Introduction

The process of globalization is very much, but not exclusively, a question of transnational flows of people, goods and ideas. As a prerequisite for these transnational flows, and as an integral part of the modern form of globalization, institutions of governance develop new features. Not only is there an increase in the number, size and variance of transnational institutions, but the typical form of contemporary governance and its institutions are under pressure to accommodate globalization: it would be hard, for example, to create flows across borders if identities and categories of things flowing were all still constructed along national lines. Accordingly, 'de-nationalization' is part of the globalization process.

The typical institutional or organizational form of the national era is bureaucracy. But with their hierarchical structures, their secretiveness, their preference for explicit and formalized rules and decisions, etc., bureaucracies are not easily compatible with globalization. Knowledge spreads across levels and territorial demarcations, carrying sources of power: the world is becoming partly 'de-bureaucratized', networks of different sorts replacing formal organizations. There are other changes in structures and institutions reflecting and accompanying the globalization process – most significantly probably changes in markets, technologies and social structures. But for the purpose of the present paper, we will focus on both the nature of the emergent changes in governance rationalities and technologies in contemporary Western society and particularly on some of the dynamics that stimulate and facilitate this reorientation.
More specifically, we are concerned with the role of transnational discourse networks in modifying and challenging traditional statecraft and introducing ways of building and running public institutions that do not evolve from the history, logics and compromises of a specific national governance institution. This change – from public administration to New Public Management – affects not only the internal management of public sector institutions, but also the governmental functions of the state, its way of regulating citizens and businesses. It connects national governance systems through international communities – not by homogenizing them to common standards and formats, but through a knowledge-creating process that inspires them to develop in similar directions.

Methodologically, our analysis draws on Foucault’s conception of power, notably disciplinary power, and its relation to knowledge and discourse. With this lens, we can capture the way power manifests itself in shifting and inherently unstable networks and alliances rather than in monolithic constructions like a government and a formal state apparatus, hence the governance perspective. Power practices in the sense of disciplinary practices are massively discursive and involve, on a continuous basis, the production and interpretation of representations of meaning, meaning as it relates to relations, identities and world-views. Discursive regulation includes those “micro-techniques of power that inscribe and normalize not only individuals but also collective, organized bodies. Surveillance, whether personal, technical, bureaucratic or legal, is the central issue” (Clegg, 1998: 38). Increasingly, surveillance is not simply about direct control. The broader societal shifts listed in the above require disciplinary regimes that can accommodate change, promote entrepreneurialism and innovation “while ensuring that this newly encouraged ‘intelligence’ gets exercised in line with managerial objectives” (Clegg and Clarke, 1999: 185), and which “can range from cultural practices of moral endorsement, enablement and suasion, to more formalized knowledge” (Clegg, 1998: 39). All of this is constituted through discursive practices, i.e. practices of talk, text, writing, cognition, argumentation – well, representation.

The first section presents the government-to-governance shift, relates it to globalization, highlighting the discursive moment of these two interrelated phenomena and how they are conducive to another regulatory regime – another way of governing the conduct of citizens and businesses. The second section offers a characterization of the shift from administration to management as evidenced by the NPM discourse. Section three reports some of our empirical findings from an investigation of the transnational networks that have been disseminating NPM, notably in the world of subnational government. In the concluding section we note how our discussion relates to a number of national and local examples of NPM-oriented reform initiatives, and offer a summary evaluation of the importance of transnational discourse communities as effects of globalization and as agents of social change.

1. Governance

In the policy analysis literature, a change from ‘government’ to ‘governance’ has been observed and much discussed, indicating that the ideal of sovereign government has to be replaced by a more realistic one of societal steering through complex networks – often designated ‘governance’. This terminological shift has a number of substantial implications:
- refers to a process, not a structure,
- a process with an object (governing something) but without a pre-given subject (not necessarily the government who is doing the governing)
- a process identifiable at several levels: from operating a small business/organization to governing a whole country – or more
- connotes the word used for steering business organizations: corporate governance.

The government-governance shift relates to globalization in the sense, first, that international relations are becoming less so and more transnational instead: affairs involving more than one country are regulated increasingly by non-governmental, transnational actors like corporations and non-governmental organizations (TNCs and NGOs). And they are regulated through other processes than the classical 'Westphalian' treaty process, where sovereign nations enter agreements: all sorts of 'soft law' and communities of norms and values are directing the conduct of transnational actors (Rosenau, 2000). These processes do not respect boundaries, no 'domestic privilege' remains effective: TNCs and NGOs intervene in political institutions, labour markets, technologies and even cultures.

Secondly, globalization effects a change in the way society is governed: "With the gradual rebuilding of a liberal economic order after 1945, new forms of governance at international levels…policies to make national economies more open…. A much more complex economic governance structure has emerged as a result…" (Gamble, 2000, p. 134): The increasingly liberal world economy requires economic governance at the national level of a compatible kind – multi-layered, flexible and accessible to multiple interests.

Economic governance impinges upon other forms of government; the changing economic order goes along with changes in state institutions, a broad movement towards 'network governance' (Rhodes, 2000). The reasons for the growth of network governance can be seen in different perspectives. Rhodes, in his synoptic paper, suggests an 'anti-foundational' approach, allowing the story of the growth of governance to be narrated from different viewpoints without a fixed causal perspective. While agreeing to that, we maintain that 'globalization', in all its different aspects, seems to be the context in which the growth of governance is best explained. We also suggest that the concept of 'governance' offers a useful framework for understanding the process of 'discursive regulation'.

