Governmentality, globalization and local practice: Transformations of a hegemonic discourse

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Abstract

This article explores the global creation, dissemination and local appropriation of the currently dominant discourse of public sector reform: New Public Management (NPM). Drawing on the Foucauldian concepts of discourse and governmentality and on constructivist theories of governance and globalization, the paper focuses on global and local changes in ‘governmentality’ - the way ‘ruling’ is conceived of and practiced. Against the backdrop of (1) an empirical analysis of how NPM was developed within and disseminated from transnational discourse communities linked to the OECD and the World Bank, and on the basis of (2) an exploration of the local appropriation of NPM in two OECD municipalities: Tijuana (Mexico) and Newham (Britain), it is argued that globalization needs not foster harmonization of previous national and regional systems under one conceptual model. On the contrary, the discursive moments of governance and globalization clarify the subtleties of the current hegemony of management thinking in the public sector: at the local level, interpretations of the globally dominant NPM discourse follow contextually defined logics, latching it onto local discourses and harnessing it for local projects that need not be grounded in the political and ideological inclinations widely believed inherent in NPM.
Introduction

Since the 1980s, local governments in many parts of the world have undergone major institutional reforms. Shaped by a wide range of economic, political and social trends, the transformations that have taken place have been driven by a particular blend of global and local dynamics: On the one hand, they have been contingent upon a globally dominant discourse which has tirelessly pointed out the devastating consequences of public sector growth. On the other hand, the particular tracks that this discourse has followed, as well as the modes of local appropriation of its core messages, have varied – and will continue to vary, we believe - from case to case.

This paper sets out to explore the correlation between governmentality, globalization and local practice from the vantage point of the institution of local government as it is being reshaped by the global discourse known as ‘New Public Management’ (NPM). Evolved from modest beginnings among international administrative experts working for the UN, taken up by the Carter administration and then processed and refined by the OECD, NPM has arguably acquired the status of a hegemonic discourse: since the 1980s, most contemporary discourses in the field of public administration and management have positioned themselves in relation to elements of NPM. Though not a coherent set of values and notions and therefore not readily definable, NPM – in its multiple guises and applications – can nevertheless be distinguished by 1) its clear emphasis on business management practices, and by 2) its reliance on individual rationalities and market mechanisms, in the restructuring and operation of the public sector. In this way, NPM implies a break with a century-old tradition of distinguishing sharply between the values and practices of the public and private sectors.

The rise of NPM to pre-eminence coincides with those societal changes sometimes theorized as a shift from government to governance in a context of globalization: from co-ordinated, hierarchical structures and processes of societal steering, to a network-based process of exchange and negotiation. Drawing on constructivist theories on discourse and governmentality, we extend the ‘governance’ perspective to include a view of the public sector as being discursively regulated. Our paper is about a change in ‘governmentality’ - the way ‘ruling’ is conceived of and practiced. This change is brought about by globalization and the knowledge of it. But our point is not that globalization fosters harmonization of previous national and regional systems under one conceptual model. On the contrary, the discursive moments of governance and globalization clarify the character and subtleties of the (post)modern hegemony of management thinking: at the local level, interpretations of the globally hegemonic NPM discourse follow contextually defined logics,
latching it onto local discourses and harnessing it for local projects that need not be grounded in the political and ideological inclinations widely believed inherent in NPM.

The existence, even necessity, of a process whereby universal regulations are modified at the local level is no novelty in policy research where it has long occupied the minds of implementation researchers. According to this perspective, the limits to rationality can be found in information problems and political interests. While these aspects remain highly relevant, we prefer to approach our investigation of the limits to rationality through the lense of constructivism, i.e. the discursive construction of local interpretations. Two very different OECD cases of local government reform serve to illustrate our argument: a Mexican case and a British case. Great Britain is one of the original members of the OECD, Mexico was not admitted to the OECD until 1994 - but in spite of their different historical trajectories in the OECD, Mexico and Great Britain share the appropriation of ‘managerial rationalities’ in different shapes, and at different levels of their governments. In this article, we will focus on the appropriation of managerial rationalities at the subnational level, i.e. in two municipalities: Tijuana in northern Mexico and Newham in East London, UK.

The theories that have inspired us have two things in common. One is that they emphasize the connection between discourse, knowledge and power: the practice of government is very much a question of mastering a language that draws on the socially valued expertise present in networks characterized and shaped by power differentials. Another similarity is attention to the discursive moment (Harvey 1996) of globalization. Not only are distant localities being linked together by very real and rapidly increasing flows of capital, flexible production processes and people in motion; they are also becoming connected through networks of expertise that develop new ways of approaching and defining the problems of government in a context of globalization, i.e. problems of regulating society, of understanding it and of developing democratic dialogues. By emphasizing globalization’s relational character and complexity, its reliance on discourse and local mediation, and its production of hybridity, we privilege ‘heterogenizing’ over ‘homogenizing’ understandings of globalization (Featherstone et. al. 1995; Kearney 1995).

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1 Managerial rationalities appear in national government reform programs in many countries - the UK in the 1980s and 1990s is probably the most salient and studied example of how entrepreneurial thinking has been adopted in the public sector (see for example Salskov-Iversen 1997; Clarke and Newman 1997). ‘Reinventing Government’, in the United States a powerful buzz phrase that emphasizes customer-centered public administration, was launched by Osborne and Gaebler in 1992, and appeared in the National Performance Review, “From Red Tape to Results” in 1993. In Mexico, the phrase ‘New Federalism’ was created by President Zedillo (1994-2000) to renovate the highly centralized Mexican federalism, and to introduce administrative reforms aimed at improving the public sector’s responses to changing circumstances.
Our approach focuses on communication, but not in the Habermasian sense of rational communication (Fox & Miller 1995; Richardson 1996). We assume that all communication has implications of power and hegemony (Flyvbjerg 1998; Deetz 1998); looking for those implications and exploring their nature are therefore central to any study of communication. We also focus on functional reforms, on the improvement of efficiency and transparency in public administration. But unlike studies concerned with assessing the practical vices and virtues of different variations of NPM (e.g. Pröhl 1997a, 1997b), we merely assume that intended as well as unintended effects flow from these different initiatives – our main concern, however, is to study why they are defined as they are, and how they are transmitted and adapted.

The first part of the article develops our approach and identifies major concepts to be used in the following sections. In the second part, we will present a genealogy of NPM. We describe how NPM has acquired the position of a hegemonic discourse through the development of transnational discourse communities. In the third part, we will connect the discussion to our two OECD municipalities, who have entered the global fray, embracing the NPM discourse while appropriating it in a creative fashion. We would like to stress that a thorough examination of the historical, economic and sociopolitical background for introducing managerial reforms in the two municipalities is beyond the scope of this paper.

1. The discursive moments of governance and globalization

The transition from ‘government’ theories to ‘governance’ theories implies a more processual view of politics and the state: the assumption of a hierarchical structure capable of panoptically overviewing society, somewhat implicit in a ‘government’ perspective, is abandoned. ‘Governance’ – like NPM – defies simple definitions (see for example Rhodes 1999; Rose and Miller 1990), but indicates the emergence of a more plural political world, a declining role of the nation-state and a more complex set of societal problems. Society is seen as a network of negotiating units, whose compositions vary, as do their positions in the power structure, over time and across subjects. From a ‘government’ perspective, a logical structure is presupposed: thus, in this line of thinking, it is possible to identify relatively clear distinctions and connections, implications and derivations between policies and programmes. Seen from a ‘governance’point of view, the policy process must

constantly negotiate logics and rationalities.

In the political science literature on policy implementation and evaluation, it has long been recognized that steering societies is less a matter of the hierarchical operation of a rational structure, and more a matter of negotiation, experimentation and iteration. Commands are rough and imprecise instruments, dialogue and feedback are necessary. Societies or sectors that have tried the command way have encountered increasing degrees of chaos and/or double standards. In their seminal work, Pressman and Wildawsky (1973) demonstrated how conceptual misalignments, ideological contradictions and contextual changes created a gulf between federal policy statements and local implementation. Michael Lipsky (1980) showed how front-line staff form their own practical interpretations of policies - interpretations that contrast with the text of the law but express the experienced reality of their own daily lives.

