure can be overcome (Kettl 2000).

What one can discern in the extension of the public domain, is a de-institutionalization arising from embracing the discourses and practices of new forms of organisation centred on values of creativity, innovation and entrepreneurship (in the broadest sense) in the first instance. Equally, with the introduction of quasi-markets in the allocation and management of publicly provided or underwritten services, one can detect the process of disintermediation. That is, the ability of users to directly access public services without using intermediary agencies. For example, access to walk-in health services like X-rays, rather than first going to one's local doctor. However, deinstitutionalization in the public policy process and disintermediation in the management process cannot escape the need for standardization: one of the supposed key characteristics of bureaucracy. In particular, the need to sustain economies of scale in service provision reinforces standardization. For example, collective bargaining arrangements which establish pay and conditions are important in sustaining service continuity. Moreover, the ability to engage more creative and innovative ways of delivering and managing services rest on exploiting economies of scope. This exploitation rests on establishing a minimum scale of operations and not on post-bureaucracy.

The penetration of private and non-profit agencies into the provision of public services rest on standardized contractual arrangements, conforming to audited targets as part of juridical conditions and being subject to arms-length governmental or governance regulation. In other words, as service provision extends away from traditional public administration so there is an extension of bureaucratic organization and not its replacement by post-bureaucratic organization. The need for minimum efficient scale (indivisibilities) reinforces this argument, especially standardization of service provision.

The environment of re-structured public governance may lead to more creative, innovative and entrepreneurial means of managing particular services more effectively and generate operational efficiencies. However, these potential savings need to be offset against increased transactions costs arising from a more extended form of governance. Transactions costs are defined as "the costs of running the economic system". (Arrow, 1969; 4)**.** Another consequence of transformed public governance is consolidation among private providers, through mergers and acquisitions, as they seek to exploit economies of scale and scope by bidding for an increasingly number of contracts, spreading transactions and managerial costs across as much output as possible. Moreover, this enables these providers to exploit knowledge of one market in public service provision in order to bid for similar or associated service contracts, thereby lowering transactions costs.

The analysis of transaction costs depends on understanding the relation between the firm and the market and the role of relational contracts. There are two parts to the latter. Firstly the *ex ante* negotiation: setting out and laying down conditions for safeguarding an agreement. Secondly, dealing with *ex post* outcomes whereby when transactions begin to move away from agreement, costs of adjusting to this drift are incurred. Furthermore bargaining costs result when bi-lateral negotiations are engaged