In the area of local government, the discourse of New Public Management has come to direct most recent efforts at administrative reform – as we will be pointing out a few times, it happens not through legislative fiat, nor by formalized contract, but through the development of new modes of thinking and representing the rationalities of government. This is what Foucauldians call the development of a new 'governmentality', a conceptualization of the idea and purpose of government. Such a conceptualization contains rationalities of government – the justification and the logic of intervention - and technologies of government – the ways in which interventions are organized (Rose & Miller, 1992). What we observe in the local government field, and suggest to be a more general feature of globalized society, is that discourses of government – governmentalities – regulate the behaviour of actors in a way which works different from formal rule-based regulations.

2. New Public Management

As just noted, NPM contains both a set of 'rationalities of governance’ – the justification of regulation or intervention, its value premises and ontological presuppositions – and a number of
'technologies': the recipes for monitoring, measuring and improving performance, prescriptions for adequate structures, etc. Exactly what elements compose NPM is, however, a contested issue.

Most attempts at defining NPM list a number of elements, trends, or features, conceptualized in varying ways - as values, norms, techniques, types of behaviour, etc. Among the attempts at authoritative definition, few seem to agree either on the content or the strategy for conceptualization. One of the reasons may well be that, being a contentious venture, NPM has to be applied and presented in different ways according to local circumstances. The following three concepts are distilled from OECD publications, selected to be the broadest possible ones and covering as much of the diversity as possible:

- **responsiveness** – a focus on clients and their needs and expectations, and on services to be produced and delivered. A change from the classical public sector focus on stability, legality, procedural rules and the maintenance of authority.
- **results-orientation** – an emphasis on the product, not the procedure (remembering that process may sometimes be product in itself), to always look for efficiency: performing one operation with maximum efficiency means saving resources for other operations. This focus entails a diminished emphasis on legal rights for individual and corporate citizens.
- **liberalization**, for lack of a better expression: privatization, outsourcing, lowering the barriers between public and private sectors, public-private co-operation in various ways, granting more autonomy and strategic responsibility to units in the public sector. The ‘sovereign’ logic of the liberal-democratic is to gain control over all units of the public sector, and to monitor and govern as much of society as possible. In NPM discourse, the trend goes in the other direction: striving to release the energies of the professionals working in decentralized units, they are freed, as far as possible, from central control.

These points are clear evidence of the massive import of management discourse into the public sector. All the fads and fashions of management – value-based, total quality, re-engineering, learning organisation, etc. – are applied in the public sector at various places and times. Naschold (1996) has attempted to produce a list of managerial innovations: strategic management, administrative accounting, personnel and organization development, user involvement, competition and several others. The list becomes very long and includes technologies that are used in some contexts and not in others. The suggestion here is to establish a characterization by using broad and inclusive terms instead – the specific technologies are always changing, and the inclusion or not of some specific term can make it difficult to agree upon what NPM is or isn’t.

NPM is a variable concept, then: it is neither analytically consistent in the sense that it can be ascribed to a certain theoretical perspective on the public sector (Hood, 1991; Klausen & Ståhlberg, 1998). Nor is it ideologically coherent, although the first waves of NPM reform were carried by neo-liberal energies (Clark & Newman, 1997; Pollitt, 1990; Savoie, 1994; Ferlie, 1996; Cutler & Waine, 2000). Nor is it homogenous across national and institutional boundaries (Pollitt & Bouckaert, 2000). Still, the elements of NPM do identifiably belong to a specific set of ideas related to management discourses.

NPM has both an internal aspect – changes in internal organization and disposition of personnel and resources – and an external one: externalizing/privatizing some functions, installing co-operation with non-state actors, aligning the public sector with business rationalities and markets. As such, it also influences the governance of business and the economy. One of the justifications often given
for the introduction of managerial reform in the public sector is that it has to adapt to a situation where there is co-operation between government and business, and has to develop more flexibility to suit the needs of a swiftly developing 'new economy'.

3. Dissemination of NPM

According to Caiden (1991), NPM emerges out of a network of Third World consultants in the sixties. Other sources (OECD 1980), demonstrate how its development is boosted by the work of the US Productivity Committee in the seventies. In the eighties, it receives a definite thrust by the neo-conservative or neo-liberal movement (Savoie, 1994). And in the nineties, the reforming Democratic and Labour parties apply Reinventing Government ideas to further their rejuvenation of the public sector. In the following we are backgrounding these developments (sketched in more detail in Salskov-Iversen e.a., 1999) in order to demonstrate how NPM develops across the political and economic conjunctures, because it is a discourse taken over by the professionals in the public sector, reproduced in their transnational networks and reinserted into every new societal setting. We choose to regard these transnational networks as discourse communities – communities of people who exchange ideas about perceptions, valuations and methods in the field, gradually naturalizing the representations of NPM as 'knowledge’ about the rights and the wrongs of public administration/management.

In an investigation of transnational discourse communities (TDCs) influencing local government (see also Salskov-Iversen, Hansen & Bislev, 2000) we have found that they can be conveniently grouped in three categories:

1) Those that are related to the UN complex of organizations: the UNDP, the World Bank, the International Monetary Fund and the Latin American based and oriented CLAD (see Hansen 2000). These are organizations with an international political mandate to advise nations and national institutions on a number of things - among them, problems of good governance and efficient public management.

2) Those that spring from the OECD and affiliated organizations: the OECD itself, its Public Management committee, the Eastern Europe-oriented SIGMA organization. OECD countries are typically the wealthier ones with large public sectors; public sector reform has been very much on the agenda in OECD countries, and the OECD has taken the lead in developing NPM notions.