These works were empirical accounts with preliminary conceptualizations of a complex and fluid world; for Pressman and Wildawsky a world of limited rationality (Simon, 1945) and for Lipsky, a world of social construction (Berger & Luckman, 1966). A recent spate of Foucauldian inspired research has elaborated the theoretical underpinning, theorizing the process whereby several rationalities are constructed into one complex structure, a confluence of knowledge, discourse and power (Smith 1990; Foucault 1991; Fairclough 1992; Miller and Rose 1990, 1992; Dean 1994; Richardson 1996; Rose 1996; Deetz 1998; McKinley and Starkey 1999; Clegg 1998). In this literature, the conceptual construction of reality is seen as part of the practices of power. In a governance perspective, the work of construction happens in the networks that negotiate societal discourses, including those on ‘globalization’. ‘Governmentality’ is formed as a perception of the good society and the means to attain it: a construction of rationalities and a range of political technologies, constantly negotiated among actors in a network (Rose & Miller, 1992).

Professionals play a specific role in the formulation and negotiation of the political rationalities and technologies that underpin governmentality. It is the professionals’ discourse of expertise that mandates the ordering and re-ordering of things, and they have a special brief to create visions and practical procedures of ‘public administration’. In doing this, state professionals, academics and private managers are drawing on particular domains of knowledge, fusing them into the discourse of public authorities. The domains of knowledge are formed into conceptual maps that denote the broader means and aims of public sector activities. Of importance here are the specific organizational forms - organizations, networks and alliances - through which the conceptual maps of expertise are articulated, distributed and appropriated. The authorization of a specific conceptual
map of how the public sector should be run is contingent upon professionals’ ascription of social and political authority to organizations – the kind of authority varies with different organizations.

The concept of power acquires a particular meaning from this perspective. As with the formulation and implementation of policies, power does not provide a capacity for rational ordering. Societies have no unitary locus of sovereignty, but a ubiquitous network of power, exercised from multiple points and taking a “capillary form of existence” which “reaches into the very grain of individuals, touches their bodies and inserts itself into their actions and attitudes, their discourses, learning processes and everyday lives”. (Foucault 1980:39). Governmentality, formed and negotiated among political actors and professionals, also means the formation of logics that govern individuals’ lives. Morality is a public affair, adaptable to shifting political rationalities: one’s dedication to work, one’s health and general lifestyle, are all relevant parts of governmentality. Every individual partakes in the exercise of power through her reproduction of rationalities, political and organizational (Rose & Miller, 1992; Deetz, 1998).

Power, though far from evenly distributed, floats around in networks and alliances, inside and around which conflicts and points of resistance are articulated. This is in line with a Gramscian perspective: Domination - hegemony - results not from an all-controlling centre, but from processes of contestation and change in multiple arenas, including locations outside, or at the margins, of national centres and formal politics (Buci-Glucksman 1980; Rubin 1997). In this picture, what we know as the ’state’ - whether ‘national’ or ‘subnational’ - appears not as a coherent, autonomous and calculating political subject, but as a loosely co-ordinated complex of organizational forms, practices and networks. Some governance and network theorists simply equal the state with other actors (Kickert et.al., 1997:9). Foucault can be seen both to deconstruct the state, in his early writings on power from a micro-perspective, and to elevate the state in his later, macro-oriented work (Dean, 1994:179 ff). We suggest that the state-as-organization, a state apparatus, may well need deconstruction, to be reformulated as a complex of interacting networks, political rationalities and technologies. On the other hand, the state-as-identity, as a representation of the national collectivity, remains very important, not least in a discussion of the mentalities and discourses of rule. In this sense, the state retains a special prerogative to appoint and authorize, to subsidize and tax, and to try to shape the conduct of individuals and groups, both within and outside state organizations.

All these considerations about governance, policy, networks and implementation are now becoming relevant also in the international arena. Nationally, the traditional governance
process with the state as supreme actor is now heavily influenced by international organizations, with a growing number of regulations formulated at the supranational level. Internationally, a number of policies are being made in order to regulate the conduct of international actors – states, businesses and organizations. These policies and regulations are subject to the same constraints and conditions as national ones – and more, because there are no supranational state to police them. But supranational professional discourses are travelling across languages, institutions and cultures, framing and positioning local discourses and being translated by the local configurations of ressources and ideas.

1.1 Transnational discourse communities and globalization

Public administration is a social field where different discourses vie for hegemony. The totality of these discourses - which includes for example lay discourses about ‘governmental mismanagement’ (e.g. Gupta 1995; Hansen 1995;1998) - make up an ‘order of discourse’ (or ’discourse order’) (Fairclough 1992). Regarded as one element in the discourse order of public administration, the discourse of NPM has a capacity of social construction by the way it infuses values, ideas and practices into the field of public administration. As compared to other discourses of public administration, NPM has a certain character and plays a particular role (e.g. why ’new’ and why ’management’).

Professional discourses of public administration are constructed and disseminated through a range of ‘discourse communities’, consisting of the various networks of expertise, state professionals, academics and managers. Each community has a broadly agreed set of common public goals, mechanisms and genres for communication among their members, as well as a specific lexis. In other words, members will have an appropriate degree of relevant content and discoursal expertise (Pogner 1999: 54-55). In recent decades, a number of ‘transnational’ discourse communities (TDC) have been formed. TDCs are inhabited by experts from a wide range of countries, and they tend to have a global rather than national or local outlook on key issues. In the field of public administration, most of them aim at stimulating comparisons and learning processes, in order to define and implement ‘best practices’ (e.g. Pröhl 1997a, 1997b). TDCs involved in the development and dissemination of a discourse such as NPM include particular divisions of the OECD (PUMA and DAC), the CLAD (a Latin American network), the World Bank, the UN Public Administrative Division, electronic networks such as LOGOV, and international fora for ’best practice’ authorities such as the Bertelsmann’s Network. To the extent that it is possible to identify
separate TDCs, they will probably overlap or be interconnected; many professionals participate in more than one TDC. It should be noted that TDCs are linked to national discourse communities. But a given TDC may be more linked to some national discourse communities than others.\(^2\)

TDCs and globalization are closely related. On the one hand, TDCs seem to emerge and spread as a consequence of globalization. Increasingly rapid global flows of material and cultural products have multiplied the number of organizational forms worldwide (Nederveen Pieterse 1995), contributing to the complexity of governance: formal political and administrative levels, from the local to the transnational, are being criss-crossed by ever expanding networks of corporations, international organizations and non-governmental organizations. To complicate the picture, these organizational structures, levels and networks, can be seen as overlapped or penetrated by ‘scapes’, in which people, money, images, ideas and technology flow (Appadurai 1996). Flows of ideas and people may contribute to a ‘determinitorialization’ of identities, to the production of ‘cosmopolitans’ (Hannerz 1996). On the other hand, TDCs are themselves creators and promoters of ‘globalization’, and thus a particular apt example of the discursive moment of globalization. Since the 1980s, TDCs have used ‘globalization’ and related terms as discursive devices “to render the world manageable, to define the range of individual and collective policy choice, to clarify external threats and constraints and to imagine the repertoire of available strategic opportunities.” (Rosamond 1999: 657). The point that we want to make here is that the truth effects of such discourses of globalization are relatively independent of the reality that the discourses seek to depict and transform.

