

INTRODUCTION

FOR WELL OVER a decade now policymakers and academics have been celebrating, each in their own way, the triumph of democratic forms of government. That politicians should wish to vaunt the inexorable march toward freedom is not surprising. That academics should wish to understand the process by which a transition is made to a democratic form of government represents merely a legitimate intellectual inquiry. What these two disparate groups have in common is the belief, or at least assumption, that once the structural bases of a democratic polity are created then the democratic system is likely to remain enduring.

Democracies, however, are capable of faltering for different reasons, which include highly polarized politics, an inability to resolve mounting societal problems, the strengthening of antidemocratic parties, and the exacerbation of ethnic or regional or religious tensions.¹ The cases involving the collapse of democracies and their replacement by authoritarian regimes are extreme. But they help to demonstrate that even “strong” or “consolidated” democracies require constant strengthening so that problems are solved on a continual basis, thereby allowing legitimacy to be preserved.

Much work has been carried out on the need for institution-building and on the foundations of legitimacy. Yet, while we analyzed the process of democratization, prioritized institutional needs, and recommended to the newly liberated societies the introduction of structures and constitutions, we in the West were at the same time undermining the institutional bases of our own democratic systems that had long been “consolidated.”

The tragic events of September 11, 2001, may bring about a reevaluation of the generalized views and policies of the past twenty-five years that have been contributing to weakening our democracies. It may be that a threat to American society and the resulting preparations for a long war were necessary for the reshaping of people’s views of the proper role of government. It probably need not have taken a direct attack on the United States to bring home what had long seemed obvious—that “long dead thinkers”² were not necessarily wrong in believing that a democratic society required a professional instrument at its disposal in order to preserve its democracy. I ought to note at once that after the initial gratitude shown to the heroes of September 11—firemen, police, public officials of all sorts,

¹ See Juan J. Linz and Alfred Stepan, eds., *The Breakdown of Democratic Regimes* (Baltimore: Johns Hopkins University Press, 1978).

² David Osborne and Ted Gaebler, *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector* (Reading, Mass.: Addison-Wesley, 1992).

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in short, all public servants—the importance accorded public institutions diminished very sharply. Indeed, it was as if the fight against terrorism could not be entrusted to the state’s own institutions and servants. President Bush’s current plan, as shown in the creation of the Department of Homeland Security, is nothing less than the privatization of the federal government. The 170,000 employees of the newly created department will not receive civil service protection. In addition, more than half of the federal employees (some 850,000) will become employees of private contractors. Democratic societies are based on legitimacy, which itself is largely based on effectiveness. How can governments preserve their legitimacy if they deny themselves the means of being effective?³ This is the central question that this book addresses.

I

In almost all democratic societies we have witnessed over the past two decades an incontestable phenomenon: relentless attacks on and denigration of the state. The public sector as a whole and the state’s chief instrument—the bureaucracy—have borne the brunt of the merciless attacks. This is as true of societies, like the United States, that have always exhibited a profound mistrust of state authority as it is of societies that have historically attributed a sacrosanct status to their state.

The confusion created between the need for democratization, or greater efficiency, and the reduction in the role of the state is not an accident. One of the tasks of this work is to show that the symmetry established between achieving greater efficiency from our public institutions and reducing the role of the state in society is not accidental.

Many of the criticisms of bloated bureaucracies and the waste they engendered were, of course, highly legitimate. They inspired a number of reforms in some countries. If this is what debureaucratization and reforms of the state were all about, the issue would be unexceptional. Indeed, there would be no issue that would cause alarm about the future of the democratic polity. There would only be “technical” choices of how best to achieve greater efficiency.

Why, then, do other political institutions as central to the democratic polity as legislatures, executives, state and local governments, and the judiciary tend to give rise to low-key debates, if they inspire debate at all, while reforming the bureaucracy has tended to define what politicians and political parties stand for? In short, why has the bureaucracy served as the punching bag for so many would-be reformers?

³ The distinction between and connection of “effectiveness” and “legitimacy” was first noted many years ago in Seymour Martin Lipset, *Political Man* (New York: Doubleday, 1961).

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These are important questions because in seeking the answers we will come to understand why the goal of bureaucratic efficiency is achieved at considerable costs. It is paradoxical that while the most determined reformers of the state bureaucracy have argued for the importance of the reduction of the costs of bureaucracy, they have neglected to calculate the costs of achieving these efficiencies.