3) And a very broad church of professional organizations for practitioners and academics. Some organize politicians and/or civil servants at different levels in the organization associations of local authorities, city managers, etc. Some have a political-ideological mission - the neo-liberal Anglo-Saxon ‘think tanks’, and some less strictly ideological ones like the American-based Reinventing Government Network and the Bertelsmann Network for Better Local Government of German origin. Finally, there are a number of academic and mixed networks racing to be the academic network, the meeting place of ideas for improving public management. They produce

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In our investigation of the TDCs, we focus on the world-views that these communities can be seen to construct, project and disseminate, as evidenced by the discourse that emanates from them. Empirically, we rely mainly on written documents and webpages. To get their history right and to clarify their position on a number of issues of importance for our study, we have also conducted a questionnaire survey of eight of the major organizations that embody the TDCs.
newsletters, webpages and journals, hold seminars and conferences and nominate winners of awards for excellence and best practice.

Below, the three groups and their particular versions of NPM are presented, as well as their routes to NPM and their roles in developing and disseminating NPM discourse.

a) The UN ‘family’

Especially in the developing countries, the organizations belonging to the UN ‘family’ are extremely influential players – they represent both the resources of the rich countries and an opportunity for the poor countries to be heard and have some influence. In the development of global governance, UN organizations are deeply involved in preparing the ground for sometimes wholesale adoption of what can be a completely alien language.

Originally concerned with macro programmes for economic and social development, the WB, the IMF and the UNDP have gradually changed their orientation. Increasing concerns with the implementation of their programs for structural adjustment and growth have over the years whetted the organizations’ appetite for micro politics, including the mundane business of delivering the goods. An important part of that has been their participation in the development of the new managerial thinking.

The UN Public Administration Division, with the U.S. A.I.D., was among the first organizations to create a management-oriented discourse for public administration. Consultants working on development projects saw public sectors deeply mired in bureaucracy and corruption, and while having no political mandate to raise the alarm, they could, on ‘technical’ grounds, criticize the lack of ‘efficiency’ in those public sectors and argue for the introduction of business-like methods (Caiden, 1991). The area of development assistance, the UNDP’s domain, has now been strongly politicized because of the spread of ‘conditionality’: while in the fifties economists could claim a neutral, professional expertise in matters of economic growth and development, it is now established practice to accept and confront the deeply political connotations of interventions into the policies and institutions of developing countries. NPM is still on the repertory of these organizations, even if now embedded in a broader discourse.

A lot of the work done in relation to public administration in the UN context has a network character – facilities are set up to exchange information about public sectors and to disseminate knowledge about ‘good practice’. The UNDP’s Management Development and Governance Division has a MagNet office seeking to disseminate knowledge about public sector reform. On its homepage are four astutely uncritical case studies of reforms in the civil service of very different countries. In another of the widely different UN family agencies, the department for economic and social affairs (DESA), there is a division of public economics and public administration, which has an on-line network on public administration and finance, the UNPAN. It is a ‘virtual electronic network that promotes the exchange of expertise and sharing of experiences and lessons learned in public administration and finance’ (fax from UN HQ NYC DDSMS). In UNDP discourse NPM in the pure form of efficiency-seeking managerialism is, however, strongly embedded in a broader discourse, representing other values: the democratic values of equality, welfare and sustainability are always mentioned in the “Good Governance” discourse of UNDP, often in a more prominent position than the managerial values. Likewise, the administrative values or norms of openness, participation and legality are prominently featured.
Belonging to a different branch of the UN family tree, the financial institutions – the World Bank and the International Monetary Fund - grew in importance when a major marketization of the world’s financial markets was undertaken in the 1970s. Private lending to the developing countries increased in that period, and by the early 1980s many developing countries found themselves in a serious debt crisis (Agnew and Corbridge 1995; Hoogvelt 1997). As direct government intervention on the part of the leading developed countries was out of the question, the WB and the IMF were commissioned to engage in the establishment of debt rescheduling arrangements. Having acted previously mostly as a provider of loans and grants, the WB now also appeared as a ‘debt collector’, with a specific view to exacting payments from the developing countries. The two roles were subsumed under the concept of ‘structural adjustment’, applied by both WB and IMF – a series of economic and political measures to be undertaken by the crisis-ridden countries in return for a new wave of loans: currency devaluation, deregulation of prices and wages, trade liberalization, lower levels of public expenditure, parastatal divestiture and reduction of state bureaucracies.

The conditions of receiving WB and IMF loans were presented as purely technical, preconditions for making the loans work as intended. Some of the organizations’ discourse on the public sector in the 1980s and 1990s reflects such a specific economist’s professionalism. The WB programme called ‘Shrinking Smartly’ is one example: it advises on government retrenchment - how to shrink the public sector to economically rational dimensions. In papers from that programme, the marginal productivity of government workers is compared to a productivity of comparable workers in the private sector, to determine the extent of government overemployment (Haltiwanger & Singh, 1997).

Such an economist’s discourse is the narrowest possible version of NPM – a simple micro-rational optimization of behaviour. WB and IMF public sector discourse has also had broader themes of a more institutional nature. The official WB discourse on ‘good governance’ begins with the 60-page booklet on Governance and Development from 1992. In the booklet, the Bank argues that its governance perspective implies a move away from a narrow focus on the Bank’s own intervention, to a broader perspective taking into regard the context of the country where intervention takes place.