Adding to its material features, then, ‘globalization’ is a discourse of power which frames ways of thinking and acting. Articulated in and through TDCs, this discourse of power

\(^2\) For example, Mexico has been a member of the OECD since 1994, but OECD’s attention to the quite comprehensive reforms of the public sector in this country has so far been very scarce. On the other hand, the reforms have been studied in divisions of the World Bank for quite a long time (e.g. Campbell et.al. 1997). Some of these divisions have been closely connected to Mexican networks that deal with public sector reform at the national and subnational levels. Mexico’s connection to the transnational discourse communities related to the World Bank is probably a reflection of the historically developed division of labour between international organisations. Mexico’s recent admission to the OECD situates the country symbolically at the interface of the ‘first’ and the ‘third world’.

\(^3\) In line with Amin (1997), Appadurai (1996), Nederveen Pieterse (1995), Hoogvelt (1997), Robertson & Khonder (1998) and Rosamond (1999), we take ‘globalization’ to refer to the growing number of chains of economic, social, cultural and political activity that are world-wide in scope. It also has do to with the intensification of relations between the agents that participate in these chains. Finally, it refers to reflexivity, i.e. the expanding use of all forms of expertise and knowledge to reflect on social practices, including globalization itself. In other words, ‘globalization’ refers both to some material and cultural transformations of the global environment, and to the representations of these transformations. It should be noted, however, that our constructivist approach puts more emphasis on exploring the character and the role of the latter than on analyzing and documenting global material transformation.
makes it possible to connect calculations at one place with action at another, enabling ‘action at distance’; as the technological dimension of globalization has facilitated the ceaseless travelling across the globe of certain people - notably the symbolic analysts (Reich, 1991) - their ideas and concepts, discourses become appropriated in places distant from where they were initially developed. Shared understandings arise in processes of negotiation in which professionals ‘have come to construe their problems in allied ways and their fate as in some way bound up with one another. Hence persons, organisations, entities and locales which remain differentiated by space, time and formal boundaries can be brought into a loose and approximate, and always mobile and indeterminate alignment’ (Rose & Miller 1990:10). ‘Facts’ about globalization and related phenomena become framed and presented in standardized ways, making it possible to retell them, if necessary (Escobar 1995:107) far beyond the reach of the members of the TDC in question.

The translation of the shared ideas of a TDC into action in a concrete locality, e.g. in a municipality, should not be viewed as taking the form of an imposition of ideas from above. Globalization does not denote a new hierarchy, positioning supra-national organizations on top of national and local ones. Globalization is both relational and contextual. Through a relational “intermingling of global and distant logics” (Amin 1997: 133), the geography of territorial states, economies, identities and localities becomes redefined and to some extent undermined. In concrete local contexts, this intersection of different spatial realities is translated into an increasing ”hybridisation and perforation of social, economic and political life.” (ibid).

The ‘local’, which we view as the place of translation and hybridization, should not be conceived as a spatial fixity of tradition and continuity. We suggest that it is more analytically fruitful to see it as a ‘generating site’; generating because locality appears as something relational and open-ended as it interacts with global dynamics, rather than as unchangeable, closed and passive context. However, from the point of view of any locality, interaction with the ‘global’ is impossible without activity and practice, including resistance, generated in the locality. Thus a locality is also a ‘generating site’ in the sense of being a place where particular practices and events are unfolding and getting mixed with global dynamics, producing new types of social and spatial differentiation.

1.2 Governmentality, political rationality and technologies of government
According to Foucault, the expansion of populations in the 17th and 18th century forced governments in Europe to enhance and refine the state’s regulation of its inhabitants. Whereas the
states previously had been almost entirely focused on the management of boundaries to protect their territories, they now had to address more systematically the regulation of their internal affairs. In order to label and organize people, new objects of knowledge and intervention were explored and defined – e.g. ‘society’, ‘economy’, ‘population’ and ‘poverty’ - as well as modern techniques of calculation, surveillance and administration. For this, he coined the concept of governmentality (Foucault 1991 [1978]), and the associated notions of political rationales and techniques.

Governmentality is a way of thinking about how populations – i.e., societies - can be regulated, and it becomes the basis of modern forms of political thought and intervention. As an analytical tool that seeks to capture the rationale of ruling and its techniques, the concept of governmentality has served both as a macro-level conceptualization of the states’ regulation of their inhabitants (e.g. Burchell et. al. 1991), and as a meso- or micro-level conceptualization of ‘governance’ in large- and small-scale organizational forms (Clegg 1998; Jackson & Carter 1998). Modern versions emphasize the individual aspect: governance through individual self-regulation - i.e. through particular types of human subjectivity with high levels of autonomy and self-management, which replace the ‘sovereign’ power of traditional, top-down managerial control (Deetz 1998).

There are two important dimensions of governmentality: on the one hand, the thoughts and representations involved as problems and authorities define fields of intervention, i.e. a set of political rationalities. Political rationalities are embedded in governmental discourse, e.g. programmes, plans, working papers and other external and internal documents (Miller & Rose, 1990). On the other hand, governmentality has to do with the ways authorities can and should deal with the problems and fields defined by political rationality, i.e. a set of technologies of government. These technologies encompass systems of numbering, accounting and computing, forms of surveillance, methods of timing and spacing of activities in particular locales, methods of organization of work, forms of administration, types of schooling and training, bodies of expertise, etc. (Miller and Rose 1990; Dean 1994:187-188).

There is a close relationship between political rationalities and technologies of government. But analytically, it makes sense to distinguish between representation of and intervention into specific domains; between transforming reality into the domain of thought and making it governable, and to translate these thoughts into the domain of reality in order to shape
and normalize conduct (Dean 1994; Miller & Rose 1990). In sum, if one is to govern a social field, it is necessary to represent and conceptualize what is supposed to be managed. It is through this manoeuvre of representation and conceptualization that reality becomes inscribed in oral and written language (Smith 1990).

The next section looks at the historical and societal conditioning of NPM from such a perspective, sketching the genealogy of NPM, with a particular focus on the new, radical and very generalized representations of public administration that emerged within transnational discourse communities centered in the OECD, the UN and the World Bank. We explore the political rationalities and technologies of NPM as perceived from the position of the experts involved in these transnational discourse communities. We then study the political rationalities and technologies of government in two OECD municipalities where authorities have tried to implement the NPM agenda or parts of it (section III). Our material consists of official documents, internal papers, semi-structured interviews and local media reports.

2. NPM hyperlinks: transnational discourse communities

NPM’s rise to general prominence as a quasi-paradigm for contemporary reform efforts in the public sector rests on the historical development and transformation of political rationalities which have created and shaped social fields, generating and deploying a variety of technologies of government. In this process, the relations between expertise, authorities and populations have been redefined and changed (Rose 1993:290; Rose 1996).

The very existence of a separate public sector, hence the need for public administration, emerges through the political rationality of ‘liberalism’. Without retelling the history of liberalism and its development into the welfare state, we can say that the fundamental constructs of liberalism (Rose, 1993: 291) were modified by the more ambitious governmentality of ‘welfare’. Those ambitions came up against the constriction of the market forces, limiting the ambitions of politics, and producing what Rose calls the new rationality of ‘advanced liberalism’, with which NPM is associated. Its lies on the one hand in its articulation of criticisms of the rationality and technologies of ‘welfare’ – its ‘bureaucracy’, ‘inefficiency’, ‘distortion of the market’, etc. On the other hand, it is able to turn these criticisms into new technologies of government. For one thing, neoliberalism makes economists the fastest growing group of

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4 This interpretation of the distinction between representation and intervention does not imply a ‘move’ from rationality to technology, but rather a circular process in which rationality and technology are inscribed in one another. Where political rationality contributes to the conceptualization of specific technologies, the technologies themselves are a
professionals in bureaucracies, giving rise to "the calculative regimes of accounting and financial management...a range of new techniques for exercising critical scrutiny over authority – budget disciplines, accountancy and audit being three of the most salient." (Rose 1993:295).