in situation where the *ex post* outcomes differ from *ex ante* agreements. Correcting this outcome incurs further bargaining costs. Finally, there are set-up and running costs of the governance structures to oversee agreements, as well the costs that occur to secure future commitments and bind the participants into these structures. (Williamson, 1985).
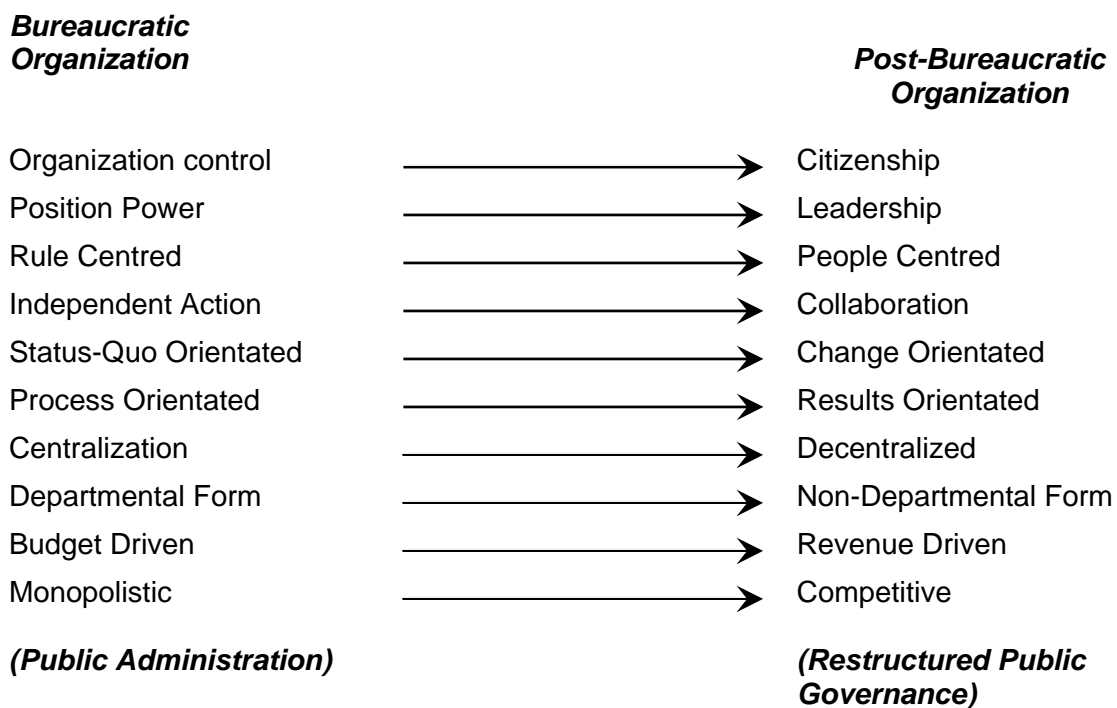
The outcome of all these changes has been the creation of global service companies who now monopolise this growing area of public services management and delivery. Examples include the engineering consultancy, W.S. Atkins in the UK, and the former engineering contractor, AMEC in the US as well as large US consultancy and IT companies who dominate the operation of certain public services around the world.. Both the internal pressures (to the firm) to win and manage contracts and the external pressures of conforming to regulatory demands (from public agencies and the like) and standardized service standards reinforce the need for bureaucratic organizational forms: however flexible or extended. The conclusion to be drawn is that first order processes of de-institutionalization and disintermediation, enabled within a restructured public governance environment, lead to second order processes of re-institutionalization and re-intermediation. That is, new sets of institutions are created to manage changes in the management and operation of public services and a new range of intermediary agencies (including non-profit and private ones) in the delivery of those services.

Post-Bureaucracy or Flexible Bureaucracy?

Despite the embrace of the discourse and practice of NPM by many states and public organizations, there is an argument that there is not one single model of NPM (Hood and Dunleavy, 1994, Borins 2000, 2001). Furthermore, there are claims that it is either dead or outmoded (Dunleavy et al, 2005). Similarly, there is a counter-argument, which claims that there is an ideal-typical model of post-bureaucracy, (Heckscher and Donnellan1998). Unfortunately, the assertion that there is a symmetrical relationship between the two types of organizational forms, in some of the literature, does not really

stand up to scrutiny. Rather, there is a much more of an asymmetrical relationship, reflecting a change in the social foundations of bureaucracy over time and the scale and circumstances in which post-bureaucracy may appear (Kallinkos, 2004). Consequently, the opportunity to explore this asymmetry is rather more pregnant with possibilities than is often the case. Figure 1 sets out the conventional view of the relationship between the two organizational forms in the context of reforms to public services in Canada

Figure 1 : Bureaucratic Profiles

Bureaucratic
Organization   *Post-Bureaucratic*
                                                                                    Organization

Organization control	⟶	Citizenship
Position Power	⟶	Leadership
Rule Centred	⟶	People Centred
Independent Action	⟶	Collaboration
Status-Quo Orientated	⟶	Change Orientated
Process Orientated	⟶	Results Orientated
Centralization	⟶	Decentralized
Departmental Form	⟶	Non-Departmental Form
Budget Driven	⟶	Revenue Driven
Monopolistic	⟶	Competitive

(Public Administration)   *(Restructured Public*
                                                                                Governance)

source Kernaghan (2000)

In Kernaghan's original paper, he plotted the various public services (eg health, education etc) in Canada in order to illustrate the degree to which these different functions had moved from being organised along bureaucratic lines to post-bureaucratic ones

The purpose of Kernaghan's organizational profile is to be able to locate and compare different government departments and public agencies, within and between countries, along the vector of bureaucratic/post-bureaucratic transition. Although a

useful device, its comparative static nature tends to reinforce a caricatured version of bureaucracy. To be fair to Kernaghan, his account recognises the dynamic nature of bureaucracy and its overlapping and non-discrete relationship to post-bureaucracy, and that he is attempting to trace functional divisions (education, health, etc) along a continuum.