Despite this broadening of perspective, the Bank leaves the impression that it is possible to find technical solutions to ‘poor governance’:

‘There is no need for additional criteria to reflect concerns with governance: merely the effective and consistent application of existing criteria based on a greater awareness of the importance of issues of governance for development performance’
(WB 1992:55)

By the late 1990s, however, an adjustment of WB’s perspective can be found in several WB publications, most notably in the Bank’s World Development Report from 1997, The State in a Changing World. Although departing from the assumption that there is a global move towards greater reliance on market mechanisms and that state-dominated development strategies have failed, a more nuanced picture of the role of the state is presented here than in earlier WB publications.

‘Responsiveness’ on the part of the state has become crucial, the Report says in a passage that grounds the needs for change in a characteristic discourse about globalization and governance:
‘Taxes, investment rules, and economic policies must be ever more responsive to the parameters of a globalized world economy. Technological change has opened new opportunities for unbundling services and allowing a larger role for markets. These changes have meant new and different roles for government—no longer as sole provider but as facilitator and regulator. States have come under pressure even where governments have previously seemed to perform well. Markets—domestic and global—and citizens vexed by state weaknesses have come to insist, often through grassroots and other nongovernmental organizations, on transparency in the conduct of government, and on other changes to strengthen the ability of the state to meet its assigned objectives...’ (World Bank 1997:2).

This conception of the world as becoming more liberal and open, economically and information-wise, emphasizes the economic reasons for NPM/good governance. But it is still different from the raw economic calculations of programmes like the above-mentioned Shrinking Smartly, and also from the narrower Thatcher/Reaganite idea of using the market to discipline the evil bureaucrats (Savoie, 1994).

The Report describes three ‘basic incentive mechanisms’ that can be used to combat those deeper ‘behavioural factors’ which produce distortions, such as corruption, and improve state capability: Effective rules and constraints, greater competitive pressure, and increased citizen voice and partnership. The basic argument made by the report is that governments need to ‘listen to businesses and citizens and work in partnership with them in deciding and implementing policy.’ If governments are not capable of listening, they are not ‘responsive to people’s interests’, in particular to the interests of the poor.

Transnational discourse communities may sometimes, as parts of international organizations, possess political legitimacy and power through material resources and formal authority, but more typically they trade in knowledge. The UN organizations try to do both, but have to walk a fine balance between politics and professional knowledge (Ramamurti 1998:11). At any rate, the transnational reach of especially the World Bank discourse is unquestionable. Not only it is difficult to find any academic work on the economic, political and social situation of developing countries that does not draw on or relate to the Bank’s statistical representations, to its key words and world views. Its discourse is also echoed at national and local levels of government in developing countries. Most recently, the World Bank is hosting a new website on Administrative and Civil Service Reform (www.worldbank.org/publicsector/civilservice) involving co-operation from the Commonwealth Association for Public Administration and Management, the International Institute of Administrative Sciences, and the OECD programmes, PUMA and SIGMA.

b) OECD organizations

The OECD group, with less of a political mandate, intervenes more discreetly, less obtrusively, in political affairs. And it works in a context which, across the board, tends to be more culturally attuned to the rationality of NPM. It has had a very active role in the dissemination of NPM and mostly worked from a neo-liberal perspective. Considerable differences do, however, persist among member countries and, quite often, national attempts at reforming the public sector labour under the legacy of long and proud traditions of bureaucracy and professionalism. Lately, the OECD has also donned the mantle of Good Governance to cloak its managerial professionalism.
The OECD started out with both power and money – it was established in 1948, as the OEEC, on American insistence, to act as a framework for European Economic Cooperation and the distribution of Marshall aid. After the Marshall aid programme had run its course, and European cooperation had found other outlets, the OEEC changed into the OECD, in 1961. From then on, it was no longer a specialized, functional organization with money to administer, but a mostly analytical creature. It has been cultivating a special relationship to two broadly recognized international trends, where it sees itself as having had a head start: globalization (the OECD started out as attempting to enhance economic interaction) and the knowledge economy (when re-shaped in 1961, analysis and data collection was the main items on OECD’s agenda).

Before globalization and knowledge economy became established truths, the OECD succeeded in creating a strong position in economics, and was part of the process that established a special position for economists. In the sixties, the OECD built a status for itself as the purveyor of authoritative data on economic developments, and its series of regular reports on economic themes and policy areas became standard fare for decision makers. With a very slim political mandate, its legitimacy came to rest mainly on its claim to know, to master objective knowledge about the economy. As the Economist says, this:

‘..Paris-based club of wealthy nations does sterling work as a talk shop and data-collection’ (March 14th, 1998, p. 16).

Despite the slightly disparaging tone, the Economist quote reflects a recognition of the OECD not only as a data site, but also as a discursive authority on matters economic. This authority is exercised not only in its main areas of economic policies, including trade and technology policy, but also – self-consciously - in broader policy areas, recognizing their growing relevance to those economic things that are the organization’s prime responsibility. And despite the limited membership of OECD and its lack of statutory powers, it has gained a growing role in latter years in international matters. The World Trade Organization is the treaty-based organization for global economic cooperation, but the OECD is also important in this field: it has established itself as a prime political-analytical site, to be reckoned with and listened to.