In addition to this new relation between expertise and government, the rationality of neoliberalism emphasizes pluralization, autonomization, self-help and the role of ‘personal choice’. It incorporates a sort of ‘de-governmentalization’ of the state through which the state detaches itself from many of the regulatory mechanisms it used to have (Rose 1996). These mechanisms are delegated to individuals, and to a network of decentralized agencies, associations and alliances. New subjects of government are specified - the customer and the self-helping citizen – both are ‘entrepreneurs of the self’ (du Gay 1999) and rely on the ‘expertise of the market’ (ibid).

2.1 The emergence of a paradigm: the NPM discourse of the OECD

The discourse of NPM emerges from the rationality of ‘advanced liberalism’, and is thus also related to the rationality of ‘welfare’ - mostly as a reaction to it, a suggested solution to some of the perceived problems of the welfare state. Some NPM discourses, however, explicitly state that the basic values of the welfare state are worth retaining, and what is needed is a better technology for implementing them. Thus our perspective suggests the existence of competing discourses; as a discourse, NPM only acquires meaning against the backdrop of other discourses from which it has evolved and can be differentiated.

When the economists formulated a crisis of the rationale of ‘welfare’, an economic co-operation organization took the lead in developing new technologies of government. The discourse of public management was based on orthodox economic thinking, with its doctrines of free markets and maximizing individuals. As an ideal, it referred to private sector experiences and practices. NPM expresses an organized effort to accomplish certain ends, applying resources that are considered scarce and must be used efficiently. It contrasts with bureaucratic rationalities that prioritize legal and political correctness. For example: in a bureaucracy, hierarchical organization and a competence-based division of labour are indispensable tools to ensure consistency in decision premises; management thinking sees those features as just one possible organizational structure among several others. Using management tools in the public sector implies both organizational and processual flexibility, and a much higher priority is given to economic considerations.

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condition for that specific rationality, and forms of rationality are inscribed in these technologies (Dean 1994:188).
The discourse of public management is not a product of academic research or internal administrative thinking, but has emerged out of the discussions taking place in TDCs, providing an important basis for policy recommendations promulgated by international organizations. In this way, NPM has become elevated to programmatic status in prominent organizations such as the World Bank and the UN Development Programme, and not least in the OECD (cf. note 2). Throughout the 1990s, the concept of ‘Good Governance’ (GG) has been weaved into the World Bank’s rhetorics and lending policies towards third world countries, addressing not only issues of political legitimacy and democracy, but also the need for administrative efficiency by means of marketization and competition (e.g. World Bank 1992;1997). Interestingly, the notions of political legitimacy and democratization have been taken up explicitly by the OECD’s special taskforce in the field of development: the Development Assistance Committee - DAC (OECD 1995), while much of the management orientation in the NPM paradigm promoted by the OECD has been maintained and further developed in World Bank documents. An example of the first is found in DAC’s 1995 Orientation, in which the WB definition of ‘Good Governance’ is referred to:

“The concept of “governance” is complex. The term is used in these Orientations, in accordance with a World Bank definition, to denote the use of political authority and exercise of control in society in relation to the management of its resources for social and economic development. This broad definition encompasses the role of public authorities in establishing the environment in which economic operators function and in determining the distribution of benefits as well as the nature of the relationship between the ruler and the ruled. It is often useful to distinguish between three aspects of governance: the form of political regime; the processes by which authority is exercised in the management of a country’s economic and social resources; and the capacity of government to formulate and implement policies and discharge government functions.” (OECD 1995:14).

Traces of the NPM discourse can be found in the WB’s World Development Report 1997, which stresses the necessity of reinvigorating the state’s institutional capability by subjecting the state to more competition, internally by boosting competition within the civil service, and externally by introducing more competition in the provision of public goods and services (WBWDP 1997).
As indicated above, the OECD has not been alone in formulating ideas for administrative reform, but it has probably been the most important vehicle for the development of the various reform concepts, ideas and campaigns that are sometimes subsumed under the NPM label. The first major initiative came with a 1979 conference in Madrid, ‘Managing Change in Public Administration’ (OECD 1980). A sense of public sector crisis had put the need for improving public administration on the agenda of this organization otherwise devoted to economic progress. In 1979, an international conference on ‘improving public management and performance’ had been held in Washington, D.C., with the International Institute of Administrative Services as co-sponsor. It was the first occasion where managerial reform was seen as relevant for countries not classified as ‘developing’ (Caiden 1991, p. 64). The Madrid conference marked the emergence of the OECD as the leader in developing concepts and theories.

In Madrid, conceptual innovation came from the USA, from the Carter Administration. The National Productivity Council of 1978 had produced the Civil Service Reform Act (1979), through the Office of Personnel Management. That Act focused on public efficiency - in the interest of improving public services. It introduced some important and significant managerial perspectives that broke with traditional public administration norms: an emphasis on managerial flexibility – as opposed to the norm of strengthening political control of the ‘bureaucracy’; and monetary and status rewards based on effective performance - contrary to the classical rewarding of loyalty (Campbell, 1980). The ideas of decentralized flexibility and operational incentives proved to be crucial for the development of New Public Management.

NPM discourse was only slowly emerging. Great care was taken to signal respect for national specificity: ‘there cannot only be a single solution of these problems [underlining in original]...different cultures, constitutions and administrative traditions...’ (Eldin, 1980, p. 46). It was repeated in the Synthesis Report (Ink, 1980) and in the opening addresses. Nonetheless, managerialism had come to stay and expand, not least through the influence of the OECD.

In developing NPM discourse, the OECD launched a number of new concepts, expressing the movement from administration to management, from politics to market. In a 1987 pamphlet, entitled ‘Administration as service, the user as client’, one guiding notion is ‘client-orientation’. The public sector is there for those who use its services; also citizens with a need or demand for help from the public sector deserve a respectful and sympathetic response, rather than

5 In the words of the successful presidential candidate during the campaign of 1976: ‘waste and inefficiency never fed a hungry child’.
being disciplined by an insensitive authority. Later, a more direct loan from management has changed the notion to ‘customer orientation’.

A second concept, ‘service-orientation’, used in the same pamphlet, takes the parallel further: seeing public administration as ‘service production’ implies a more pragmatic, goal-oriented view of public sector practices than the tradition of legal correctness. To produce is to use resources efficiently - the choice of structural and processual forms becomes subservient to the need to economize.

The two concepts together constitute the notion of responsiveness, an ideal of a public administration that is responsive to its users and doing its best to meet their expectations: ‘Making administration more responsive means changing individual behaviours and organisations so that clients will experience a more responsive service’ (OECD 1987, p. 97). In this conception, political ideals have disappeared from view. Public ‘services’ are delivered, efficiently and with a smile, to individual customers. Politics lies in choosing what services to deliver, but implies nothing about how to deliver it.

‘Efficiency’ as an all-embracing ideal was (and is) of course the nucleus of the new PM discourse. It took on a new meaning - both broader than the managerial one of ‘performance standards’ and more precise than the old administrative one of ‘effectiveness’, meaning the accomplishment of the right goals. In the preface to PUMA’s 1990 Report on Public Management Developments (OECD 1990, p.7), the authors wrote that ‘productivity and responsiveness to the public are becoming the new standards for measuring performance, both for individuals and the organisations in which they work’.

The same 1990 survey launches the concept of ‘results-orientation’. Defining results in operational terms is a tool in the definition and management of productivity, and management by results (MbR) becomes an important method for public administrators in the following years. The survey describes it as a development away from the old Programme-Planning-Budgeting system, in a vaguely conceived direction: ‘management-oriented and focus on what organisations do and produce and on the means for holding them accountable for performance.’ (OECD 1990, p. 11; italics i.o.).

The 1990 Report describes several other trends in the conceptual and practical development of public administration/management - privatization, human resource management,
service quality management, decentralization and deregulation are the most pertinent ones. The register of technologies keeps expanding, and every new item is drawn from the discourses of private sector management and economic efficiency.

In the next survey of public management developments (OECD 1993) the national specificity mantra has given way to a normative concept of One Best Way to Reform. This way is still very broadly conceived, and many of the concepts are vague and open to different interpretations, but the survey leaves no doubt about the eventual rewards of travelling down the road of reform, and the general direction is consistently given as going from political administration to service management.