The importance of values has been central to writings on public administration for a considerable period. The penetration of the private sector's corporate culture and its associated values into public sector organizations in many OECD countries gathered pace from the 1980s onwards. Under the rubric of NPM, the language of markets and attempts to form quasi-markets in public service provision created an increasingly dominant discourse.   Within this discourse, two types of values (public administration and corporate culture) began to merge so as to create a more customer or consumer-focused service delivery in the public realm. These two types of value are:

- *Traditional public administration:* public interest; service; honesty; integrity, fairness and equity;

- *Professional values (corporate culture):* innovation; creativity and continuous improvement. (Kernaghan, 2004)

The two are not so separate, but do encourage a simple bifurcation between bureaucracy and post-bureaucracy. The reification of professional values can be seen part of an ideological process, in which adherence to professionalisation actually leads to politicization. For example, the 1981 Local Government Planning and Finance Act seriously reduced the fiscal powers of local authorities in the UK. In doing so, the first Thatcher administration undermined a source of political opposition. The local authority Treasurers found themselves as gatekeepers between the demands of central government to post a legal budget and the political demands of their political masters (local councillors) to resist central government constraints on the local provision of public

services. The Treasurers established an association to share experiences which resulted in a greater perception of their political role as gatekeepers, but under the guise of professionalisation. (Rosenberg, 1989)

Drawing on the Canadian experience, Kernaghan distinguishes public services values as:

1. *Ethical values:* integrity; fairness.

2. *Democratic values:* impartiality; rule of law.

3. *Professional values*: effectiveness; service. (Kernaghan, 2004)

These values actually cut across organizational cultural contexts and any division between bureaucratic public administration and supposedly post-bureaucratic corporate management. The logical conclusion is obvious, but at this stage the bureaucratic/post-bureaucratic situation is a continuum and not an oppositional dipole.

Once one starts to explore the realities behind the discourse of post-bureaucratic/transformed public governance change one often finds little fundamental difference with much mainstream public administration, just some re-arranging of the organizational furniture, despite frequent and manifold initiatives That is not to say that the impact on these changes on the ground are not important. The effects can often be dramatic and costly as the search for efficiency generates greater transactions costs in order to maintain some form of equity in the distribution of public services.

The issue of the management of risk and its relationship to accountability leads us to examine trust. Trust forms an important part of the discussion about post-NPM public sector reforms. NPM reforms were described by Dunleavy and Hood (1994) as the shift from the guardianship of traditional public administration to the trusteeship of public management reform within a restructuring of public governance (Dunleavy and Hood, 1994). The idea of trusteeship is closely related to theories of development. For the followers of the nineteenth century French philosopher, Saint-Simon, only those who

had the capacity to utilise land, labour and capital in the interests of society should be "entrusted" with them. In the development field, trusteeship rests on the distinction between immanent development (the spontaneous development as in the historical trajectory of capitalism) and intentional development (attempts to improve material conditions in response to the consequences of immanent development, for example, poverty and unemployment). In Europe, this trusteeship was exercised by states over their citizenry by means of policy making. In the colonies this was exercised by colonial states by their governing practices (Cowen and Shenton, 1996). In the contemporary setting of re-invented or modern government, the delivery of public services is entrusted to expert providers who contract with the state to exercise management of resources in the public domain. Perversely, in the NPM environment, this has tended to be associated with a low trust environment, whereas the publicly administered, public service ethos of civil servant guardianship tends to be associated with a higher trust environment, (see Dunleavy and Hood, op.cit. for detailed arguments). In a more explicit public sector context, White and Hollingsworth analyse the issue of trust with regard to audit and proxy accountability, and fiduciary duty, (Hollingsworth and White, 1999)

Trust and governance is central to any effective organisation. The key challenges for agencies who have trusteeship bestowed upon them is still that of legitimacy and accountability. In traditional (and supposedly bureaucratic) public organizations, determined by democratic imperatives, the consistency of rules, duties and obligations creates legitimacy and accountability. For the new trustees, the degree to which risk is managed and distributed and the consistency of conforming to network/partnership rules and procedures will determine the scale of legitimacy and accountability in service delivery. However, the more that the demands of legitimacy and accountability are

conformed to, the less opportunity there is for post-bureaucratic organizational forms. For example:

