

TOWARD MORE DEMOCRATIC GOVERNANCE: MODERNIZING THE ADMINISTRATIVE STATE IN AUSTRALASIA, NORTH AMERICA AND THE UNITED KINGDOM

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Abstract: All over the world, countries are seeking to improve their governance systems through political and administrative reforms, even those considered to be among the best governed and administered. These advanced democracies have rejected radical ideologies in favor of pragmatic centrist policies termed “The Third Way” that consolidates and builds upon well-established institutions and practices. But they are all moving into new territory. Australia’s new doctrine of administrative responsibility seeks to hold all executives, public and private, accountable for any public harm occurring on their watch. Canada is enlarging its public policy making arena by involving citizens in its new policy research initiative. New Zealand is rethinking its Beveridge style welfare state to reduce its costs and give citizens a wider choice. The United Kingdom intends to put people first in public administration rather than official convenience and bureaucratic precepts. Finally, the United States attempts to prove that public goods and services are worthwhile and rewarding by more accurately measuring government performance through refined indicators. Together, these initiatives if successful promise to strengthen their democratic ethos.

INTRODUCTION

The countries under consideration — Australia, Canada, New Zealand, United Kingdom, United States of America — are exceptional in many ways. They can be likened to healthy medical practitioners advising their sick patients. They realize that they are fortunate. They may not enjoy perfect health; they may suffer various aches and pains; they may not be able to ward off catastrophic illness; but they feel good about themselves compared to most others. They believe they know how to take care of themselves and that they do the right things to avoid preventable sickness. They may still have some bad habits; they may still take too many risks; they may still not be able to

stick to their regimen; but they see how badly others abuse themselves, too often tempt the fates and bring disaster on themselves. They feel rather secure, safe and smug knowing that they are in a good position to cope with anything unexpected for they have the confidence, experience and spare resources of redundancy to deal with most contingencies. Although they may experience temporary discomforts, things should quickly right themselves again as long as they stay determined to tackle their maladies. From their superior position, they cannot resist the urge to convince the less fortunate to copy their example, take their advice and swallow their prescribed medicines to improve their condition and feel much better. They alas overlook what it took them to get where they are and what difficult choices, struggles and sacrifices they made to achieve their preeminent position. But when pushed, they admit

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that they have been blessed and that circumstances have conspired to favor them.

Such is the situation of these select countries as regards their practice of public administration. Despite the many differences among them, from a global perspective, they shine. Of course, they are not the only countries whose public administration systems are the envy of the world. On any scale according to any criteria of superior performance, they rank among the top and have done so for several decades. They may not to be entirely satisfied with their performance and they may point to their many shortcomings, but many other countries would be happy to swap places because they fall well short. So, to dwell on these favored countries' administrative shortcomings and their detailed administrative reforms to overcome what they consider to be their malpractices is a distortion of their actual situation. While things may not be perfect, their public administration systems run well for the most part. In them, things go very much as expected and run smoothly with few surprises. Yes, there are bad spots, scandals, preventable maladies, failures and mistakes, and ineffectual reforms that were designed to correct public maladministration. But, from a global perspective, these shortcomings are still better than the so-called best practices elsewhere, particularly where efficient public administration barely exists, effective government is rarely evidenced and where public office is seen as just another self-interested business, corrupt from top to bottom, and quite incompetent, unreliable and untrustworthy. Thus, while other countries can always learn a great deal from them, they must remember that their context and circumstances are so different before they can even begin to think about operating such sophisticated and modern systems of governance.

THE SPIRIT OF DEMOCRATIC ADMINISTRATION

What is so impressive about these countries is something which has yet to be adequately captured on paper, and that is the spirit in which their public administration systems operate. That spirit truly embodies the democratic ethos that tries to avoid the deficiencies exhibited by other kinds of governance such as genocide, totalitarianism, tyranny, absolutism, terror, cruelty, wrongful death, abuse of power, false imprisonment, slavery, victimization, gross injustice and other forms of evil knowingly perpetrated on innocent people by heartless public officials, willingly and without remorse, regrets and shame. These democratic regimes abhor such misuses of power and their citizens, in and out of power, are disgusted by any revelations of such public maladministration. In them, public administration is not administration *of* the public, but administration *for* the public, that is, on their behalf, in their interest, for their welfare, to advance the quality of life for all and to avoid doing harm to anyone without exception. This spirit runs through their public administration systems from top to bottom and it is taken virtually for granted by everyone because they all identify as one community. Anyone guilty of disregarding this spirit of democratic administration is deemed unfit for public office, hounded out of public life and condemned in the court of public opinion. This spirit of running public affairs has to be experienced to be believed. It rules public administration, despite public and professional cynicism and operational lapses.

Elements of this spirit of democratic administration can be traced back several hundred years although it has only taken hold over the past century and not carried to its logical con-

clusion until the past few decades when these five select countries modernized their governance. It has taken several generations to develop and it has required strong moral and institutional commitment to flourish. None of these countries has been occupied, though threatened by invasion, and they have lived mostly in peace, coming eventually to accept all their inhabitants and learning to accept one another, live together with restraint, tolerance, accommodation and common concern if not always with common regard, respect and identification. Where once they have sought homogeneity, they now accept heterogeneity, that is variety over uniformity. Rarely is any specific group singled out and denied what other groups enjoy. All, more or less, receive equal consideration and treatment. No one is deliberately excluded or denied benefits enjoyed by others. So all qualified persons can identify with the whole. Everyone is a stakeholder without fear or favor, with guaranteed protections and safeguards against discrimination and mistreatment. These guarantees to the individual are worthwhile and meaningful. There is the whole gamut of democratic political devices — constitutionalism; the rule of law; representative, responsible and accountable government; free mass media; separation of powers; independent judiciary; division of powers from national to community level; extensive specified human rights; subordinate military, police and civil agencies; open elections; direct public participation in public administration, etc. — that have been long established and entrenched in the governance system. There is the wide range of democratic administrative devices — professionalized public services; independent commissions and agencies; consultative bodies; fair and just appeal procedures; grievance and complaints investigators; auditors; advice bureaus; annual budgets and reports; minutes of

meetings; written memoranda; personal identification; published guidelines; comprehensive administrative law, etc. — that have been progressively enlarged. Likewise, there are additional public professional self-accountability mechanisms and various other means whereby the public, if so willing, can penetrate the deepest and darkest recesses of the governance system. The complaint from within the public administration systems is not that there are too few democratic devices, but too many. So many invariably inhibit freedom of action, curb public service initiatives and creativity, require too much needless red tape, trap enterprising public officials in a network of Catch-22 controls and generally dampen government initiatives. But all these democratic instruments are deliberately designed not so much to see that governance does good but to see that it does no harm, not so much to prevent governmental intervention as to curb excessive zeal that might exceed the rightful exercise of power.