Finally, in 1995, in a report taking stock of public management reform efforts in OECD countries, the OECD confidently declares that ‘A new paradigm for public management has emerged, aimed at fostering a performance-oriented culture in a less centralised public sector’ (PUMA, 1995, italics in the 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. Intended as an overview of ‘the dynamic changes in strategies of governance’ (ibid) that are currently taking place - and as a synthesis of past work carried out in the PUMA since the first manifestations of this project in the mid-1970s - this report not only repeats the need for reform expressed in earlier publications. It announces the arrival of a new paradigm capable of tackling the new context of governance, i.e. an ‘increasingly dynamic, open, and internationally competitive’ world economy. The new paradigm is meant to make public administration more efficient and adapt it to new societal realities. Among those realities, this ‘dynamic, open, and internationally competitive economy’ plays an important role – the discourse of globalization is often invoked as part of the NPM discourse.

2.2 The NPM paradigm
Several authors have attempted a summary of NPM, listing its characteristics in somewhere between five and fifteen points, often mixing principles with practises, ideas with ideologies (Hood 1990, Dunleavy 1997, Ferlie e.a. 1996, Naschold 199?, Klausen & Ståhlberg 1998). To provide a short summary of the above genealogy, we will, by way of definition, nevertheless venture a minimal description of NPM as a new orientation in the public sector order of discourse, giving priority to responsiveness and efficiency in a context of globalization.
The political rationality implied in NPM is not one of consistent and unidirectional neo-liberalism. But it does represent a turn away from communitarian conceptions of the state towards contractual relations between individuals and agencies. The political technologies implied are derived from the necessity to meet citizens’ expectations, and to deliver optimal results in terms of legitimacy and efficiency.

Responsiveness implies flexibility, change orientation and openness. Efficiency implies performance orientation, active management and systematic evaluation. Globalization implies that administering public functions and institutions as if they were unique and alone in the world makes no sense.

Although certain directions are more obvious than others, NPM is still not a political programme. It can be used both by neoliberals for diminishing government and by New Labourites for directing social change. The core of NPM is the import of management thinking – and management is different things to different people. Among current management fads one finds concepts that are narrowly oriented towards ‘shareholder value’ and focus on material incentives and physical restrictions. On the other hand, other trends include emphases on human relations, ethics and values. Any NPM scheme may choose its own selections from the management menu: privatization and monetary bonus systems, or user involvement and value-based management, on the other.

The openness and lack of finality is partly a strength of NPM, making it more broadly palatable and enabling it to survive changes of political regimes. But the same openness means that a strong and specific process of authorization is needed, in order to establish that NPM is the currently correct way of doing things.

This authorization happens through those members of the TDCs that have authoritative status. The OECD is one member. While not being a supranational organization the OECD wields considerable influence in terms of preparing the political ground for a whole raft of different policies, articulating and disseminating a certain view of the world. Its power rests on the acceptance of its discourse; its research-based opinions provide it with expert status and enable it to canvass support for its ‘objective’, universally applicable knowledge, which transcends time and space. From a Giddensian point of view, the OECD’s systematic use of knowledge about social life for organizing it and transforming it makes it a distinctively contemporary institution: its production - its discourse - is designed to ensure its entrance in myriads of textual chains, providing policy makers and the media with a framework of action, an order of representation.
A number of other TDCs are participating in the process of authorization. Some of them are traditional - the international associations of public administration practitioners, organized by sector, profession, level, nation, region, etc. In these traditional networks, NPM has enlivened a sometimes slightly worn atmosphere of partly scientific insight, partly anecdotal wisdom. With NPM, a discourse of imminence and impact has breathed new life in old networks. A number of new (sub)-networks have been formed in the process – notably a number of excellence networks, with a missionary purpose and with prizes to bestow on those government agencies and localities that best follow the prescriptions.

NPM discourse is reproduced in these TDCs and associated with authority: the status of state institutions, international, scientific and professional organizations. It is discursively connected with eminence, prominence – and inevitability: Much NPM discourse is concerned with the naturalization of changes – portraying developments as following from natural causes like organic growth or historic progress, and establishing deductive relationships between international and regional developments and those things that must happen at lower levels. A quote from the OECD Observer, very aptly illustrates this. An editorial in the OECD Observer from February/March 1998, which introduces the theme of that issue, Territorial Development (Salskov-Iversen 1999), applies a discourse of subsumption – from the global down to the local, a string of necessities determine and delimit the possible action space for both business and government:

‘The ‘new global age’ presents OECD countries with many economic, social and political challenges. Expanding world markets, faster technological progress and near-instant communications are accelerating the pace of change throughout society.’

‘These global trends affect us all but require businesses and governments to adjust their strategies to the specific context of their societies so as to generate the right action on the ground’

The relationship constructed in this kind of logic between the global, the nation-state and sub-national economies, and by implication different layers of government and (members of) the public is a one-way relationship. It contains a specific, unquestionable logic descending from the global economy (origins unknown, no owners) to national governments and economies, which in turn are expected to translate the acquired wisdom about the global economic regularities into local action, in part via territorial authorities.
This technique is an example of how power relationships work in discursive processes. Imposing new rules from above is not possible, but discourses can be changed through what Clarke and Newman call the cascade of change – the establishment of globalization as a meta narrative, framing all other orders of discourse (Clarke and Newman, 1997, pp. 34-55). The cascade of change technique

“accomplishes a range of narrative closures. The first is at the global level where change tends to read as uni-directional or non-contradictory and as such resulting in clear imperatives or directions for lower level changes. Such lower level changes are represented as the natural or logical reflection of global or universal tendencies. Global and national changes are then constituted as the necessary conditions of organisational projects for change” (Clarke and Newman, 1997, p. 48).

In the remainder of the article we shall take a look at how this naturalization of change has been assimilated and transformed (in this sense, our point is the opposite of what is implied in the Clark & Newman volume) into programmatic representations by two OECD municipalities: Tijuana in northern Mexico and Newham in East London, UK. Both municipalities describe in their programmes a rapidly increasing need for responsiveness and efficiency in the public sector, applying in this way the conceptual map of the new managerialism. They also justify the adoption of specific, managerial technologies of government with reference to the logics of globalization. As examples of professional representations and constructions of ‘reality’, these programmatic claims are building on previous analyses from which more concrete policy aims are established and technologies of government outlined.

However, when we take a closer look at the local programmatic representations produced and distributed by the two municipalities it soon becomes clear that the suggested need for changes in the administrations are represented as the logical consequence of not only globalization and other ‘universal’ tendencies - as suggested in Clarke and Newman’s ‘cascade of change’ metaphor - but also of ‘local’ and rather unique phenomena. This observation - to be unfolded in the next section - can add some nuances to the figure of descending isomorphic effects (Clarke and Newman 1997:47) which seems to underpin the ‘cascade of change’ metaphor. A first reading of the programmatic representations may confirm the picture of a thundering waterfall of unavoidable innovations, forcibly introducing managerialism to local and national authorities -
herein lies the effect of isomorphism. The cascade appears to construct a unity of identities. However, a second reading suggests a capability of using the message to generate differences.

3. Globalized municipalities: NPM made to measure

The adoption of managerial discourse in our two municipalities happens about the same time – around a decade ago. But it has different backgrounds: the British example starts as a series of centrally directed reforms introducing textbook neo-liberalism: privatization, de-regulation and individualization. The eighties was the era of neo-liberalism, and neo-conservative governments took over in most of Western Europe, to stay for a decade or more. Britain, with the US, was the prime example. In Mexico, the de la Madrid (1982-1988) and Salinas (1988-94) governments also spoke the language of freer markets. Federal reforms to reorganize and grant municipalities greater autonomy from federal and state control were introduced already in 1983, but unlike the Thatcher governments, these and later reform attempts had no specified NPM agenda for local government. So the Mexican example is almost the opposite: an expression of political dissent by a local government won by the opposition party, underlining the virtues of decentralization, efficiency, responsiveness, honesty and democratic participation - virtues which had been incessantly emphasized by the federal government for decades, yet not translated into practice. Both examples, however, employ the language of NPM for their own purposes, in their particular adaptation.