The global investment regime that may be arriving in the medium term, and the labour standard issue as connected to trade, are issues that the OECD can justifiably claim parentage of (Ougaard, 1999). It has developed a growing role in development matters, through its Development Action Committee, DAC, whose role is likewise mostly discursive: the analysis and formulation of policies in the development area, with no responsibility for financing or implementation, but with a mandate to advise and suggest plans and strategies to the world’s major donor governments. In privatization, the OECD is a main source of knowledge about best practices in transition and emerging economies. And in the area of corporate governance, OECD’s guidelines for multinationals are an important part of the discourse.

In the area of Public Management, OECD has been carrying the torch since the early eighties. It entered the field following a 1979 conference in Madrid, ‘Managing Change in Public Administration’ (OECD 1980). The justification in terms of OECD’s economic mandate was the expansion of welfare states during the seventies, and the ensuing emergence of very large public sectors, seen by economists as threatening the possibilities of conducting rational economic policies.
PUMA, OECD’s public management committee, was officially established in 1990 and soon became an important site for the development of what has become known as NPM discourse. PUMA is a practitioner’s forum inserted into an international organization, with no politicians or academic members (most other practitioners’ fora are more mixed in this respect, but also lack the powerful organizational background of something like OECD). It launches itself as a knowledge network – ‘Collecting, analyzing and disseminating information...Publishing analyses, case studies and best practice guidelines. Facilitating exchange of information...’ (PUMA description of activities, 1999). Most member states have sent professionals with high status in national public administration, and the ideas and networks they have cultivated have permeated national institutions, establishing NPM as the norm for public sector reform (Lerdell & Sahlin-Andersson, 1997; Salskov-Iversen e.a., 2000).

In the preface to PUMA’s 1990 Report on Public Management Developments (OECD 1990, p.7), the authors write that ‘productivity and responsiveness to the public are becoming the new standards for measuring performance, both for individuals and the organizations in which they work’. In the 1993 report (OECD 1993) and subsequent ones, a wide raft of different elements of the NPM jargon were developed, tried and recommended to members. Already in 1993, the original mantra of ‘national specificity’ gave way to a normative concept of One Best Way to Reform. Finally, in a 1995 report, PUMA confidently declared that

‘A new paradigm for public management has emerged, aimed at fostering a performance-oriented culture in a less centralized public sector’

(the Public Management Service of the OECD (PUMA), 1995, italicized in original)

Throughout the 20-page report, this and other statements of similarly declarative nature appear in italics, summing up the essence of the arguments developed (Salskov-Iversen, 1999). Thus, in the mid-nineties, PUMA was confidently assuming the authority to declare that management was the substance of administration, and that improving management was essential to better administration. Only in 1999 was a signal sent in the opposite direction (see below), reflecting a concern that an uncritical embrace of managerialism may endanger specific public sector values – in other words, also PUMA turned to ‘Good Governance’ instead of just NPM. One may speculate that the increasing focus on and practical experience with the ‘other worlds’ – Second and Third Worlds – had demonstrated a persistent need for classical public sector values such as the fight against corruption, and the maintenance of an independent civil service. Additionally, we have observed in other networks that the ‘public sector values’ tend to survive and reassert themselves when public sector professionals meet (Bislev, e.a., 2000). That might have been the case for PUMA, too.

PUMA’s NPM discourse of the mid-nineties was a relatively clean case, rather less embedded in ‘good governance’ terms than was true for most other international organizations. And yet, even PUMA did not focus only on costs and economies: while NPM was evidently about reducing the costs of the public sector, it was also about improving the quality of its services, to support values like accountability, ethics and policy. And in a session of the public management committee in Paris, 28-29 October 1999, a significant shift in perspective was decided for PUMA:

‘In its discussions the Committee agreed that while in the future Members will no doubt continue to need what might be termed ‘traditional public management

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support’, there should be a discernible shift in PUMA’s work towards broader issues of governance.
(Statement by the chair, The Public Management Committee of the OECD, Paris, 28-29 October 1999).

SIGMA, the East-Central Europe assistance organization that OECD has with the EU, focuses on development of the public sector. It works within the confines of PUMA, but has had its own agenda, more consistently attuned to Good Governance:

SIGMA aims to: …assist beneficiary countries in their search for good governance to improve administrative efficiency and promote public sector staff adherence to democratic values, ethics and respect of the rule of law (SIGMA mission statement, printed on each issue of Public Management Forum).

SIGMA is run in co-operation with the EU PHARE programme, and has of course a deeply political mission: the politicians and public servants (and citizens) of Eastern Europe were new to democracy in 1989 and needed retraining. To advocate that, from a position of knowledge and expertise, SIGMA has to go beyond economics and apply perspectives from other social science disciplines, mainly public administration.

c) Networks of Academics and Practitioners

The TDCs in this third category generally operate at much smaller scales and at very different levels. However, their modes of intervention make them a particularly modern kind of TDCs. Their ultimate objectives are usually more specific than the broad international organizations, and their authority tends to rest on international networks of professionals or organizations.

A number of important and very active networks exist among practitioners in public administration - associations of public employees of various kinds, and of public authorities. Probably the most prominent one is the International Union of Local Authorities, IULA. Formed as early as 1913, IULA expanded in the seventies to become a truly worldwide organization. It has nearly 400 members in 100 countries, and members are either individual local governments or national associations of local governments (plus a few associate and honorary members). There is a historical European dominance, reflected in the discourse of the Union, but also a significant global reach.

IULA functions mostly as a meeting place for politicians from local authorities and their associations. Meetings are arranged both in the international organization and in its seven regional sections. It organizes a good number of conferences on broad topics, and holds bi-annual world congresses. IULA texts are much more Good Governance than NPM - emphasizing democracy, decentralization and public sector values. Effectiveness is mentioned in IULA material, but not efficiency; participation and partnerships, but not contracts.