> 'New structural arrangements are usually portrayed as fostering professional values like effectiveness and service. However, concern has arisen about the impact of these arrangements and accountability. Particular concern is focused on the means whereby governments can ensure democratic accountability as more organizations are located at arm's length from the political executive and towards the periphery of the public sector'. (Kernaghan, 2004: 98)

Arm's length's management and accountability in the public sector is nothing new, particularly in the UK. Successive government reports, White Papers and academic literature wrestled with this problem in nationalized industries (NEDO, 1976, HMSO 1978, Kay and Thompson, 1986). Privatization did not resolve this problem, in particular for the natural monopolies like utilities. Problems of management and accountability became absorbed in the rise of the audit or regulatory state, through pricing and behavioural constraints set by manifold regulatory agencies.

As described above, the reification of professionalisaton has tended to lead to a process of politicization. There has also been a tendency to equate professionalisation with the vales of transformed public governance. In the same manner that bureaucracy has been caricatured as static, hierarchical and inflexible, so traditional public administration and its values are seen as antediluvian. A similar caricature can be created in the brave new world of innovative, flexible and customer-driven service imperatives that can only be conformed to by post-bureaucratic organizational forms within a restructured public governance framework.

Bureaucracy is frequently associated with Kafkaesque visions of powerful, rigid, hierarchical and standardised organizations, that correspond to the German sociologist Max Weber's' metaphor of "the iron cage". Kallinkos notes:

'The claim concerning the demise of bureaucracy has not been supported by the systematic investigation of the organizational and occupational order of modernity'. (Kallinkos, 2004; 14).

In respect of the arguments surrounding the post bureaucratic project and the work of its adherents, he responds:

'The entrepreneurial and managerial critique of bureaucracy is based on an oversimplified and stylised images of the bureaucratic form of organization. Most significantly, such a critique is marked by an astonishingly naïve functionalism devoid of any historical awareness'. (Kallinkos, 2004; 14).

In a similar vein Paul du Gay makes some incisive remarks in his book 'In Praise of Bureaucracy' (du Gay, 2000). He castigates advocates of contemporary administrative reforms for claiming economy, efficiency and effectiveness are fundamentally the same. In any organizational context, the relationship between the three is complex. It is doubly so in the public domain where public managers are often led to believe that there are zero costs associated with market-led reforms. The real purpose of the advocates of reform is described by du Gay as:

'Of course, undermining the bureaucratic ethos is an avowed intention of contemporary reformers, but their understanding of 'bureaucracy, like their concept of 'efficiency', leaves a lot to be desired. Rather than referring to a form of organization exhibiting many of the characteristics of classic 'bureau' contemporary reformers use 'bureaucracy' as a composite term for the defects of large organizations' (du Gay, 2000: 106).

In the debates on post-bureaucracy, the transformative role of technology is given prominence. However, new information systems and associated ICT infrastructure is not necessarily the sufficient condition for post-bureaucracy. ICT systems and associated software operate on the basis of standardization. Moreover, modern

production systems and associated quality auditing arrangements function through standardization. Supply-chain management, Just-in-Time (JiT) and Total Quality Management (TQM), Customer Relationship Marketing systems (CRM) as well as ISO9000 are examples of standardization. Most of these systems are associated with flexible, entrepreneurial and proximity to market arrangements. It is clear, however, that standardization is not the exclusive preserve and sole measure of bureaucracy.

In the next section, a review of the possibilities of finding a way out is the present impasse in the discussion of public sector that includes an extension or bureaucracy in the context of re-animating public governance.

The Prospects for Reanimated Public Governance (RPG) – A way out of the current impasse ?

The forgoing arguments suggest that in countries TPG has run its course. In the case one important component, NPM, Dunleavy et all offer the following observation:

'The ''new public management'' (NPM) wave in public sector organizational

change was founded on themes of disaggregation, competition, and

incentivization. Although its effects are still working through in countries new to

NPM, this wave has now largely stalled or been reversed in some key ''leading-

edge'' countries. This ebbing chiefly reflects the cumulation of adverse indirect

effects on citizens' capacities for solving social problems because NPM has

radically increased institutional and policy complexity. '(Dunleavy, Margetts,

Bastow and Tinkler, 2005; 14)