In order to make sense of their local environment and to act upon it, municipal officials create representations of the challenges that they perceive their locality to be facing. In this process of construction they draw on already existing linguistic resources, knowledge and expertise. In drawing on the conceptual map of NPM, which foregrounds the narrative of responsiveness and efficiency in a context of globalization, the representations appear to be influenced by similar contextual developments, in part inspired from the same sources, but adapting local inputs to achieve unique effects. In the following, we analyze documents and interviews from Tijuana and Newham to see in which directions two local governments, each in its way a model for others, are currently developing.
3.1 Tijuana: ‘Competitive positioning’.

After Carlos Salinas’ inauguration as president in 1988, opposition parties – in particular the conservative National Action Party (PAN) - began to win important victories at the municipal and state levels in Mexico. In 1989, the PAN achieved an important electoral breakthrough in the northern state of Baja California, winning the municipality of Tijuana which at that time accounted for nearly 40% of Baja California’s population (Rodriquez & Ward 1994:20). Tijuana, a rapidly expanding city situated in the Mexico-USA borderzone at the Pacific Coast, has since then been dominated by the PANistas. It has become widely known in the Mexican context as a city fighting with a host of complex environmental and social problems. But it is also recognized for its entreprenuerial spirit and innovative local administrations, capable of challenging the national hegemony of the 70 years old ruling Institutional Revolutionary Party (PRI) (Guillén López 1996; Herzog 1990).

Throughout the 1990s, Tijuana’s municipal administrations have publicly justified the need for administrative reforms by representing a number of supra-national, national and local circumstances and conditions in their programmes. In the programmes we have studied, three features stand out as particularly interesting examples of how core concepts from the map of the new managerialism have been elevated to structuring devices for policy-making, constituting a complex of political rationalities and technologies of government: (1) A set of representations of the city’s particular position in a rapidly changing regional and global economic context, articulating the idea responsiveness through the concepts of ‘competitive positioning’ and ‘strategic planning’; (2) a set of representations of the relationship between the municipal authorities and the citizens of Tijuana, articulating the idea of social efficiency by means of the concept ‘participatory society’; (3) a set of representations of the internal organizational changes needed to achieve the desired responsiveness and efficiency.

(1) Competitive positioning. Concepts such as global positioning and geopolitical position appear frequently in the programmes, in particular in The Strategic Plan of Tijuana (PET 1995) and The Municipal Development Plan 1996-1998 (PMD). In these programmes, which draw heavily on a report by Andersen Consulting, on international research (e.g. Michael Porter) as well as research carried out by local research institutions (COLEF), Tijuana is represented as being entangled in an increasingly complicated “process dominated by globalization and international interdependence, as well as by the economic restructuring and political and social diversification which the country experiences”. In this process, “the proximity to the United States and the
distance to the Mexican capital have had a decisive influence.” (PMD 1996). These conceptualizations are developed on the basis of an economic, sociocultural and political diagnosis of Tijuana’s territorial location. It is emphasized that the city has only few connections to the poles of development in the interior of Mexico but makes up a major regional and international pole of attraction in northern Mexico. But livelihood in Tijuana is also affected by a number of external and internal features: it is a nodal point for linking economic transactions on the international markets, housing a major part of the rapidly expanding maquiladora (in-bond) industry. Tijuana is a “melting pot” that experiences a growth in population, in part due to heavy immigration from southern Mexico, which is twice as fast as in the rest of Mexico, generating more demands for social services than the authorities can respond to. Politically, Tijuana is characterized as “mature”, with a political culture which is very different from other cities in Mexico. Being governed by the conservative PAN since 1989, the elections have been “clean”, there is a high degree of political participation in elections and other political activities as compared with rest of Mexico, and there is a wide range of opinions represented in the plurality of local newspapers (PET 1995:64).

The PANista administrations’ conceptualizations of local distinctive features like the above serve to establish a break with the kinds of rationality that the administrations view as dominating the rest of the country. The conceptualizations also serves as a launch pad for the formulation of strategic technologies to be adopted in order to reinforce Tijuana’s position on the global map. It is argued, for example, that Tijuana can turn its position into its own advantage through “strategic planning”. Adopted by the 1992-95 PANista administration as a response to what is represented as traditional, inefficient top-down regional policies in Mexico, this technology of government is introduced to fuse criteria of efficiency and competitiveness, as perceived from the perspective of the local level, into the city. It is a form of planning which “necessarily involves a higher level of participation of the private initiative, understood in the broad sense of civil society” (PET 1995:28). Referring to the successful experiences from a number of large cities such as London, Bilbao, Paris, Teheran and Singapore, ‘strategic planning’ is envisioned here as a technology to “manage change”, not as a means to consolidate a bureaucratic status quo. It emphasizes that the localization of social and productive activities is based on knowledge about what the city offers in terms of human resources, infrastructure and services. Its central aim is to facilitate “competitive positioning”, i.e. to enhance the capacity of the city to compete with other cities in order to attract investments, commerce and human resources (PET 1995:29).

A crucial element in the competition with the outside world is, according to the
administrations, the city’s “image” and “identity”. Tijuana suffers more than any other city from a negative image, and to engage fully in the fast moving process of globalization it is of uttermost importance to change it (PET 1995:99;129). This line of argument is translated into more concrete objectives and strategies (PMD 1996:253). By promoting a positive image towards external investors and visitors, Tijuana’s competitive position would improve strongly. In turn, this process of image creation would allow the city to consolidate its identity, modifying citizens’ perceptions. The administrations’ increasing concern with identity, image and reputation management is clear from the way municipal leaders handled two image campaigns in 1997, in close collaboration with the private sector. In January 1997, Grupo Imagen, a group of municipal and business leaders, had become fed up with the city’s reputation of being the principal site of drug-related crimes and political assassinations. They launched a campaign towards the local community, emphasizing the virtues of the city. “Tijuana is my city” was the motto of the campaign, which aired a range of positive testimonials by the locals in radio and television ads. Later, in February 1997, municipal officials accused a Mexico City director from a powerful television network of defaming their city in a soap opera, named Tijuana, about a romance between a female reporter and a young man trying to cross illegally into the United States: ”They are saying that the name of Tijuana is synonymous with crime, drug trafficking, discrimination and the trafficking of undocumented workers...we do not approve of these kinds of distortions. They offend not only the city but the citizens of Tijuana.” The City Council voted to patent the name, seeking to control the use of Tijuana’s image in publicity campaigns, documentaries and movies (SDUT Jan 18/Feb 17: 1997). The soap opera in question was finally renamed “Those who leave”. The script was changed to include more positive aspects of the city, after a special agreement between business and city leaders, and a producer from the television network. The Mayor: “We Tijuanenses have fought for many years to rid ourselves of stereotypes about Tijuana in the interior of Mexico and abroad...By taking away the name, we don’t run the risk of feeding these stereotypes.” (SDUT Feb 14:1997).

(2). Participatory society. One of the political projects that the PANista administrations of Tijuana have been continuously emphasizing is to encourage the community to take part in planning development and decisions, as well as to enhance citizen responsibility. The concept of “participatory society” plays a key role here. The municipal government is envisioned as the representative of the community and as the responsible of delivering services. But the citizens also have their share of responsibility in contributing to the social and economic development of the area - citizens are “co-responsible”. For example, residents in a district should
approve but also help pay for new streets, lighting, parks and flood controls. By encouraging people to take an active economic and social role in the community, the administrations seek to change people’s understanding of the state. At least at the local level, the state is no longer supposed to appear as the paternalistic actor of the past, whose planning was “centralist and bureaucratic... expensive... inefficient... and... unjust” (PMD 1995:31). It appears now as a “promoter” and a “partner” among others, such as neighbourhood groups, citizen committees, the councils of economic and social development (consisting of people from private business and the municipal government), and the NGOs. It is within this set of rationalities concerning the relationship between the government and citizens, which clearly seeks to mark a break with the past rationalities, that a number of technologies of government are developed: the extensive “consultation” with the different groups and sectors of the community involved in specific projects, the emphasis on documenting the connection between payment of taxes and the delivery of services, as well as the use of city wide-referendums and opinion polls to verify citizens’ willingness to pay for programs.