Again these guarantees on behalf of the individual have been a long time in the making. Many started as experiments that had to be refined and modified and redefined and re-modified, despite their initial soundness. Sometimes, their inventors did not realize what elaborate process they were about to introduce; other times, they knew all too well but compromised for something less in order to reduce opposition. Sometimes, the governance system found them too novel and rejected them, only to re-adopt them later when circumstances had changed; other times, they did not work out as expected or they had unexpected and undesirable consequences and they had to be replaced. Sometimes, what seemed to work out well in one place, just failed in another; other times, what had not worked elsewhere, unexpectedly took off with greater success than

originally anticipated. Each country concerned had to live with what it could achieve in its context, what was feasible and practical for it, what was acceptable within its administrative and work cultures. More significantly, none of these countries ever gave up the search for improvement, the persistent pressure to progress, to go one step further, to try something different if it looked promising enough. Cycles of comparative inaction would be followed by cycles of reform frenzy although appearances could deceive. Underneath the inactivity, there was much unpublicized trial and error at work, and beneath the so-called progressive periods, there was much left undone, much that was never operable, much that soon disappeared because of indifference, and much exaggerated lip service to reforms that really did not achieve much. Improvement in public administration systems have never been that dramatic, headline catching or revolutionary. Progress has been made more incrementally and piecemeal, one step ahead of another and often one step aside or even backwards.

None of this reform activity has ceased. It continues relentlessly as will be illustrated with current examples from each of these five select countries. Suffice at this point to emphasize several factors that have to be considered in their progress and the chances of other countries following their path. (1) The favorable circumstances which encouraged the emergence of their high performing public administration systems were not at the time considered all that favorable. Indeed, there hardly ever seems to be a right time for introducing reforms. Every instance is a risk. But times have changed and the world has been transformed in the meantime. Other countries trying to match these select countries' progress have to deal with what *is* not what once was. Undoubtedly, the present is more hazardous

because the pace of change has quickened and the luxury of consolidation no longer quite exists as in times past. Administrative reforms cannot be delayed for longer preparation time or more auspicious circumstances. (2) These select countries had already evolved a democratic public administration. The spirit in which their public administration systems operate resulted from a lengthy process of learning within a superstructure of genuine democratic governance, which was even older, more elaborate and painstaking. One piece had been added at a time, each additional piece having the firm foundation of its predecessor and each reinforcing the strength, endurance and progress of the whole. Latecomers will have to find a way of speeding up this process of democratization. (3) Each piece of the democratic edifice had to be fashioned anew, tried and modified if found wanting. Rarely did any piece survive unaltered. More likely, each piece had to be refashioned in a process seemingly without end as circumstances altered, values shifted, priorities changed and personalities differed. Nothing had or has permanence. Some things last longer than others but all have to be updated and modernized. Later comers are warned that the administrative reforms they introduced begin an ending process of trial and error, (4) Administrative reforms have to fit into the prevailing administrative and work cultures although they are designed to transform them. People have to be receptive to them and they have to be prepared to be so receptive. Nonetheless, they cannot be sprung on people suddenly, without forewarning and without consultation with the cautious bureaucrats who compose an influential cadre within every public administration system. The latter have to be won over, never an easy task. Threats will likely boomerang as resistance to the new stiffens. Replacing the old timers is no solu-

tion; there are too few readily available experienced, fresh and receptive public administrators waiting in the wings. It takes time and resources to transform administrative systems. Instant transformations just do not occur.

THE THIRD WAY

These days, even seasoned administrators in these select countries have to adjust to the momentous changes that are taking place in contemporary society. There are the relentless pressures of the democratic ethos always at work to improve things and to progress whether it be the quality of life of every person or the performance of public sector programs or the measurement of national indicators or the safeguarding of public measures. To these are added the challenges of globalization, the shift in social values, growing awareness of environmental degradation and the technological advances. For instance, computerization is transforming most public administration activities, the nature of work and the nature of public organization and management. The old symbol of government white collar work — the

typewriter — is fast being replaced by the desktop and laptop computer which is transforming the way public works are designed and constructed, how public services are delivered, military operations conducted, taxes collected and transportation systems monitored. Not to be overlooked are the relentless pressures of the recipients of public services who demand better and better treatment. Indeed, the better the performance of public agencies, the more progress is expected by an insatiable public.

None of this is particularly new to public administrators everywhere. What is new are recent changes in public philosophy, which are evidenced in voting patterns and party platforms. These new trends have been dubbed “The Third Way.” Democracy has always avoided political extremes and aimed at compromise and reconciliation. But this new Third Way is not a middle way between the two major political philosophies that came to dominate post-World War II democracies, namely the old-style social democracy of the old left rooted in Keynesian demand management, interventionist government, the welfare state and egalitarianism, and the neo-liberalism of

Thatcherism, or neoliberalism (the new right)	Classical social democracy (the old left)
Minimal government	Pervasive state involvement in social and economic life
Autonomous civil society	State dominates over civil society
Market fundamentalism	Collectivism
Moral authoritarianism, plus strong economic individualism	Keynesian demand management, plus corporatism
Labour market clears like any other	Confined role for markets: the mixed or social economy
Acceptance of inequality	Full employment
Traditional nationalism	Strong egalitarianism
Welfare state as safety net	Comprehensive welfare state, protecting citizens from cradle to grave
Linear modernization	Linear modernization
Low ecological consciousness	Low ecological consciousness
Realist theory of international order	Internationalism
Belongs to bipolar world	Belongs to bipolar world

the new right based on market fundamentalism which preferred markets to government, opposed the welfare state and wanted to reduce government to its bare bones. The Third Way reflects the thinking about social democracy that has been taking place among social democratic and reform parties in Western Europe, the Commonwealth and North America, partly in reaction to the neo-liberalism of the Thatcher-Reagan era and partly in response to the radical social changes taking place in Western liberal society (Giddens, 1998). It seeks a consensus of the center-left for the 21st century and to weave a theory to support a pragmatic approach to contemporary issues.

The Third Way is a distinct departure from the neo-conservative philosophy that preceded

it in the Thatcher-Reagan era which pursued the minimalist state, the reduction of the public sector and government activism, the privatization of many government activities, and the reduction of public expenditures, taxation and employment. These policies increased the gap between rich and poor, the powerful and the weak, the well connected and the isolated, the skilled and the unskilled, multiplied worldwide the poverty stricken and underprivileged, aggravated crime, violence and corruption, and degraded the environment. The Third Way does not seek big government but effective government and responsive political leadership committed to partnership with non-state institutions. It seeks the strengthening of civic society and a new kind of mixed economy and social

<p>Third way values</p> <ul style="list-style-type: none"> Equality Protection of the vulnerable Freedom as autonomy No rights without responsibilities No authority without democracy Cosmopolitan pluralism Philosophic conservation 	<p>The renewal of civil society</p> <ul style="list-style-type: none"> Government and civil society in partnership Community renewal through harnessing local initiative Involvement of the third sector Protection of the local public sphere Community-based crime prevention The democratic family
<p>The third way programme</p> <ul style="list-style-type: none"> The radical centre The new democratic state (the state without enemies) Active civil society The democratic family The new mixed economy Equality as inclusion Positive welfare The social investment state The cosmopolitan nation Cosmopolitan democracy 	<p>The democratic family</p> <ul style="list-style-type: none"> Emotional and sexual equality Mutual rights and responsibilities in relationships Co-parenting Life-long parental contracts Negotiated authority over children Obligations of children to parents The socially integrated family
<p>The new democratic state (the state without enemies)</p> <ul style="list-style-type: none"> Devolution Double democratization Renewal of the public sphere Btransparency Administrative efficiency Mechanisms of direct democracy Government as risk manager 	<p>The inclusive society</p> <ul style="list-style-type: none"> Equality as inclusion Limited meritocracy Renewal of public space (civic liberalism) 'Beyond the work society' Positive welfare The social investment state

markets that better manages risk, improves social security, provides a safe environment and works for sustainable development. It wants to avoid top-down bureaucratic government by emphasizing decentralization and devolution but accepts the challenges of globalization by calling for more active government at the international level, too. Government in combination with other public institutions should restore national economies, revitalize declining regions, increase employment, assist the poor, revamp the welfare state and reduce its inefficiency and bureaucracy, and should stress education, employability, job mobility and social justice in a social reinvestment-state (Giddens, 1998, pp. 99 ~ 128).