A state's bureaucracy is in reality but the instrument of the legitimately elected government, even if it is not a completely disinterested and selfless institution. The civilian bureaucracy is not unlike the military in that it is a professional institution serving a democratically elected political authority. Just as we hold civilian control of the military to be paramount in a democracy, so we hold that politicians are responsible for the work of the civilian bureaucracy.⁴ The military bureaucracy, even while subject to political control, is also a self-interested organization preoccupied with survival, budgetary growth, influence, and autonomy.

Yet, even when the military demonstrates waste or inefficiency, such as losing a war, the consequences are generally limited. No doubt patriotism plays a role in shielding this institution from the wrath that befalls its civilian counterpart. Particularly in recent years, the civilian bureaucracy of democratic societies has not only become the object of virulent attacks; it has also had its very *raison d'être* questioned.

The attacks on the bureaucracy have largely come from the politicians, those democratically elected representatives who are sent by their constituents to run the political institutions and whose responsibility it is to insure delivery of services in much the same way as they are charged with seeing to it that the country is well defended against external threats. Politicians, however demagogic as they might be, are seeking to maximize their chances of election and reelection and are therefore representing political forces. What are these forces? Who do they represent? What do they represent? One has to distinguish between streamlining an institution and handing it over to the private sector.

The privatization, or outsourcing, of governmental functions is the cornerstone of the New Public Management (NPM), about which much will be said in this study. Yet, as we shall see, the belief is that what is privatized *inevitably* benefits the citizen-customer because his/her tax rate will go down as will the price he/she will pay for the service. Best of all, the service will be delivered more quickly.

This is an article of faith, but faith is not empirical proof. It must, therefore, remain a hypothesis, at best. It will be treated as such in this work.

⁴ This theory is more explicit in societies that follow a doctrine of or akin to "ministerial responsibility." See Walter J. M. Kickert and Richard J. Stillman, *The Modern State and Its Study: New Administrative Sciences in a Changing Europe and United States* (Cheltenham, U.K.: Edward Elgar, 1999).

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We need to remain mindful that the transfer of governmental functions entails costs that may be social, political, and even economic. If these costs outweigh the advantages for the society, why effect this transfer?

The virulent attacks on the state bureaucracy, particularly in the United States but in other advanced industrial societies as well, have helped to undermine politics, political involvement, and citizenship. They have in the process undermined the democratic polity by delegitimizing themselves and their political functions. In difficult times of inflation, deficits, and economic instability, the political authorities in the U.S. and in European societies found themselves severely rebuked by their citizens. To ward off attacks and to deflect criticism of their incapacity to solve society's pressing problems, they turned their wrath on their own state and on the way it was being managed. Much of course needed changing in the way the state managed its resources. But rather than instituting reforms, as generally occurs under similar circumstances in the military bureaucracy, the attacks went beyond the call for reforms.

In adopting a facile, short-term, and self-serving approach of merely deflecting criticism, they helped undermine their long-term authority. Politicians in most countries, but most particularly in the U.S., chose to forget that they were essential parts of the state. In denigrating the state which they were elected to manage, they have essentially undermined their own authority. More than two decades of unrelenting attacks on and reforms of the state have produced no change (except for the worse) in voter turnout, confidence in politicians, and respect for public institutions.⁵ No discussion of bureaucratic organization, function, or reform can be divorced from a discussion of democratic governance.⁶ This is the central precept that underlies this work, and it explains why this work is more about strengthening democracy than about anything that might resemble a defense of bureaucracy.

II

Whether the field of public administration has been transformed into, or absorbed by, the field of management still remains to be seen. Certainly

⁵ In fact the number of people who think that most U.S. politicians are crooks or who find democracy wanting in European societies has been lower in the 1990s than in the previous decade. See data in chapter 4. See also Susan J. Pharr, Robert D. Putnam, and Russell J. Dalton, "Introduction: What Is Troubling the Trilateral Democracies?" in *Disaffected Democracies*, ed. Pharr and Putnam (Princeton: Princeton University Press, 2000), 3–30.