The inevitable question is where do we go to next, if restructured public governance has failed to fulfil its promise? Dunleavy et al suggest that we have moved into Digital-Era Governance (DEG)

'The aim of a coherent and self-conscious digital-era governance strategy would

not just be to achieve a time-limited or one-off direct stimulus to social problem

solving like earlier management regime changes. It would also encompass opening up government to others and to itself, so as to create a radically less complex institutional and policy landscape, engineered for simplicity and automaticity in routine operations and for agility and responsiveness in service delivery and government's monitoring of the risk environment. Digital-era changes inside the government machine would be closely meshed with and run strictly in parallel with increases in citizens' autonomous capabilities for solving social problems. They would go with the grain of what civil society stakeholders are doing anyway, as the digital era unfolds further. For public managers the trick will be to help make it so'. (op.cit; 16)

Relocating the strategic locus of PSOs' activities within government is to be welcomed but there is a danger however, that ICT- driven public services is embraced too readily without recourse to appropriate management structures and processes. DEG and networked governance provides a "smoke and mirrors" solution to the problems of managing and delivery services within complex organisations which have powerful structures, whether bureaucratic or post-bureaucratic

As argued above, the evolution of transformed public governance held the promise of de-instiutionalisation and disintermediation through post-bureaucratic organizational forms. In reality, we have witnessed processes of re-institutionalisation, re-intermediation and new bureaucratic forms as different service providers and networks of providers have had to correspond to new regulatory norms. The bureaucratic form of organisation now cuts across internal public and external, and private and non-profit bodies.

There is a more thoughtful and nuanced literature that goes beyond the dialectic of traditional public administration and NPM. This literature explores the re-assertion of public values in public management (Bovaird, 2003, 2005, Stoker, 2006). Stoker builds

his perspective on the back of reviewing network governance, which is summarised by the following quote:

> "Without a more general theory of public administration for networked governance, public administrators and other actors are less able to characterize the nature of emerging systems in the management of public services and programs, much less to evaluate the strengths and weaknesses of these changes.' (Stoker, 2006; 41).

In attempting to evaluate the quality of public governance, Bovaird reviews various indicators, models and methodologies drawn from around the world (Bovaird, 2003). In a subsequent contribution he points to the increasing interest in different types of values; different types of policy-making process; different types of organization and stakeholder. In first case, he extends it beyond values to users of public services to include wider affected groups and social, environmental and political values. This case, along with the other two, is likely to be set within a trust framework as the traditional constitutional 'checks and balances' approach to public governance comes under stress. The trust framework is one in which stakeholders in public governance are entrusted with participation rights so as to achieve a balance between civic virtue (public values) and the need to protect citizens from those seeking to exploit them (Bovaird, 2006).

Stoker's and Bovaird's interventions on public values appear to be part of the continuum of debates on public governance and public management reforms that RPG contributes to. The prospects for RPG rest on creating a relationship between trusteeship and professional discretion, which may help to bridge between the two types of values "Traditional public administration" and "Professional values (corporate culture)": described by Kernaghan, (op.cit). There is no logical reason why these apparently discrete sets of values cannot exist side by side within PSOs. In Taylor and Kelly's review of Lipsky's theory of discretion of public professionals, they conclude that

it now has limited application in a transformed public governance environment. But they do point out that that there is a degree of game-playing, which in part depends on exploiting professionals' discretion, in order to operate in this new environment (Taylor and Kelly, 2006). Moreover, their analysis opens up the possibility of building on theories like Lipsky's and applying them to create RPG, particularly in an era when public policy increasingly cuts-across national and functional boundaries.

There is a paradox in that NPM tends to de-skill professionals with functional autonomy into gatekeepers. That is, whilst NPM has reduced capacity for discretion; practitioners are required to operate across networks using their discretion and leadership. One conclusion to be drawn is that in the more complex world of policy making and managing and delivering public services, enhancing the role of professionals is an important aspect of moving on from the present difficulties.

The challenge for RPG is to bestow trusteeship on internal and external agencies engaged with PSOs, through longer term stable relations rather than ad hoc contracting processes. The discretion of public professionals appears to be central to this process but in an era when their distinctive skill-base has been eroded how can discretion be re-created and re-activated?. One possibility is the incorporation of their professional associations within the standardisation and regulation of services so that the shift from guardianship of public administration to trusteeship incorporates professionals more directly into these governance structures, underpinned by their subscription to the revival of public values.