The Third Way has no set universal prescriptions other than the foregoing lists of general policies. Each country would craft its own solutions according to its circumstances. Crucial is the quality of governance, state capacity, effective and appropriate policy making, managerial competence and the responsiveness, transparency and accountability of government. This in turn entails strengthening government through greater democratization ("democratizing democracy"), delegation and public participation so that it provides a better enabling environment, controls the forces of anarchy, chaos and disruption, channels commercial enterprise into rewarding avenues, reduces concentrated power and privilege, and improves the lot of the weak and the poor. The overall objective is to promote social justice, the common good and the status of public service, and above all help citizens pilot their way through global transformations by joining rights and responsibilities ("renewing civil society").

The implications for public administration are fairly clear. The Third Way is not plumb in the middle of the 1990s debate about the future role of the administrative state. It favors the

administrative state and governance from strengthening international organizations to promoting civic culture at the local community level. It seeks novel and innovative solutions to global, national, regional and local problems, bringing the state into partnership with other public institutions. It looks ahead to what governance could achieve, not back to what government did achieve. It acknowledges the failures of both the New Left and the New Right to achieve their objectives and their bequeathing a host of contemporary challenges whose solution though pragmatic should enhance the values of social democracy. Contemporary society needs to care better for its disadvantaged, provide a more even playing field, spread democracy wherever it is absent, modernize public institutions and governance, place greater emphasis on traditional virtues (such as personal integrity, the work ethic, tolerance, and the doctrine of the mean i.e. everything in moderation rather than excessive permissiveness or license on the one hand and prohibition or compulsory abstinence on the other, fair dealing, responsibility, voluntarism etc.), and work to reduce social inequities. This Third Way is seen as the wave of the future that other countries, not just a select few, should be encouraged to adopt. How should it be realized?

Internationalization

The Third Way does not yet support World Government but something less, a stronger international community that is more capable than present of dealing with global problems and challenges. It advocates the overhaul of the current international system and supports more radical reform of international organizations. It seeks to improve the performance, credibility, effectiveness, competence and efficiency of the

international network. It searches for more independent and autonomous resources for international organizations and less reliance on voluntary donations and individual bequests. It wants the restoration of a genuine professional international civil service, stripped of patronage, cronyism and nepotism. It pushes for greater international intervention in the affairs of countries which seem incapable of providing effective strong government and of guaranteeing universally acclaimed human rights to their inhabitants.

Effective Government

The Third Way wants more effective government through democracy and democratization, strong government and efficacious public administration, the rule of law and just legal enforcement, reliable external and internal security and public safety, fair dependable taxation and economic financial management, and other measures of a solid and hard state in contrast to a hollow and soft state. So it is all in favor of improving public administration and public sector performance, of strengthening the thinking part of government, of raising the credibility, status and appeal of public service, of conducting more research into improving government performance, of experimenting with public service delivery, of giving public managers more flexibility and initiative, of enlarging public entrepreneurship, coproduction and outsourcing, of updating public sector technology, of encouraging greater participation in public administration by business, non-governmental organizations and civic groups, of deregulation, decentralization and debureaucratization, of combating governmental corruption, fraud waste and abuse, in short of embracing any administrative reforms that promise to make public administration more adaptive, forward looking, businesslike, respon-

sive, accountable and user-friendly.

Revitalizing Public Administration

The Third Way recognizes the limitations of the traditional "old-style" bureaucratic public administration, without sacrificing its time-honored values and strengths. The administrative state cannot do everything nor should it attempt to do so. There are many activities that it can do well. There are other activities it should share. And there are other activities that it should drop altogether because other public institutions can do better, certainly no worse. But it should still retain responsibility to see that all these activities are performed well to protect the public interest, and it should preserve the ability to resume their direct performance where non-state performance fails. Likewise, the state should not administer solely through monopolistic, centralized bureaucracies but should encourage competition, deconcentrate power and delegate delivery to the closest points of contact with their users/clients/customers. The state's chosen instruments or agents should conduct themselves in a publicly accountable manner as if they were public organizations following professional public administration norms and ethics, including the new doctrine of administrative responsibility that assures individuals of their right of access to legal and political protection and redress.

COMMON CHALLENGES

Actually there is much in the Third Way with which neo-liberals and neo-conservatives have no quarrel. There is much in its agenda as regards administrative reform they can support. Indeed, they have been allies in administrative reform advocacy. In recent years, there has been much cross-fertilization among political

movements and liberal democratic regimes. All five countries under review are members of many of the same international organizations and what one country does is quickly known to the others. The share policies, laws, plans and programs. Those involved in administrative reforms consult one another, meet fairly often and issue joint statements through such bodies as the Commonwealth Secretariat, Organization of Economic Cooperation and Development, European Union, North Atlantic Treaty Organization, Interpol, World Bank, International Monetary Fund and the United Nations Development Program. They send delegations to one another and communicate often, posting significant developments on the Internet. They make no secret of their work. It is not simply the Americanization of governance and public administration.

They have been agreed on public management reforms for some time and they have been in the forefront of the New Public Management movement as it has been called. Possibly its best manifestation has been the work done by the Commonwealth Secretariat to share developments in the new public management with all its member countries, rich and poor. In its portfolio on current good practices and new developments in public service management, it focuses on public service management reforms because such changes were indicators of reforms elsewhere in the public service, public services were increasingly provided through partnerships with other sectors, and the public service was no longer uniform. The portfolio covered (a) making the most of staff (setting the overall framework, acquisition of staff, developing/enhancing staff skills and motivation, managing workforce reduction and exit), (b) making government more efficient (matching the structure to the task, examining structural options, identifying obstacles to efficiency, re-

moving obstacles, creating a framework for change), (c) improving partnerships with organizations/agencies outside central government (setting the framework, reorienting the public services, forming alliances), (d) improving the quality of services (open government, quality systems, measuring success), (e) making management more effective (developing managerial capacity, effective information systems, advice and consultancy), (f) improving financial management (setting the framework, improving the management of inputs, improving management information focusing on outputs, improving management systems) and (g) improving policy making (policy development, communicating policy) (Commonwealth Secretariat, 1996). These items were further subdivided and presented in a manner to provide a convenient resource for hard-pressed senior officials and managers who presumably choose the items they want.