When describing its services to members, IULA announces itself as another knowledge network - ‘The Worldwide Source of Learning, Exchange and Capacity Building Programs on Democratic Local Government’, and presents a Capacity and Institution Building ‘platform’, which is a network for members to help each other develop their capacities in different areas. Among the areas mentioned, however, none seem to be directly and explicitly NPM-related or –inspired.
When we go from politicians to administrators, however, more NPM appear. Among the several international associations of public employees, the International City/County Management Association, the ICMA, is a significant one, because the infusion of NPM ideas in local government quite often seems to be driven by an inspired City Manager (or someone correspondingly positioned).

ICMA competes with IULA – and several others - about being the centre of information and inspiration concerned with local administration worldwide. It is a predominantly American organization, claims a lot of affiliated organizations in other countries, but holds its annual conventions in the USA. Its Declaration of Ideals says:

> Members...dedicate themselves to the faithful stewardship of the public trust and embrace the following ideal of management excellence, seeking to: ...

A list of 11 items follows, mentioning democratic, egalitarian and environmental ideals, among them only one definitely NPM derived – but then very clearly so:

> 8. Affirm the intrinsic value of public service and create an environment that inspires excellence in management and fosters the professional and personal development of all employees (www.icma.org).

Looking at the practice of ICMA, one finds definite signs of an NPM orientation. One example: a series of training sessions, called the ICMA University, has a case study workshop in March-April 2000, where all 8 cases seem NPM-related. They include quantitative performance measures, use of interactive IT communication, the development of new feedback mechanisms (outside the electoral process), flexible pay systems, strategic management and such. Judging from the professional ideals revealed in those selections, ICMA is clearly an organization with an NPM orientation.

Another group organizing public sector practitioners is the International Trade Union Association for the public sector – PSI. It addresses more the rank-and-file employees and less the managers (like ICMA) or mayors (in IULA). Shop floor employees are generally less than enthralled by NPM, because the culture among people on the lower rung of the career ladder has traditionally stressed different values from the managers’. For managers, work is sometimes, perhaps increasingly so, self-realization. For workers, it is performed for money. Still, in its Statement on Public Sector Reform, PSI expresses its appreciation of PUMA and an understanding of management reforms:

> PSI believes in public sector reform. Sometimes this will include privatization, contracting out, involvement of the private sector, establishing public services on a commercial footing. (PSI homepage: world-psi.org)

This acceptance of NPM is embedded in a text emphasizing the values and virtues of public sectors and civil servants - legality, transparency, and equality, etc. NPM is portrayed as a means to obtain some of these values – perhaps a means to avoid the bureaucratic stigma that undermines the public sector’s legitimacy.
A number of organizations with a political or ideological mission have added to the flow of NPM messages, usually stressing the liberalistic character of NPM features. They push a variant of NPM belonging to what Ferlie e.a. would call NPM model 1: the ‘efficiency-drive model’ (Ferlie e.a. 1996, pp. 9 ff.) - the version most clearly inspired by public choice and welfare economics. In Britain, the Adam Smith Institute was instrumental in developing Thatcher’s libertarian version of NPM discourse.

In the US, some of the policy institutions or think tanks have been instrumental in the development of what became under Clinton a central government initiative to reform public administration: the Reinventing Government network. More aggressive ideology has come from groups like the ‘Cascade Policy Institute’ in Oregon, USA: a political organization committed to the zero-state, market-based society, organizing a competition for 'better government', inviting agencies and individuals to submit proposals that contribute to privatization and contractualization (www.CascadePolicy.org). Also the influential Heritage Foundation, a conservative establishment, champions the idea of privatization and less government. It is ‘committed to rolling back the liberal welfare state’ but apart from a focus on ‘regulation’, it is more oriented to policies, i.e, the substance of politics, than to the form of policy implementation, management and the like.

A special mix of political mission and professional network exists in the form of ‘Cities of Tomorrow’, the Bertelsmann Network for Better Local Government, founded and funded by the Bertelsmann Foundation, itself a creation of Germany’s mighty Bertelsmann media group, (reported in more detail in Hansen e.a., forthcoming). The network is a legacy of the Carl Bertelsmann Prize, which in 1993 was dedicated to Democracy and Efficiency in Local Government, and designed to stimulate Germany’s plans to reorganize local government in the wake of unification. The very practice-oriented activities undertaken by the Network and its ten member cities from North Europe, North America and New Zealand, all serve to identify, develop and communicate excellence and best practice in local government administration, management and service provision across national/regional borders and different welfare state models. When you consult the homepage of the Bertelsmann Foundation, the orientation of the Cities of Tomorrow network is described as follows:

“Since (the network’s) beginnings ‘New Public Management’ has become a global movement. Hence, the cities of the ‘International Network for better Local Government’ see themselves as national and international mediators and multipliers in the reform process in local governments. The strictly practice-oriented work of the network makes it particularly useful for the participant”.