⁶ Anthony King has observed that the federal government in the United States has done little to create a constituency for itself. See his chapter "Distrust of Government: Explaining American Exceptionalism," in Pharr and Putnam, *Disaffected Democracies*, 74–100. In fact, the government has accomplished the opposite: it has joined—and often led—the antigovernment forces in society.

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there has been in recent years a big tug in the latter direction. For the moment, the subject of public administration continues to flounder between being an uncomfortable member of the politics family and staking claims to a territory that is largely independent of the field of politics. Some years ago Terry Moe noted that “for decades, the study of public bureaucracy has been one of the most underdeveloped areas in all political science.”⁷ He believed that the advances in the field would come from the applications of some of the major insights of the field of economics.

It remains the case today that the study of public bureaucracies is, like political science, pulled in different directions. The issues it confronts are both methodological and substantive in nature. The two should be kept separate, even though the attractiveness of positivistic methodology sometimes imposes questions, and hence answers.⁸ The primary issue should always be the “importance” or “pertinence” of questions asked, an issue about which a certain degree of subjectivity will be inevitable.

The relevance of the questions that the field of public administration asks resides in the fact that what is raised and answered depends on where this field situates itself. Management specialists do not ask the same questions as those whose main concern happens to be the distribution of power and influence. By and large, public administration may no longer be a field looking to become a discipline.⁹ It appears to have found a niche within the discipline of management. The more it has thrown its lot in with those specializing in the area of management, the less it has been able to analyze reforms and policies as the consequence of the interplay of social and political forces.¹⁰ This has been less the case in European societies, where the field of public administration has maintained its strong link with law.

There have been vast changes in concepts, perceptions, roles, practices, and expectations of public bureaucracies. Some countries have embraced new ideas and have sought to align their public bureaucracies with the practices of the private sector. Others have manifested a willingness to introduce modest reforms in the organization of their bureaucratic structures. Still others have shown either an unwillingness or an incapacity to effect changes in these organizations. Neither globalization nor greater cooperation

⁷ Terry M. Moe, “The New Economics of Organization,” *American Journal of Political Science* 28, no. 4 (1984): 772.

⁸ See Alfred Stepan, *Arguing Comparative Politics* (New York: Oxford University Press, 2001), 1–2.

⁹ Dwight C. Waldo, *The Administrative State: A Study of the Political Theory of American Public Administration* (New York: Holmes & Meier, 1984).

¹⁰ For a discussion of the competing and successive concerns of public administration, see Christopher Hood, “Public Administration: Lost and Empire, Not Yet Found a Role?” in *New Developments in Political Science: An International Review of Achievements and Prospects*, ed. Adrian Leftwich (Aldershot, U.K.: Edward Elgar, 1990), 105–7.

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through international organizations, regimes, treaties, or the European Union seems to have produced a convergence of conceptions on how best to organize the policy-making instruments of the state.

This is a book as much about good governance as it is about bureaucratic organizations. In fact, the central question that underlies this work is: Is democratic governance hindered without an effective instrument at the hands of the legitimately elected political leadership? Some years ago such a question would likely not have been posed because the answer would have been an obvious “yes.” Although lip service continues to be paid to the need for a state to balance “market forces” or to insure security from external threats, the reality is that democratic societies have moved beyond the recognition that a state and the instrument that defines it are an indispensable bulwark for a democratic order.

In almost all contemporary democratic societies we are confronted by the remarkable phenomena of the denigration of the state by political parties (left and right) and of a high-level of mistrust of politicians by citizens. Politicians continually distance themselves from the state and its institutions, all the while being an integral part of it. This may be “rational” behavior in a narrow sense, but it has not increased the respect that citizens feel toward the state or its politicians nor reduced their mistrust of the state institutions.

Contemporary democratic societies have experienced so many extraordinary changes over the last three decades in their economy, institutions, and political practices that taking a second look at what were once thought to be key institutions is scarcely objectionable. A second look does not necessarily involve a different answer to an old question, but the search for an answer is a way of evaluating an institution’s contribution to the democratic polity. Such a search is the primary objective of this work.