New public management is only a part of a much wider effort to unify reform initiatives and adopt new ways of thinking about governance, the role of the state, the restructuring of the machinery of government, the switch in managerial concerns from inputs to outputs, assessment of alternative ways and means of delivering public services, and using new information technology to guide decisions. Attention has been directed at building or strengthening management capacities to include

- (1) a clear mission and vision for the organization and a sense of direction that is clearly and consistently communicated by top leadership;
- (2) a strategic planning process that yields results-oriented program goals and performance measures that flow from and reinforce the organization's mission;
- (3) organizational alignment to achieve goals;
- (4) sound financial and information management systems;
- (5) the strategic use of technology to achieve mission-

related goals; and (6) the effective management of human capital — the organization's employees — including ensuring that the right employees are on board and provided with the framing tools, incentives, structures, and accountability needed to achieve results. (GAO/T-GGD-99-151, 1999, p. 2). This statement could have been copied from any current business management manual, but it reflects the attempt to make public management more businesslike.

But the public sector is not business, a point to be emphasized. Indeed, and there are several common concerns that focus on its different nature and the specific problems that administrative reform in the public sector has to confront.

Democratic Politics

Democracy is fickle or rather the electorate is fickle. There is no telling when or which government in office may fall and another takes over, the successor bent on reversing what its predecessor started and on introducing its own proposals. Unfortunately, administrative reforms take time, more time than allowed by the electoral system. As a result, reforms in progress may be abandoned before they take effect. They may be replaced by diametrically opposite proposals, leaving public agencies mystified, puzzled and cynical. Indeed, after many shifts and turns, the reforms may offset each other. And this may even occur even if the same team remains in power because politicians turn over and change places so frequently that few can follow any initiative through or identify with it or force it upon reluctant career officials who know that political heads soon pass. Often the impression is created that reforms are in progress when in reality they have yet to be implemented or they have already been abandoned and replaced. Unless the public administrators are committed, little

may happen.

Short-term Solutions

Besides political support and monitoring, administrative reform requires resources and a longer time frame, sometimes much longer than anticipated and conversely the expected economies never materialize; administrative reform can be expensive. Alas, when governments find themselves short of funds, they tend to end their experiments and opt for publicly dramatic solutions, such as slashing budgets, staff, maintenance and repairs, supplies, training and reforms in progress. Immediately, morale drops, good public servants seek to escape, quality gets compromised and public confidence declines and these losses can rarely be made up. Only to a limited extent can the tracks be covered over; eventually, temporizing and improvisations give way to despondency and putting up with anything. People fail to recognize how bad things have become or whether things could be turned around. Self-deceptive slogans used to keep interest alive in administrative reform do not really fool insiders.

Scarcity

Although these five countries are among the richest in the world, they claimed during much of the 1990s that they could no longer afford their scale of public expenditures and had to economize. If they claimed they could not afford their administrative states, what hope was there for poorer countries to deliver their current level of public services, never mind looking ahead? Even these rich countries complained that they carried too high a debt redemption burden due to high public debts. All of them introduced new taxes and new user charges and sought other ways to boost their

revenues. They all claimed to meet marked resistance to increased taxation. Electorates have favored political movements that promised to reduce taxes and generally reduce the public sector. All incumbents are aware of this change in public mood and seek not to further antagonize a discontented public. This new scarcity in the public sector means an overhaul of traditional ways of doing things.

Public Resentment

Where once the public welcomed or at least went along with government initiatives, in recent years the public mood seems to have swung in the opposite direction. This swing may indicate one of these cyclical changes in attitude but it also reflects the steady decline in the credibility of most public institutions since the 1960s. People are not so willing to trust government anymore; on the contrary, they seem to ignore much good news about improved government performance in favor of the downside — the admitted failings and shortcomings of public bureaucracies and the charges of corruption blazoned out of context by mass media in search of the newsworthy or maybe just entertainment. If the public were not so willing to think badly about government, bad news would not be so readily seized as grist for the mill. People take the good side of government for granted and tend to harp on their own bad personal experiences of needless red tape, circumlocation and all the other bureaupathologies that affect all large scale organizations. They resent public money going to special interests, meaning money spent on other people or controversial programs they do not approve of or unusually high overheads and prerequisites which they do not enjoy or on obvious boondoggles and pork barrel schemes of dubious public value. Many past beneficiaries of public programs no longer see why

anyone else needs them. In short, the public no longer seems to give government the benefit of the doubt when once they did.

Perception of Corruption

The change in public mood is partly due to the perception that government has become more corrupt than it used to be. In reality, the facts may be otherwise. What has happened is that any taboos surrounding the subject of corruption have now vanished and exposure has been heightened. Though no government admits to dirty hands or likes seeing its dirty washing revealed, investigative mass media have been on a mission to expose wrongdoing among the high and mighty and apparently the public lap it all up. But unfortunately as scandal follows scandal the exceptional is seen as routine. It appears as if everyone is on the make, everyone exploits position and power, everyone takes advantage of every opportunity for self-aggrandizement, everyone seeks to get around the restrictions imposed on public officials. All this may be far fetched, but the doubts accumulate in the public mind. Every exposure reveals flaws in the system and shows how adept the ingenious are in getting around any obstacles placed in their way.

Disadvantaged Public Sector

In some extent the decline in public ethics is attributable to the growing gap between public and private sectors as regards conditions of employment, tax free benefits, prerequisites and subsidized living standards. Public sector recruiters complain they cannot attract sufficient qualified applicants and retain those who they would like to keep. Severe past cuts in public service conditions have come to haunt, while very little has been done to prevent a runaway private sector whose advantages par-

ticularly at the top and middle management levels cannot be matched, no matter how hard public agencies try to compete. This inability of the public sector to compete for its fair share of a country's talent takes its toll as vacancies go unfilled even with historically high unemployment rates, and standards are reduced just to get enough people to do the work. The status and image of the public service have been lowered and not enough is being done to restore them. The pressures of being more noble in public service, and submitting to relentless scrutiny, with few prospects of reward — other than virtue — is likely to keep many good people from public service as the expectations may be too high and the rewards (psychic as well as monetary) too low for doing good as opposed to avoiding harm.

In the Dark

Public administrators admit that some public discontent is justified. There are many unsolved problems in trying to modernize the administrative state and to gear it up for the 21st century. Even given the best will in the world, there will always be defects. There is disagreement on whether this or that government is trying to do too much or is not doing enough, whether it has too much or too little information, whether it is too distant or too close to the public, whether it is too far behind or too far ahead of the curve, whether it mistakes special interests for the public interest too often or harms them more than the general public benefits, whether it has a big enough thinking capacity or too many policy wonks working at cross purposes, and so forth as the list of questions that cannot be answered by anyone within or without government is virtually endless. New challenges need new solutions not rehashed old hat remedies.

Each of the five selected countries has its own

special answers to these and many other common concerns. To cover what they are attempting to do is virtually impossible as each one has an overfull agenda. Instead, one major administrative reform in each country is selected for detached review because it seems to be working successfully, it deals with an issue of concern not just to all five countries but to almost every country in the world, and most importantly it seems that it is unlikely to be reversed and is here to stay as a lasting contribution to the future of public administration.