While continuing its international activities, the Foundation has been intensifying its activities in Germany. For one thing, in 1998 it ensured a German spin-off of its international forum. The German network’s close ties to its international twin network enables it to embed the alleged need for reform of German’s municipal systems in a particular understanding of globalization, an understanding which makes a particular kind of reform in Germany appear natural and inevitable. As such the Network can be viewed as a vehicle that permits both communication about and acceptability of managerialism in a context which has been known as very sceptical of das Neue Steuerungsmodell and very hesitant to embrace ideas viewed as essentially antithetical to German administrative culture.
As discourse communities, both the international and the national versions of the *Cities of Tomorrow* are of course particularly influential in Germany, where links to not only local authorities and other government institutions, but also to professional associations and consultancies ensure a continuous flow of knowledge about excellence and best-practice, a continuous exposure to the Network’s world view. However, member cities outside Germany all enthusiastically sport membership of the Network. To be ranked amongst the best managed cities in the world is a valuable asset for cities concerned with the role of reputation in generating competitive advantages and adding to their symbolic capital and leverage vis-à-vis their employees, their citizens and the world outside.

The most globalized groups of all may be the many groups and networks with a predominantly *analytical* character – academics, consultants etc. Status-wise, the most prominent is the International Institute of Academic Sciences (IIAS), a researcher's organization associated to the UNESCO. The Brussels-based IIAS, established in 1930, now has around 200 individual and collective members, which are both academics, practitioners and politicians. Its activity is mainly channelled into conferences, but it does also take part in organizing consultancies and publishing. The IIAS has of course a broadly formulated objective of analyzing public administration and spreading the news, but it is especially committed to further ‘innovation’ and ‘the latest knowledge and experience’ (www.iiasiisa.org). Its conferences generally focus on themes from the NPM and Good Governance discourses.

The IIAS has two offsprings, the International Association of Schools and Institutes of Administration (IASIA), and the European Group of Public Administration (EGPA), with roughly the same orientation. A related, but not directly connected organization is called the International Public Management Network, IPMN. Based at Willamette University, Oregon, the IPMN is smaller and leaner than the IIAS, and focussed on management reform. Its electronic newsletter presents recent trends and developments in national public administrations, and in several cases the NPM orientation of ongoing and coming reforms is taken for granted.

The European Institute of Public Administration, EIPA, is also actively involved in spreading the ideas of NPM. It is less than global in character, but still covers the 15 members of the EU plus the many interested neighbours. EIPA lives in Maastricht, Netherlands, holds courses and conferences for practitioners and academics, and publishes reports on public administration topics, including law and management. It was established in 1981, has less than 100 mostly collective members and works mostly with problems related to the EU. When the directors general of public administration of EU states meet, bi-annually, with the EU Commission, EIPA provides the ‘intellectual secretariat’ (EIPA response to questionnaire).

EIPA has a mixed repertoire of themes in administrative law, policy issues and public administration – but among those, it applies NPM vocabulary in many of its meetings, conferences and initiatives: Human Relations Management, Excellence in Administration, better efficiency, etc. (EIPA Annual Report 1998, pp. 3f.).

Finally, at least one of the many ‘virtual’ creatures, the Innovations in Local Government Electronic Initiative, or LOGOV, deserves mention. It is

*a telematic initiative aimed to create a communicational space for people and institutions from all over the world interested on and concerned with*

- democracy, governance and the promotion of citizen's rights at the local level
urban management and the efficient provision of services
poverty alleviation and sustainable development in developing countries and transitional economies

LOGOV has an interesting section on Best Practice programmes, which shows how much the idea has gained acceptance, that one ‘practice’ of public administration can be objectively better than another. LOGOV has a long list of award programmes that honour those with very good practices; at least 8 different programmes are listed on its homepage. Scanning more of the Internet, one finds that several other award programmes exist, prominently among them the Bertelsmann programme described above. Common to most award programmes is that they employ management discourse. Just quoting from the programmes on LOGOV’s list, we find ‘best practice’, ‘excellence’ and ‘innovations’ – terms that are typical of managerial discourse. The very idea of rewarding performance and excellence also belongs to a managerial mind, as does the international character of the programmes.

The dissemination process described in this paper is of a transnational character, and we have been searching for transnational discourse communities that are instrumental in this process of discursive regulation – searched mostly in transnational organizations. Some of the important parts of these communities are, however, national government institutions. Without systematically researching that sector, we have encountered a number of examples on the way:

- In the UK, the Centre for Management and Policy Studies, which has been carrying the NPM torch in Britain under Blair, is part of the Cabinet Office. It cultivates frequent links with international institutions and institutions in other countries and has a Policy Studies Directorate arranging instructive tours for foreigners coming to learn from British reform experiences. A governmental Service First initiative aims at improving public sector performance – and on its homepage, there is a collection of international links to other nations’ similar initiatives. The British minister for Transport, moreover, is heading the reform-oriented Commonwealth Association for Public Administration and Management, although the organization’s headquarters are in Toronto.

- In Paris, the Institut Internationale d’Administration Publique, organized in the president’s office, has an international mission: to organize international exchanges of research and information, and to train foreign civil servants as well as French ones entrusted with international cooperation tasks (www.iiap.fr).

- The Austrian Federal Academy of Public Administration has organized a special programme, NISPAcee, to help the East and Central European countries develop their public administration.

- In the USA, declaring a need for international inspiration would be exceptional, and the instruction of foreigners is mostly left to private initiative. The National Academy of Public Administration (NAPA) and the General Accounting Office (GAO) are the governmental flag-bearers in administrative reform, and they do very little of the kind, although NAPA does have an international affairs panel which is furthering the use of
‘Western’ administrative models in post-communist countries. The international effect of American public administration comes instead from the fact that American social science has such a strong international position – including the teachings of public policy and administration in some of the prestigious universities and research organizations. The Clinton administration ran a Reinventing Government Center and a First Global Forum on Reinventing Government was held in Washington in January 1999 – but the Center has been closed after the transition to the Bush presidency, so a Second Global Forum may not be forthcoming.