The bureaucracy is part of an array of institutions—political parties, legislatures, executives, state and local governments, the judiciary—that strengthen or detract from the quality of democracy. The experience of countries that find themselves with incompetent or wholly politicized bureaucracies is one in which a vicious circle is created: democracy needs to be introduced, but it cannot be consolidated without an effective instrument at its disposal and such an institution cannot be created by a nondemocratic regime. No democracy is conceivable without competing political parties, nor is a democratic polity imaginable with a judicial system that administers what Weber called “kadi-justice”¹¹ or what Kirchheimer referred to as “political justice.”¹²

¹¹ Max Weber, *Essays in Economic Sociology*, ed. Richard Swedberg (Princeton: Princeton University Press, 1999), chapter 7.

¹² Otto Kirchheimer, *Political Justice: The Use of Legal Procedures for Political Ends* (Princeton: Princeton University Press, 1965).

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Is, then, the construction of a democratic polity possible without the existence of a professional bureaucratic apparatus? Weber has come under incessant attacks in recent years for his views on the organization of bureaucracies. But whether bureaucracies all have or should have particular “ideal-type” characteristics (something he insisted on) may well be debatable and may even have been a view inspired by his social, political, and national context. Modifications may well be in order.

Weber, however, was concerned not just about the organization of hierarchical bureaucracies. This was, if anything, secondary to his main preoccupation, namely, the maintenance of a democratic order, which requires a trained, nonvenal bureaucratic machine.

“Good” governance has several constitutive elements that distinguish it from “bad” democratic, or nondemocratic, forms of governance. One of the crucial elements that contributes to or detracts from responsive, accountable, effective, and legitimate government is the instrument through which all governments exercise their authority—the state bureaucracy.

It is not an accident that modern mass democracy and the development of what came to be recognized as the modern bureaucracy went hand-in-hand. The modern democratic state was built upon the bureaucratic structure that undergirds this state. Political leaders of the emerging democratic states from the early nineteenth century to the late twentieth century recognized that whatever the goals of the state—controlling a vast empire, creating an educational system, guaranteeing democratic procedures, conducting war, establishing the welfare state, collecting taxes—each necessitates a highly organized, basically nonpolitical instrument at its disposal.¹³

III

What, then, is the relationship between bureaucracy and democracy? Is the former necessary for the latter? Does bureaucracy impede a healthy democracy? Is a professional bureaucracy required for *developing* but not for *maintaining* a democratic state? Why, at this point in history, has a reform movement arisen championing the gradual dismantling of the bureaucracy? Finally, what are the consequences for democratic society of the reform movement’s implacable advances in pursuit of its goal of undermining the state’s governing instrument?

These are the central questions that this study seeks to address. I relate the impact of the evolution of the bureaucratic apparatus to democracy in contemporary democratic societies as well as in societies that are

¹³ See Bernard S. Silberman, *Cages of Reason: The Rise of the Rational State in France, Japan, the United States, and Great Britain* (Chicago: University of Chicago Press, 1993).

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struggling to develop and consolidate democratic institutions after decades of authoritarian rule. While the study has much to say about what Christopher Hood calls the linguistic shift from “public administration” to “public management,”¹⁴ I believe that the New Public Management does not alone account for the transformations of the role of the bureaucracy in modern democratic societies.

The conclusions I draw about the impact of bureaucratic development on democratic governance and the evolution of democratic practices on the changing role of bureaucracy could only derive from the comparative method that I have adopted. None of the questions raised in this study about bureaucratic reform, about “government reinvention,” about professionalization and deprofessionalization of bureaucracies, about the politicization of civil servants, about centralization and decentralization, and about responsiveness and efficiency could have been answered without resorting to comparisons among democratic societies of vastly different traditions and cultures and between democratic and democratizing societies.

I had at one point, because of a growing interest in American society and American political institutions, considered devoting a study exclusively to the evolution of the federal bureaucratic apparatus and to the impact of the NPM on effacing the gap between politics and bureaucracy. It quickly became evident that I would end up with not much more than an interesting case study, which, however fascinating and suggestive it might have been, would nonetheless have resulted in yet another illustration of the proverbial “American exceptionalism.”