AUSTRALIA: THE NEW DOCTRINE OF ADMINISTRATIVE RESPONSIBILITY

In the late 1980s Australia was enthused with the new public management which would give a new breed of public sector managers greater freedom of action by removing long standing regulations limiting their ability to depart from rigid administrative procedures designed in a bygone age when public administration was much smaller and more easily monitored personally by elected politicians. Besides the reduction of centralized procedural rules, the new public management also involved more emphasis on outputs, the separation of purchases and provider roles, the development of contractual mechanisms of accountability, and departure from lifetime career employment (Hood, 1991). It was criticized at the time for opening the door to the repoliticization of public administration, retreating from traditional norms of public accountability by impeding political oversight of the public bureaucracy, and allowing the possible incursion of administrative corruption should public managers realize that they were accountable only to themselves and they could secrete their own

wrongdoing. Public propriety should not be sacrificed on the altar of economic efficiency nor should more businesslike public administration be allowed to breach the common law duty to act fairly in making administrative decisions which affected the public's legitimate rights, interests and expectations. Public interest groups and lawyers worried that public managers might exceed their lawful powers and their obligation to apply the principles of natural justice without adequate legal and judicial safeguards.

A decade earlier, Australia had already decided that the public was insufficiently protected from administrative abuse when following the establishment of the Administrative Review Committee in 1976 it embarked on a burst of ombudsmania by creating a host of ombudsman offices at federal and state levels and initiating the Administrative Appeals Tribunal, all of which empowered the public to challenge administrative decisions and hold public administrators directly accountable for their administrative decisions. Alongside the new public management, additional specialized administrative tribunals sprung up to strengthen this enforcement of administrative responsibility. The Administrative Appeals Tribunal which largely deals with appeals concerning medical, social security, taxation evaluation and compensation appeals, has since been joined by the Immigration Review Tribunal, the Industry Commission, the Refugee Review Tribunal, the Social Security Tribunal and the Veteran's Review Board. There has been a similar proliferation of investigative and appeal bodies at state and local government levels, notably the Interdependent Commission Against Corruption in New South Wales and the Queensland Cultural Justice Commission, in an elaborate framework that goes beyond the weak powers of persuasion and enforcement of

the ombudsman offices whose jurisdiction was found too restrictive and beyond the purely legal aspects of juridical review to reconsider administrative decisions on other grounds such as outcomes, fairness, propriety and appearance of justice done and seen to be done. In short, public administration is viewed not from above and within as would be the case of political responsibility and accountability but from outside and from the standpoint of social justice in a new doctrine of administrative responsibility and accountability.

What has emerged in Australia (and elsewhere in the five countries under review) is a system of administrative responsibility parallel to the system of political responsibility "by which public servants have direct responsibility for their conduct not merely a derivative responsibility through their minister and parliament" (Spigelman, 1999, p. 7). No public officials can hide behind the skirts of political or governmental action in the public interest as they might claim in a non-democratic regime. Each is being held personally responsible and accountable for the decisions and actions which are taken in office at the time and thereafter while they live, even after retirement. Moreover, they are also being held responsible and accountable for not acting when they should have acted to prevent government wrongdoing and harm befalling the public as a whole and as individuals. A whole array of public accountability mechanisms now review and correct decisions made by public administrators, thereby ending the bureaucratic defense of merely following orders or obeying instructions or merely carrying out the will of their political masters. The obligations of public administrators no longer end when they have performed the lawful commands of their political chiefs.

But this new doctrine of administrative

responsibility goes beyond public administration. It is now being applied to the whole of governance, to all public institutions, public and private. No better expression of its implications can be given other than directly quoting New South Wales Chief Justice Spigelman:

Public law rules are very similar to the rules for the exercise of powers by other institutions. If one can set aside its now substantial statutory overlay, many of the rules of corporations law with respect to the structure and operations of corporations are manifestations of an overriding principle that powers conferred on various arms of the corporate entity can only be exercised for the purposes for which they are given and must be rationally exercised for the benefit of those in favour of whom they have been given. Similar principles apply if one looks at the legal rules governing the internal affairs of trade unions and other organizations. It may be that what the future holds is the emergence of general principles of 'institutional law', rather than parallel principles in each of administrative law, corporations law, trade union law and the law of associations. There are core principles, in all these areas, many of which are derived by way of analogy from equity and its control of fiduciary powers (Spigelman, 1999, p. 9).

What is emerging is the application of public administrative law to all public institutions and the extension of the new doctrine of administrative responsibility to all administrators and managers whose decisions affect the public as a whole and as individuals. All executives, public and private, may soon find they will be accountable for following the principles of natural justice and the obligation to preventing harm. This will subject their actions and decisions to independent review wherein public ethics and public interest criteria will play important parts in the eventual outcome in

deciding administrative correctness, who takes the blame for wrongdoing and who is legally liable to see that adequate compensation is given to those harmed. This merging of public and private administrative responsibility will create a new world for management wherein the public good will be a foremost consideration and the public will be empowered to enforce its rights.

CANADA: THE NEW POLICY RESEARCH INITIATIVE

Canada has long been at the forefront of administrative reform, ranging over the whole spectrum and trying experiments and innovations wherever better performance seems promising (Savoie, 1994; Dwivedi & Phidd, 1998; Peters and Savoie, 1998). Sometimes the provinces have taken the initiative, other times the federal government in Ottawa has taken the lead. Sometimes, bodies of outside experts have made proposals, other times, the lead has been taken by insiders, including activist judiciaries. Indeed, so much reform is being undertaken across Canada, that it is difficult to keep track of them all. Most reforms are based on (1) the belief that strong government is essential to a well performing society, (2) the assertion that reform starts by examining the role government is expected to play in the future, (3) the affirmation that a well performing public sector requires strong policy capacity and modern service delivery, (4) the importance of a well performing, professional, non-partisan public service, and (5) leadership such that politicians ensure balance and fairness while public servants can propose bold and creative ideas, marshal support for change, and smooth implementation (Canada, 1998, pp. 2~4). Furthermore, Canada has been most

active in international arenas to urge the modernization of the administrative state and to assist poor countries improve their administrative capacity and managerial performance. But Canada itself has been undergoing some troubled times with the threat of Quebec to secede from the federation, difficult economic conditions, the challenge of diversity and the ever present problem of being in the shadow of its southern neighbor, the United States of America, from which it has trouble distinguishing itself and determining its own destiny. For Canada to continue to go alone, it has to wean itself off too much American and British influence, and think things out for itself to avoid being a pale imitation of them and to carve out a distinctive Canadian identity.

This challenge demands Canadian originality, and it requires Canadian leadership. It depends or used to largely depend on the thinking capacity of its federal government, the embodiment of Canadian independence and national development. But that thinking capacity like those of all other governments has been sorely taxed by the global transformations of the past few decades which in turn demanded the complete transformation of the whole public policy arena. But governments have been slow to act; they have continued to rely on time-honored methods of policy formation which have not adjusted to their turbulent environment sufficiently to devise adequate policies able to deal with contemporary challenges. The new world requires new policies and strategies not warmed up old ones. All governments have suffered from defects and shortcomings in policy research and development, in translating policy intentions into practical realization, in getting other public institutions and the public to go along with policy initiatives, and in monitoring and assessing policy outcomes. Aware of policy vacuums, the initiative has

been seized by special interest groups, business and professional associations, academia, splinter political factions, civic bodies, voluntary societies, think tanks, and the emergence of a new profession of policy analysts outside government, all seeking to influence government which rarely has the capacity to deal with them all or to determine which should be given preference or how to integrate their proposals into a coherent and consistent forward looking vision. This has prompted the warning that unless the core capacities of central government to engage in setting trajectories into the future are radically upgraded, future historians will add their bitter laments about the future they must live, blaming us for failing to adjust to the central government to their critical task (Dror, 1997).