Perversely attempts to match quantitative outputs to inputs within transformed public governance reinforce the arguments for RPG to some extent. There are some sterling attempts to measure productivity in public services (see O'Mahoney, 2005). They are bedevilled however by the nature of the public service provided. For example in education and health, the service is both an input and an output. The value-added thus

resides within the expertise of the service professionals. Logically the de-skilling of professionals and downgrading their discretion reduces this value-added. Similar arguments apply to much of the budgeting systems that have been put in place in PSOs to make these organisations more accountable. As Heclo and Wlidavsky's classic study of central government budgetary processes showed, budgeting is a highly political process (Heclo and Wildavsky, 1963). In more complex front-line PSOs, the need for scale and the existence of indivisibilities mean that accounting for every aspect of service is actually costly (in transactions costs terms) and frequently counter-productive. Moreover, it is in this area that transformed public management has been deemed most to fail. Recognising the failure of micro-management in PSOs is a starting point for reanimating public governance. But the other explicit recognition is that in a changed local and global environment, public sector reform does not rest of appropriating post-bureaucracy but extending and making more flexible bureaucratic organisational forms.

Concluding Remarks

In an era, when the power of the nation-state has been apparently evacuated, driven by the globalization, fiscal stress, liberalization and privatization, demands for global governance have grown. Within this environment, international policy makers have been seeking to 'reinvent government' (Carnerio, 1999) . A corollary of the general acceptance of this new global order is a restructuring of the management and delivery of publicly provided or underwritten services. In the spaces between these vectors of development, one can perceive a number of localised trends, that coalesce around the concept of 'reanimated public governance'. New organizational forms of service delivery - virtual, partnership – have been enabled by socio-economic and technological change, which in turns have influenced organisational innovation. The greater penetration of the private realm into the public realm (at both individual and organizational levels) suggests that public services no longer have to be accessed through the intermediation of public

agencies. Rather, a process of distintermediation has been initiated, whereby a range of non-public agencies and actors directly provide and manage public services.

The actioning of new values of proximity to customer, creativity, innovation and entrepreneurship in the delivery of these services can only occur if post-bureaucratic organizational forms prevail in the view stated above. This view, however, stems from a limited and somewhat caricatured view of bureaucracy and its different forms. Moreover, despite the prospect of new service values materialising in public service delivery, conforming to standards and contractual obligations, the existence of indivisibilities and the need to exploit economies of scale and scope constrain the post-bureaucratic promise. But this constraint opens up the possibility of reanimating public governance as both a discourse and practice of continuity. This approach opens up a rich vein of material for future research agendas to mine. It also provides the basis for practitioners to re-appropriate some their professional territory through understanding the discourses which may underpin future reforms in the public services.

Acknowledgements

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END NOTES

[1] A term invented by the international economist , John Williamson, to describe the structural adjustment policies, promoted by the IMF and World Bank, backed by the US, to change the development path of a number of economies, particularly in countries in Latin-America, Asia and Central and Eastern Europe. The Washington Consensus seek to sustaining the economic and financial orthodoxy of liberalisation and privatisation, monetary and price stability, control of national budgets and eradicating government deficits in combination with a powerful commitment to open markets and free trade.

[2] The principal-agent problem is central to principal-agent theory. This theory comes from industrial economics and economics of strategy. It is often related to behavioral studies of employer-contractor or employer-employee interactions, as well as organizational settings, but it can be applied to public and non-profit settings as well. In the context of NPM, the consumer of a service deals directly with the appointed or contracted agent of the overall provider or underwriter of the service (principal). However, the consumer is the principal whose agent of service delivery is the contractor. In paying either through fees or through an insurance or tax system, the consumer is engaged in a principal-agent problem with the sponsoring governing department

[3] Corporatism is a development of interest-groups politics that is formalised by the participating groups having degrees of power attributed to them by the state. One the most cited examples is the former West Germany whose system of economic management included price and wage setting by formal discussion between the employers association, the trades union association and central government. The legitimacy of these arrangements depended on the degree to which these associations could deliver the bargains made on behalf of their members with central government. There are weaker variants that are used described asb neo-corporatist.