Comparisons are useful in providing explanations, but they can only be so if they are based on some overall understanding of the underlying basis that calls for the comparison. A theoretical underpinning to the comparison becomes indispensable for comprehending the roles that similar institutions play in democratic societies. Without a theoretical foundation we end up merely with a series of parallel case studies. These are often based on an immense amount of work and are therefore not to be denigrated. But such studies do not have as their objective either posing or answering the crucial questions of what accounts for the minor or the considerable similarities and differences in inputs or outcomes, though they can be used advantageously to such an end.¹⁵

The comparative method I have adopted is not the standard one generally employed in comparative analysis whereby one or more countries are compared in a consistent manner on a series of dimensions. I have chosen

¹⁴ Christopher Hood, *The Art of the State: Culture, Rhetoric, and Public Management* (Oxford: Clarendon Press, 1998), 3 and 19.

¹⁵ See Harry Eckstein, “Case Study and Theory in Political Science,” in *Handbook of Political Science*, vol. 7, *Strategies of Inquiry*, ed. Fred I. Greenstein and Nelson W. Polsby (Reading, Mass.: Addison-Wesley, 1975).

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instead a thematic approach in this work that allows for the use of comparisons of different countries depending on the theme being analyzed. Thus, for example, I chose to include Spain only in the discussion on bureaucratic politicization because it was important to illustrate how a society with a well-developed civil-service tradition has gradually given way to a politicization of its bureaucracy. I did not judge it important to include Spain in the discussion of state reforms. On the other hand, it seemed advisable to include Britain both in the discussion of bureaucratic reform, because it broke with a longstanding tradition of bureaucratic organization, and in the discussion of bureaucratic politicization, because it appears to be breaking with its attachment to bureaucratic neutrality. This choice of countries is intended merely to be illustrative of transformations in contemporary democratic societies.

I accord these changes considerable importance, and I analyze trends that are proceeding at different rhythms in a variety of national contexts. These trends, because they are driven by a politics of interests and because of their impact on our political institutions, in particular on the capacity of governmental institutions, are to my mind of greater significance in accounting for democratic “disaffection” than the sociocultural explanations put forward by the social capital school.

In addition to the comparative approach I have taken, and to the theoretical precepts that underlie this study, I feel naturally bound to respect historical evolutions and developments. I believe we need to be sensitive to linking historical development to particular contemporary conditions or particular reforms being undertaken in our own times. But a study such as this can only demonstrate awareness of historical developments, since it is not a historical study. Still, the historical evolution is important in understanding the sharp breaks with “tradition,” as well as in understanding what Woodrow Wilson called the “strong structural likeness”¹⁶ of governments.

This, then, is a work that tries to combine comparative and, to some extent, historical analysis with theoretical and empirical analysis. It proceeds with one objective in mind: to understand the ways in which the evolution of the bureaucratic apparatus is likely to enhance or undermine the democratic order. If we wish to preserve our democratic way of life, it will not harm us to be aware of the different parts of the institutional mosaic that make up our democracy.

One final word about the method that I have adopted in this book. I believe that the bureaucracy’s role in society cannot be determined solely by bureaucratic reforms of one kind or another. The bureaucracy is affected by mores in the society as much as by cultural or sociological changes in

¹⁶ Woodrow Wilson, “The Study of Administration,” *Political Science Quarterly* 20, no. 2 (1887): 218.

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society. If our culture more and more sees the individual as a mere consumer and undermines citizenship, the bureaucracy will be ill-equipped to step in and provide the society with a sense of itself as a collectivity. Hence, the reader should not be surprised to find linkages established between sociocultural developments and the bureaucratic function.

Second, the bureaucracy is never unaffected by politics. If politics is about conflicts and compromises relating to the distribution of power, then laws, reforms, and proposals for change in the way our institutions function need to be seen in specifically political terms. There are those who will gain and those who will be disadvantaged as a result of institutional reforms just as there are gainers and losers as a result of changes in the capital-gains tax or farm subsidies.

Politics, then, is at the center of our analysis of bureaucratic reform. To be sure, all proposals for reforming the bureaucracy are presented as being essentially apolitical and of benefit to the “general interest” (a term that is scarcely ever used in American politics today). Some reform proposals may well be of benefit to the society as a whole. Some, and often the more important ones, have little to do with the bureaucracy itself and everything to do with the distribution of resources.

For those of us with some knowledge (firsthand and/or historical) of nondemocratic orders, the fragility of the democratic order is always an issue. Even if our democracies today have little chance of collapsing because of war, military coups, or the charisma of some marginal kook, there are many ways in which they are ever-evolving. We need constantly to ask whether the changes go in the direction of strengthening or undermining the democratic order.