5. Concluding remarks

New Public Management represents governance arrangements and public sector organizations as amenable to improvement and in need of reform. More responsiveness, efficiency and liberalization are needed, and suitable changes in processes and structures will bring improvement along those lines. In the OECD countries, central and local governments have launched reforms of their organizations and their governance arrangements, following the precepts of NPM, although in ways that are characteristically different from case to case, depending on timing, political conjunctures and contextual factors.

Our research project on local government management reforms has investigated a number of cases of such local adaptations of the NPM discourse. Without reporting them here (see instead i.a. Hansen e.a. 2000, Salskov-Iversen, e.a., 2000, Bislev & Salskov Iversen, 1998) a few points will be made to support the general argument.

Germany\(^2\) is a good example of our thesis about the dissemination via TDCs. The nation’s federal system and a strong bureaucratic tradition have prevented central NPM initiatives. The legal system has made reforms difficult, among other things by directly outlawing the application of operational management and accounting methods. Instead, a bottom-up process, involving inventive local and sectoral experiments, has developed, in which international political and professional inspiration has been extremely important. The result is a variable landscape of widely differing degrees of administrative modernization, and of the application of all sorts of managerial governance technologies in all possible combinations. Inspiration has travelled between local governments along a number of venues: The Kommunale Gemeinschaftstelle (association of municipalities) has established a consultancy to help in NPM reforms. Some of the municipalities most active in the reform movement have also established consultancy firms and agencies to sell advice to others. Experienced managers from reform authorities teach courses and write papers on the technologies of reform.

Some – most, it would seem - municipalities pursue intra-state reforms, streamlining operations and improving their communications with citizens and businesses. There is a widespread political preference for keeping operations in the public sector, thus retaining employees and ensuring their job security. Others, however, privatize and externalize in the neo-liberal vein.

In the United Kingdom\(^3\), the original initiative does not fit our model: NPM was launched by the central government as an integral part of Thatcherist neo-liberalism, dressed up with ideological

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\(^2\) Our German case studies, of a preliminary nature, have included Bremen, Herten, Heidelberg and Saarbrücken

\(^3\) our UK case studies, conducted since 1996, have been most extensive in the cities of York and Newham, two leading
formulations about the inefficiencies of the public sector and the virtues of business. Privatization was a cornerstone of Thatcher’s reforms, and those public functions not immediately privatized or put in market-like arrangements were exposed to Compulsive Competitive Tendering, an arrangement designed to keep public services alert and efficient. These policies were decided by the central government on ideological premises, and their imposition was not sensitive to sectoral, professional or local protestations.

Most of these changes provoked resistance and criticism from professionals and local governments, but in a few instances, local Labour councils met the challenge and started their own reforms, latching on to the NPM discourse. In order to improve the capacity and legitimacy of their local governments to deliver more and better public service, they formulated ‘citizens’ charters’, established performance reviews, improved their management systems and established image and identity programmes (Salskov-Iversen, 1997). When New Labour took the reins of power, the dialectics between strong centralization and local initiatives took on a new dimension: The Blair government continued the tradition of central, market-oriented initiatives and strict supervision, although the more neo-liberal policies ones were discontinued. But now they could count on the support of several local authorities, as New Labour councils competed to win favours with the government in demonstrating their reform agility and capacities.

In the USA, where the push for contemporary reform originated, the idea of public management reform has a broad background: in the fight against corruption in city government, in the constant ideological push for ‘lean government’, and in the management discourse developed in the business schools. These strands came together in the Productivity Commission in the seventies, from which the OECD NPM initiative took its first clues, and then again in the Clinton administration’s Reinventing Government initiative. Local governments were already actively reforming, however, before the federal government began waving the flag.

The British and American examples may in a sense be more typical than the German case: only rarely does a central – even a federal - government abstain from involvement to the extent that the German government did. The British attempt at imposing the new rationalities by fiat created a difficult situation, but was not without effect in scaring local authorities into action on their own. The American case is one of more or less simultaneous initiatives from a broad range of sources. In Germany, a number of reforms were initiated decentrally because professionals have taken over the new discourse, which they are now using to try and change the legal and institutional framework.

The national frameworks of public institutions, traditionally idiosyncratic and self-contained, are giving way to globalized public sectors, interacting not only in international organizations, but also in transnational discourse communities outside formal organizations. The harmonization of administrative thinking and institutional rationalities obviously going on at the moment is happening less as a result of inter-institutional bargaining and the development of formal regulation, and more – almost exclusively - because the transnational discourse communities are changing the rationalities and technologies of governance. Institutions are not becoming harmonized, several versions and selections of the NPM repertory exist and develop.

Such pluralism is the strength of regulation through a discursive process: flexibility, adaptability and space for local innovation and improvement. The weak side is, of course, that no guarantees

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reform municipalities with Labour-dominated councils.

4 US case studies include Phoenix, San Diego and Chula Vista.
exist that things will happen at all: there may be no action at all or only sporadic action if actors do not experience the new discourse as relevant and unavoidable, or if different groups have widely diverging views about the interpretation. In the case of NPM, both possibilities have been observable: from bloody street protests against privatizations via loud professional criticism of managerialization, to consensual reforms improving both efficiency and services. What we have tried to demonstrate is the interesting fact that things do change through this process, and that change on such a massive scale happens outside the official process of policy-making and coordinated implementation.

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