Canada's policy capacity was severely dented by the fiscal restraints imposed during the early 1990s. Senior federal public servants complained about the deteriorating situation and warned that the federal government's policy research and development capacity had been hollowed out (Sutherland, 1999, p. 13). Improving public sector management was all very well, but it was in danger of eclipsing the more important task of improving public policy making. In 1995, a Task Force on Strengthening the Policy Capacity of the Government of Canada led by the Chief Statistician drew attention to the wider Canadian policy community and assessed seven policy aspects: (1) statistics and theoretical research, (2) applied research and modeling, (3) environmental scanning, forecasting and trend analysis, (4) policy analysis and advice, (5) managing consultations and relationships, (6) strategic communications, and (7) program design, monitoring and evaluation. It pointed out gaps in forward-looking capacity and the dominance of short-term policy work over long-term

strategic development. It recommended that more attention should be paid to long-term and strategic thinking throughout the federal government and that a network of policy researchers should be established within and without the government to develop shared visions and understanding of the larger context and to pay greater attention to the next generation of policy researchers.

In response, a Task Force on the Management of Horizontal Policy was established later in 1995 by the deputy ministers (or permanent department heads) to consider the previous task forces recommendation for greater interagency policy coordination. It broadened its vision by considering the changing policy environment in which the government operated, the seeming intractability of many policy problems and public demands to be more directly involved in policy making. While indeed there was a growing need for policy coordination, it put greater priority on the development of effective mechanisms to support horizontal policy development. These mechanisms would reduce agency positioning and turf protection with a more corporate culture committed to long-term cooperation, collegiality and collaboration across agencies. In the words of the Clerk of the Privy Council, "the Public Service of Canada must become a borderless institution....committed to reducing the barriers to the flow of ideas and information among and within public sector organizations" (Sutherland, 1999, p. 16).

In July 1996 the Clerk of the Privy Council, the chief of the federal public service, appointed a Policy Research Committee to look at directions in Canadian society to the year 2005 and identify the search needed to help policy makers make informed decisions to position the country successfully and "make recommendations regarding an interdepartmental research agenda and work program to

address gaps in knowledge." It quickly produced two reports, *Growth, Human Development and Social Cohesion* (October, 1996) and *Global Challenges and Opportunities* (February, 1997) which featured in the 1994 elections. These reports showed what could be done internally and alerted Canadian policy researchers outside the federal government to their future collaboration and input. They also pointed to the importance of international dimension and the need to fill gaps identified in the reports by creating four ongoing networks around the themes of growth, human development, social cohesion, and global challenges and opportunities. Herein was the beginning of the Policy Research Initiative (PRI).

The four networks, chaired by policy assistant deputy ministers, besides addressing the gaps in the original reports also provided a forum for ongoing discussion of horizontal policy issues, the identification of emerging trends and the dissemination of information and new research findings. A Policy Research Secretariat was created to help integrate and facilitate the work of the four networks to which were added three complimentary elements: (1) advancing and implementing a forward-looking research agenda; (2) strengthening policy research throughout the government; and (3) facilitating culture change. It also has the task of finding innovative ways to share policy research and reach out to the broader Canadian and international policy research communities. From this modest beginning, the PRI has expanded through the Secretariat to develop closer links with Canadian academia to reassess its findings from outside government, to assist other countries which are engaged in similar horizontal policy research programs, to develop regional strategies, create a computer directory of the Canadian policy research community, and

organize meetings and workshops around the country on related policy research themes such as population health, culture and sustainable societies and Canada in the 21st century.

The PRI is committed to a fully collaborative partnership. It provides neutral venues for its meeting where groups from the policy research community gather to discuss in a non-confrontational professional setting. Participation is voluntary and depends on the capacity of researchers to engage in joint activities. Significantly, it provides a forum for unconventional thinking. It has remained small and still has yet to be institutionalized. But recently it has linked up with the Canadian Social Sciences and Humanities Research Council to evaluate emerging developments in horizontal policy. Eight teams of mostly younger academics have been contracted to re-evaluate the trends identified in the original reports along the theories of North American integration, technology, multiple centers of power, changing values and demographics, environment, and social differentiation. Their findings (which include such topics as voluntarism, citizen involvement, environmental stewardship, power diffusion and decentralization, privatization and post-sovereign governance) will be presented to an annual national policy research conference. Thus, the Canadian government is trying to reach out to the wider policy research community in its search for new ideas that may eventually guide public policy and bring the Canadian public directly into the policy-making process.

NEW ZEALAND: REDESIGNING THE WELFARE STATE

Akin to the Scandinavian countries, New Zealand on the other side of the planet also boasted a model welfare state, and like them it

discovered in time that its model had serious flaws and limitations as its ability to achieve economic security with social justice diminished. It too could ill-afford to be so generous. The mounting costs were beyond expectation as the population aged, the economy suffered reverses, unemployment rose and universalism covered groups that were not needy or had become work shy, thereby turning compassionate relief into patronage. Furthermore, the welfare state was being blamed for the decline of marriage, the spread of illegitimacy, the rise in divorce and family break-ups, accelerating juvenile crime and delinquency accompanied by violence and drugs, and a permanent class of welfare cheats.

The redesign of the welfare state in New Zealand did not take place in isolation. It was part of a much larger objective of reducing the state through privatization, corporatization, decentralization and outsourcing and reducing public employment (by 60 percent during the 1990s) which radically changed the government of New Zealand toward a distinctly more technocratic mode incorporating new public management precepts (accrual based accounting and appropriations, budgeting for outputs, de-coupling service delivery from policy advice, non-tenured executives, individual employment contracts, annual purchase agreements, annual reports and audited financial and performance statements) and the new contractualism (Davis, Sullivan and Yeatman, 1997). As part of this grand plan, New Zealand's safety net would have to be restricted as the costs were outdistancing the country's ability to pay from its growing indebtedness, expressed in the 1991 budget speech of Finance Minister Ruth Richardson:

The redesign of the welfare state is integral to our strategy for growth. We cannot make economic progress without reforming our social

systems, nor can social and economic policy be divorced from one another. The only sustainable welfare state is one that is fair and affordable. Our current system is neither. Real welfare is created by people and families through their own efforts. Our redesigned welfare state will support those efforts and assist those who cannot assist themselves. (Boston, Dalziel, St. John, 1999). Thereafter, the government embarked on a program of retrenchment meant to cut welfare costs considerably, increase private provision, lower taxes and benefits, open competition between public and private schemes and reduce access, based on four key principles: fairness, self-reliance, efficiency and greater personal choice (*Ibid.*, 13).