Interestingly, according to the World Bank, this linkage between participation and responsibility, successfully embedded in what is characterized as a “political contract”, is precisely what accounts for the innovative character of governance of the municipality of Tijuana: “Above all, the new style of governance is marked by the terms of a new political contract forged in Tijuana. In it, the links between public works and the voter taxpayer were made more explicit and subjected to public debate. This relationship goes to the heart of governance.” (WB 1997:13. Echoing earlier World Bank documents, the administration represents the Bank’s continuing interest in Tijuana as evidence of the success of the city’s “new style of governance in which there is a vision of servicing the community, permanent interaction, dialogue and mutual help, as well as a continuing consensus” (TCT 1998).

At a first glance, it seems that the PANista administrations, in their programmatic representations, have been more focussed on citizen participation and responsibility than internal, administrative efficiency - or rather, the dominant rationality seems be that internal efficiency as well as social efficiency arise from citizen’s pressure on, and participation in, the system. But at the internal, organizational level, the PANista administrations have also furnished the municipal administration with techniques and ways of doing things that in many cases are clearly anchored in the rationality of the new managerialism.
(3) Efficiency and service vocation. The Municipal Development Plan from 1996 (PMD) and the Third Annual Report from 1998 (TCT) conceptualize a need for modernization and organizational change by referring to the necessity of “eradicating the authoritarian heritage of presidentialism” (TCT 1998:1). An “integrated perspective” is launched. This rationality involves a new model of administrative organization which translates the hitherto (i.e. before the PANistas came into power in 1989) absent principles of “efficiency, honesty, and service vocation” into practice. The main technologies of government include deconcentration of functions to the delegations of the city, rigorous selection and training of human resources, creation of budgetary systems and mechanisms under conditions of financial scarcity, formation of a “culture of savings”, discovery of alternative sources of finance (in general, the administrations have preferred not to see themselves as the only investors in projects, basing instead their policies on the idea that any project should be “self-financed” as much as possible), and finally, systematization and automatization of the control of human and material resources.

In launching the ‘integrated perspective’, Tijuana’s administrative reformers put a special emphasis on three issues. First, the focus is on generating an increase of the fiscal basis of the municipality, not only in order to enhance and improve services, but also to lessen the dependence on intergovernmental transfers, i.e. from the federal and state governments. The strategy of optimizing the collection of fees and taxes, in particular land taxes, is nurtured by the administrations’ belief that it is one of its important tasks to “educate and generate confidence” among people. Second, and closely related to the question of confidence, the programmes focus on the necessity of adopting new budgetary, accounting, registration and evaluation methods, in order to ensure fiscal control, transparency and accountability, to detect financial deviations and to introduce and develop “administrative simplifications”, “deregulation” and “agility”. While diffusing confidence among people, ‘deregulation’ and ‘agility’ are also seen as a specific prerequisite for continuing foreign investment in the maquiladora industry. Third, the administrations do not hesitate to stress the need for a professional administration based on “civil service career systems”. The professionalization of civil servants aims at training and specializing the staff, as well as at “constructing values”. Of particular importance is a change in the public servants’ attitudes: “I’m going to try to modify the attitude of all public servants. It’s another philosophy, like Nordstrom’s, where you buy service, not goods. To change the system in Tijuana we must change the attitude, and it’s time to make that happen. We will start with traffic police, giving them another type of training to help retain our tourist business and the quality of our
culture. Traffic police will wear a different kind of uniform from police who deal with crime”. (Mayor Osuna Millán in SDUT Sept 7 1995). Furthermore, the administrations seek to recruit leading staff from the private sector. Having experience from work in private enterprises is seen as an advantage, because it enables officials to speak the language of a sector which is of crucial importance to the city under conditions of extremely scarce financial resources, and it also helps to develop a “spirit of enterprise” among employees.

The administrations’ promise to introduce “total quality management” and “performance-based management”, with frequent evaluations (PGM 1998:28,30). These technologies are closely related to the rationality of image, reputation and identity management described above. As part of the effort to improve the city’s image, it is of utmost importance to construct a new “service-oriented mentality” and “esprit-de-corps” within the administration through improvements of the communication between the branches of the government and the officers. It is of paramount importance to train the staff in a new “vocation of service”, assuring the democratic mission and values of the municipality (PMD 1996:254). On the other hand, to be service-oriented requires a quite detailed knowledge about citizens’ demands - a knowledge which is acquired by enhancing the citizen’s possibility of providing the administration with input on its performance (at public meetings and through the newly created municipal website). Finally, to be “service-oriented” also involves considerable efforts in public relations: different types of information about the municipality have been ”democratized” and are now available in pamphlets, books and on the Internet (TCT 1998:63-74). Some of this material is purely promotional. It serves, among other things, to facilitate tourism and foreign investment in the area. Some of it is translated into English, and the current administration has planned to develop material in Japanese and Korean, in order to promote, on the internet, Tijuana’s attractiveness among potential strategic partners.

To conclude this brief overview of the case of Tijuana, we may say that the main actors of the new managerialism have been PANista politicians, representing local businesses interested in improving the social and economic environment. NPM has been adopted with the purpose of expressing a wish and a need for a public sector with less corruption and better performance – to get out of a vicious circle of poverty, corruption and inefficiency. In this sense, the local discourse of public management emerges against the backdrop of the local and national discourse on corruption and mismanagement (Hansen 1995;1998). The version of NPM that Tijuana has adopted carries an emphasis on economic positioning, competitiveness, identity and
image management, and not least, participation. It has been the underlying rationality that the pervasive corruption can only be eradicated if citizens are drawn into political and administrative decisions, and if a variety of business-inspired technologies are introduced in the municipal organization. The image of ‘active’, ‘entrepreneurial’ and ‘responsible’ individuals are built into this rationality. Tijuana’s heavy concern with the city’s spatial and economic position in a world of globalization is consistent with another core feature of the new public managerialism - the significance of responsiveness and efficiency. By emphasizing responsiveness and efficiency, and by coupling these notions with technologies of managing reputation, image and identity - both at the levels of internal municipal organization and of territorial municipal space - a vocabulary of distinctions is constructed and projected: it enables ‘outsiders’ (e.g. investors) to measure the achievements of Tijuana with its potential ‘competitors’ (e.g. other municipalities or regions, i.e. sites in Mexico as well as abroad), and it makes it possible for ‘insiders’ (i.e. the local population) to generate a positive feeling of living in an active and entrepreneurial site.

It is clear that the municipal officers in charge have been inspired not only about the local and national discourse of mismanagement, but also by TDCs, in particular those connected to the World Bank, to Anderson Consulting, and to other cities, especially Bilbao and San Diego, each carrying slightly different versions of the discourse of the new managerialism. One example of the fuzziness of NPM is the concept of participation so important in Tijuana’s reform process. The dimension of participation is not always part of NPM, but clearly an element to be found in some versions (e.g. Ferlie et.al. 1996). In the case of Tijuana there seems to be a quite important influence from the World Bank’s conceptualization of ‘good governance’, which blends the entrepreneurial core of NPM with the advocacy of liberal democracy.