Although some of the most radical proposals were dropped and compromises made in sweeping sectoral changes, tortuously New Zealand began to wean the country off its dependency on universal state provided welfare. Substantial cuts in benefits were made, reducing disposable incomes of most beneficiaries up to 30 percent. Eligibility for old age pensions was raised from age 60 to 65. In health care, funding, purchasing and provision were separated and some 23 semi-commercial health enterprises replaced 14 area health boards. Most renters of public housing experienced substantial increases in their now adjustable market rated rents. A means test was instituted for college students, student subsidies were reduced, and a government student loans scheme was introduced. Disability payments replaced lump sum payments while responsibility for accident compensation was shifted to the victims in conformity to the general policy of shifting from universalism to targeting and from welfare to work fare.

Most economic benefits went to high income households while households on the social and

economic margin found themselves short-changed. The gap between rich and poor widened with the latter having a much tougher struggle while the expected economic boost fell below expectations. The underprivileged became further alienated and hardship increased so that the numbers of welfare recipients rose. All this dented New Zealand's fame to social egalitarianism and New Zealanders reeled from the shock of losing their former welfare state model for something different and not at all to their taste, being more divisive, elitist and individualistic and less generous, supporting and trustworthy. Some observers concluded that New Zealanders had not become "more confident, more prosperous, more self-reliant, and more secure" at the end of the decade as the Finance Minister had promised them in 1991. Indeed, the government as much as admitted this in 1998 in its booklet *Towards a Code of Social and Family Responsibility* which advised the public to work together while it looked for answers (*Ibid.*, 307).

The booklet reopened to debate over the fundamentals of the New Zealand model and whether or not it should be scrapped and replaced. Critics repeated their claims that it had

- failed to reduce poverty or overcome disadvantage;
- provided disproportionate assistance to those who needed it least;
- encouraged dependency on welfare benefits;
- promoted 'provider capture' and generated large, insensitive and inflexible bureaucracies;
- undermined the traditional family unit;
- displaced private and voluntary welfare;
- undermined personal responsibility; and
- created perverse incentives, thereby discouraging employment and undermining economic growth (*Ibid.*, 4).

But the ground had already shifted to such

issues as what level of welfare should the state provide? How should welfare be delivered? In what form to who? For what purposes? To achieve what objectives? This debate in New Zealand has drawn world attention to the many varieties of possible future welfare states and highlighted the contrasts among three major forms it could take, namely

a residualist, minimalist or needs-based model;

an insurance or contributions-based model; and

a social citizenship or rights-based model.

(*Ibid.*, 6)

or any combination of these as illustrated in the different models being continually shaped and reshaped in all five countries.

UNITED KINGDOM: PUTTING PEOPLE FIRST

In traditional public administration studies, more emphasis has been placed on administration because the audience has long been composed of government professionals who seek to make a science out of the art of administration less attention has been given to the other term, public. What is the public in public administration? Who are the public? Which are the publics that public organizations serve? How do they differ in demands, requirements, expectations and values? Traditional studies assume that public agencies served the government, that it was purely instrumental whereas democracy accepts the fact that they have become institutional and that their real masters are the publics they serve. The Westminster-Whitehall model was not just inadequate, but it was also self-deceptive. There was more to the government of the United

Kingdom of Great Britain and Northern Ireland than central rule from London, i.e., the English imperium. Other peoples composed the British Isles and the population had contained significant immigrant groups who were never considered British enough. The public in British public administration had never been homogeneous and London was the bailiwick of few.

Not until the 1990s has the British government recognized that London has been too dominant, that centralization of public policy had gone too far and that the problems of holding together a multinational state has been underrated. The modernization of government had not gone far enough and had not taken into account the transformation of government into governance. Heading its new agenda was political deconcentration and devolution not just administrative decentralization. This would involve transferring certain central powers to newly established territorial regional authorities in Wales, Scotland and Northern Ireland over purely local affairs so that government was brought closer to the publics it served. These new authorities would be able to raise their own revenues and disburse their finances independently of London and they would maintain their own albeit circumscribed legal systems. Deconcentration would acknowledge that the local peoples had the right to manage their purely local domestic affairs and the British Parliament would not have the supreme control it once exercised over the British Isles. Once this new system operated, it was unlikely that there would be a going back.

Devolution is a transfer of powers. It seems to imply the removal of powers from a superior layer of government to a lower layer of government. It seems to create new independent layers of government. Yet in reality, it creates not independent but new inter-dependent layers. As with Europe, so with the financial

settlement: devolution will work successfully only if there are interlocking arrangements between central government and the devolved administrations. It is hardly possible in any democracy to maintain a rigid line of demarcation between different levels of government. Devolution will establish not independent, but interdependent bodies and it will require cooperation and reciprocity between the devolved executives and central government (Bagdanor, 1999, p. 283). Elsewhere, such devolution has not led to breakup and separation but is power sharing. It has weakened demands for separation and strengthened forces holding the state together.

This dispersal of power is intended to bring about the humanization of the state through a reduction in the scale of government, making it less remote and more responsive, which has been the intention behind other administrative reforms in the United Kingdom, such as the Citizen Charter, as part of the government's modernizing mission. In March 1999, it published its next steps in its White Paper entitled *Modernising Government* in which it stated that its program of reform for the future saw government not for those who worked in it but for the people as consumers and citizens. Public services and public servants were to be valued but they had to perform better, that they reflected real lives and delivered what people really wanted, that all parts of government worked together better, that government was joined-up, integrated, and used to the best and most modern techniques.

People want government which meets their needs, which is available when they need it, and which delivers results for them. People want effective government, both where it responds directly to their needs ... and where it acts for society as a whole...

To achieve that, the Government's strategy is

one in which the keystones of its operations are inclusiveness and integration:

- Inclusive: policies are forward looking, inclusive and fair.
- Integrated: policies and programs, local and national, tackle the issues facing society in a joined up way, regardless of the organizational structure of government.

The Government is putting these principles into practice by aiming to:

- provide public service of the highest quality, matching the best anywhere in the world in their ability to innovate, share good ideas, control costs and above all to deliver what they are suppose to.
- ensure that government is responsive to the user and is from the public point of view, seamless.
- make certain that citizens and business will have choice about how and when to access government services ... (Section on Vision)

The government's program would be centered on five key commitments:

- **Policymaking:** we will be forward looking in developing policies to deliver results that matter, not simply reacting to short-term pressures.
- **Responsive public services:** we will deliver public services to meet the needs of citizens, not the convenience of service providers.
- **Quality public services:** we will deliver efficient, high quality public services and not tolerate mediocrity.
- **Information age government:** we will use new technology to meet the needs of citizens and business, and not trail behind technological developments.
- **Public service:** we will value public service, not denigrate it (*Ibid*, para. 20)

How each of these commitments were to be implemented was then spelled out in much

greater detail, from specific programs, such as setting up a new Centre for Management and Policy Studies and peer review of agencies to rather abstract statements of intentions, such as encouraging partnership delivery and becoming a family-friendly employer. The government promised to set milestones to chart its course and criteria so that the users of public services could judge whether the modernization program was working. It would report annually on progress through its new modernizing Government Secretariat in the Cabinet Office reached at Moderngov@grnet.gov.uk on the Internet.

UNITED STATES OF AMERICA: MEASURING PUBLIC SECTOR PERFORMANCE

Among the lasting contributions that the United States is likely to make to governance and public administration is that of measuring public sector performance. Where once the myth reigned that the major difference between business and public administration was that the former could be measured but the latter could not, it has since been exposed by the long history of public managers who did devise their own measurements, particularly in the delivery of local government services and public auditors who progressively developed their own early crude legal, financial and ethical measures to make sense of economic, efficient and effective government. Budget reformers have tried for decades to direct attention away from the inputs of government to the productivity and outputs of government. Then, since the 1970s, the policy scientists moved from cost-benefit analysis and output measures to outcome measures, that is, assessing the actual impact of government policies and actions on society. More recently, politicians and citizens

have demanded answers to their questions about the value and value added of the public sector, the worth of public programs, the contributions of public employees to the economy and society, how and where economics could be made, and where government services were weakest and what could be done to strengthen them.

The boldest step has been taken by the United States federal government through the Government Performance and Results Act of 1993 (GPRA) by which Congress has prescribed consultation and planning to identify agency and program goals and annual reporting on performance. Joseph Wholey has described the intentions and purposes of the new performance-based management system as follows:

The required planning and performance measurement, and the possibility of increased managerial flexibility in return for accountability for results, are intended to improve management, improve program performance, improve accountability, support policy decision making, and improve public confidence in government ... With minor exceptions, federal agencies' strategic plans, annual performance plans and annual performance reports are and will be public documents.

In their planning process under the GPRA, agencies are to develop strategic plans that contain mission statements covering the major functions and operations of the agencies; identify strategic goals and objectives including outcome related goals and objectives for their major functions and operations ... identify the key external factors that could significantly affect the achievement of the goals and objectives; and describe how the performance goals included in annual performance plans will be related to the agencies' strategic goals and objectives. In developing their strategic plans, agencies are to consult with Congress

and solicit and consider the views of other key stakeholders affected by or interested in agency activities. Strategic plans are to cover at least five years. They are to be updated as often as is appropriate, at least every three years (Wholey, 1999, pp. 293 ~ 294).

Should an agency in consultation with the Office of Management and Budget determine that it is not feasible to express performance goals in an objective, quantifiable and measurable form, then an alternative form may be authorized. This acknowledged that not all government agencies could be treated alike and not all were subject to measurable performance.

Implementation of this bold scheme began in 1994 with a series of pilot projects first. Unlike the reforms in the past, it was not suddenly imposed willy nilly on all federal agencies. Instead, it was enlarged only after the initial trials and then widened with agency submissions of strategic plans in 1997 when 1999 performance plans were included in the 1997 budget and the President submitted a government-wide performance plan in February 1998 as part of the 1999 budget. Thereafter, each agency has to report on program performance for the previous fiscal year so that comparisons can be made between projected and actual results. Where goals have not been met, the agency has to explain why and describe plans and schedules for achieving them. Otherwise, it has to explain why the goals were impractical or infeasible and indicate what action is recommended. The whole purpose is to change the focus from how much government cost or inputs to what the government achieves or outcomes to reduce waste and efficiency that undermine public confidence in government.

What has emerged out of this elaborate scheme is probably the most significant public budget reforms of the 1990s, namely, *Performance Budgeting* which is the concept of

linking performance information with the budget. It "assumes that a systematic presentation of performance information alongside budget amounts will improve budget decision-making or by focusing funding choices on program results" (GAO/AIMD/GGD-99-67, 1999, p. 4). After the performance goals had been established, it was found that most plans did not identify how funding would be allocated to the performance goals. So Congress requested the federal agencies to revise the 1999 performance plans to describe agency approaches to link goals and budgetary resources. This was most likely to be done where there were simple, clear relationships between program activities and performance goals and where agencies fully integrated performance plans into budget justifications or had changed their program structures to reflect their goal structures. But much still remained to be done to clarify and strengthen links between planning and budgeting structures and presentations and challenges in performance planning and measurement and cost accounting. Goals should be more results-oriented and coordinated with other agencies, all of which needed to adopt a broader agenda for improving performance plans that included focusing on results, defining clear strategies, and improving capacity to gather and use performance data. Furthermore, complications remained concerning how to relate outputs to outcomes, and how to relate costs to outputs, partly due to delays in implementing the managerial cost accounting standards developed by the Federal Accounting Standards Advisory Board. The dilemma has been well stated by the U.S. General Accounting Office:

On one hand, performance plans need to be broad and wide-ranging if they are to articulate the missions and outcomes that agencies seek to influence. Often these plans will include

goals that the agency can only influence indirectly because of responsibilities assigned to other actors, such as state and local governments. On the other hand, budget structures have evolved to help Congress control and monitor agency activities and spending and, as such, are geared more to fostering accountability, for inputs and outputs within the control of agencies. (*Ibid.*, 34)

All innovations pose their challenges and their solutions given their different contexts invariably

Result in differences in operationalizing them. In the case of performance budgeting initiatives, key challenges include a lack of credible and useful performance information, difficulties in achieving consensus on goals and measures, dissimilarities in program and fund reporting structures, and limitations of information and accounting systems...When viewed collectively, these past initiatives suggest three common themes. First, any effort to link plans and budgets must explicitly involve the extensive and legislative branches... Second, the concept of performance budgeting will likely continue to evolve...there is no single definition...that encompasses the range of needs and interest of federal decision makers. Third, performance budgeting cannot be viewed in simplistic terms....resource allocation cannot be mechanically linked to results... ultimately the promise of any performance budgeting initiative....lies in its potential to more explicitly infuse performance information into budgetary deliberations, thereby changing the terms of debate from simple inputs to expected and actual results (*Ibid.*, 4 ~ 5).

CONCLUSION

That other countries can learn from the American experience in measuring public sector performance is clear. That other countries can

also learn from all five selected countries and their experience with their current administrative reform initiatives is also clear, providing it is borne in mind, that they have resources well beyond those of poorer countries and they can well afford to experiment without dire consequences should their experiments fail. Like all research, no one can tell beforehand what breakthroughs are about to be made. It is of global benefit that they experiment on behalf of all public administration systems around the world, that they undertake such bold and visionary research and that they are so open and sharing in their findings. Other countries still must realize that their circumstances are quite different. If they spot anything that may be advantageous, they have to tailor their own prescriptions, never an easy task and alas still beyond the reach of many poor countries which lack sufficient capacity even to tamper with what they have. These will still require international assistance to reshape their public administration systems and these five select countries are willing and able to lend their assistance in helping any other country improve its public administration system and the performance of its public sector, providing it is remembered that the prescriptions of these five countries do have a very decided democratic bias.

Disconcerting is that the modernization of the administrative state to bring democratic governance closer comes mostly from within official circles due largely to outside pressures. They smack of remaining top-down, from the privileged elite of the administrative state who disseminate their ideas to the public at large. For instance, devolution still places the top in control and appears to be an act of grace on its part. Real decentralization can only come about from resistance at the bottom. Power can never really be given; ultimately, it can only be taken.

It would seem that this is an inherent attitude that public officials at the top of governance systems are only prepared to release just enough of their authority to satisfy their discontented publics but no more. One does not sense overwhelming enthusiasm on their part or any firm realization of their new opportunities by the outside public to take over more governance for themselves. It is likely that the public will discard too much governmental authority only to discover too late what they have lost, and then incrementally add back only enough to quell the worst disturbances. For other less well governed countries to follow suit may well jeopardize their very existence.

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