3.2 Newham: ‘Best Value’

“Newham – London’s fastest improving borough”. Today, this is how you are welcomed when you access the homepage of the London Borough of Newham. Only a few years ago, you were greeted by this message: ”Newham – the most deprived authority in England”. Another soundbite, which often appears in the borough’s communication today, is ”Newham – the Arc of Opportunity”. Together, this aptly illustrates the efforts that this borough has made over the last couple of years to reconstruct the identity, image and reputation of the area, and by implication, also of the council. It reflects how it is endeavouring to map the borough’s destiny onto a very
different conceptualization of the future and a very different idea of the kind of technologies that will take the borough and the council to that future. In this section we will try to uncover the discursive moment of this reorientation. In the words of the Council (in a recent booklet, produced as part of the documentation for a community-planning event organized by the council), “we (i.e. the council) have a story to tell. Newham is being transformed from being an underperforming local authority, only three or four years ago, to being at the leading edge of local government thinking and development” (Newham, June 1999). We will focus on the council’s retrospective reflections of the situation in the early and mid nineties, which in turn are echoed in virtually all the communication that emanates from the council in the form of a very distinct representation of an unhappy (recent) past, an exciting but also challenging present, and a new dawn in a new era. But it is only by establishing very explicitly a break with the rationality on which its past rested that its claim to a qualitatively different future gains any validity at all. Validity in the sense of carrying some weight with local people, the people in the town hall and the outside world when it comes to persuading them of the sanity of the council’s vision: Newham, a place “where people choose to live, work and play” (Newham 1999). It is by locating the roots and causes of its present misery firmly in the past that the council can legitimately address its own failures. By speaking what has for so long been wrong with local government, it diffuses it, and this enables the council to attempt – with some credibility - a reconstruction of itself as a dynamic institution, capable of delivering the sort of change which Newham needs.

Newham is an economically and socially strained eastern London Borough situated on the banks of the River Thames. If you looked at the index of local deprivation a couple of years ago, you would find Newham in the top - hence the welcome message “Newham, the most deprived authority in England”. Informed by a traditional bureau-professional welfare state regime, the council’s way of conceptualizing the place and its people left it with basically one strategy: adding value to poor and disadvantaged people. However, the better – indeed, the more efficient – the council became at adding value to poor people, the sooner they would leave the area for a brighter future elsewhere, leaving the council even poorer. As a political and administrative unit, as well as a place, Newham was projected as a prisoner of its economic history and geography. Against this background, the transformation of the council’s rationality becomes even more striking.

This takes us to the kind of technologies that the council avails itself of in order to realize its redefinition of itself and Newham. At a very general level, the council rests its new identity on managerialism and notions of entrepreneurialism, which are used throughout in the
council’s discourse. When you talk to officers in the council, the origins of the current change are dated to the early 1990s – indeed, in what is safe Labour territory, there is some pride in stressing that the conversion to another way of thinking welfare and public sector service provision predated New Labour by several years. In other words, it thinks of itself as one of the authorities that picked up the gauntlet of managerialism in the Major era and set out to beat the then neo-liberal regime at its own game. However, the eventual translation of this thinking into programmes and specific initiatives owes a lot to the New Labour government and the continued pressure from above. A good example of the council’s appropriation of a centrally devised instrument – or programme – for local change was its successful bid to become a Best Value pilot authority in 1997, testing the incoming Labour government’s ideas about public service provision.

For the Blair government, decrying its predecessor’s centralizing record in central-local relations is a central plank in its political programme. So despite the government’s determination to ensure local government’s compliance with New Labour’s modernization agenda, a reduction of sometimes recalcitrant local government’s formal power is not an option. In stark contrast to the former Conservative governments, New Labour has cast local government as a key player in its plans to revitalize democracy at all levels of government, in no small part by mapping notions of democracy onto a set of values more in tune with the third way welfare state – the social investment state – which on the one hand emphasizes efficiency, entrepreneurship and risk management; and on the other hand stresses responsiveness, democratization and an active civil society. The discourse of managerialism, NPM, has provided the government with the means to pursue its highly prescriptive policies without overtly being seen to narrow local government’s room for manoeuvre.

In this vein, the government has dutifully honored its election pledge to the public sector and is currently phasing out the contentious *Compulsory Competitive Tendering* (CCT) regime – put in place by the Thatcher and Major administrations - which forced marketization upon the public sector, and in particular the world of local government. CCT is widely recognized as a particularly crude version of NPM, a direct function of the Thatherite political economy which saw the public sector as bloated, wasteful, overbureaucratic and inefficient (Ferlie et al. 1996). Perceived as a blatant neo-liberal attack, the CCT regime was loathed by public sector organizations and interest groups for ideological reasons. As a technology of government, its

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7 In Britain, local government has no general competence and no constitutionally guarded rights, i.e. its functions and powers can at any time be altered by central government.
equally blatant top-down nature caused widespread resentment among local politicians and local government workers, who of course had to cave in notwithstanding. With hindsight, quite a few authorities admitted that struggling with the new technology and making sense of the new rules and concepts had provided them with a new legitimacy vis-à-vis their local environment. There was a sense in which mastering the discourse and technologies of managerialism became the vehicle for local projects that were in direct opposition to the intentions behind the CCT regime – the unintended consequences of the hegemonic project at the central level (Salskov-Iversen, 1997).

The successor scheme is known as the *Best Value* regime. In New Labour parlance, Best Value is what all authorities owe to local people, what they must deliver - if they fail to deliver, the government will not hesitate to intervene. However, unlike the earlier regime, the means to obtain Best Value is for each authority to decide - what matters is what works and what works is what ensures economy, efficiency, effectiveness and quality. Furthermore, as from 1999, the best of local authorities are encouraged to apply for “beacon” status. Beacon authorities are authorities that in Newham’s phrase “*have a story to tell*”, i.e. whose achievements and successes might serve as inspiration for others. In other ways, this is a way of institutionalizing professional networking and facilitating the spread of innovation and excellence as defined by the Best Value regime. Newham is bound to be awarded beacon status (announcements not made till late 1999). It appears that the beacon scheme is designed to address an inherent contradiction in NPM, the institutionalized management of change: how to ensure compliance with a regime, which is by way of definition characterized by a set of fairly detailed rules and regulations reflecting carefully and/or painfully negotiated political and economic compromises made to last, and yet ensure constant change of the very practices on which the regime and its constituent compromises rest. Both symbolically and in very real terms, the beacon programme, which you join if you choose to, sets out to instill an incentive for further change, for change beyond merely accepting the new Best Value legislation. Again we see a programme which for its realization depends, it seems, on the emotional buy-in of those who are expected to implement it. No stipulations about when authorities are required to carry it forward. There seems to be a shift in the direction of roles rather than rules, and both technologies rely on a disciplinary regime which backgrounds traditional bureaucratic surveillance and stresses more sophisticated discursive control practices, such as ’information’ and ’communication’.

For Newham, "*Best value provides an opportunity to change both the image and reality of its service delivery and management. It is a major challenge, but one which has already*
gone some way towards being tackled. It is our (i.e. the council’s) job to see that Newham’s services are at least as good as those provided in any other authority. We are unashamedly ambitious – our people deserve it” (Newham, 1997). The discursive dimension to its reform project is of paramount importance. The council’s reform vision hinges to a large extent on its faith in the capacity of its new discourse to provide its various audiences with a set of ideas capable of instigating a virtuous circle of identity and social engineering whereby (i) Newham Council and its employees come to see themselves as agents of change with internal organizational reform as the means to an end, transformation of the local; (ii) The world outside, notably commercial interests, come to view Newham as an attractive and strategically positioned location; (iii) Local people, responding to the new discourse from the local leadership and its new legitimacy, become prepared to commit themselves to the area as citizens.

The chronology of the gradual inscription of the new rationality and its visions into official programmatic discourse is interesting. May 1997 saw the publication of a booklet, Our Vision, which for the first time unfolded the new conceptual map – app. two years after a new leader and a new chief officer had added coherence and leadership to the emergent ideas about escaping both the image and the realities of derelict, crime-ridden, underperforming Newham. Later in 1997, Newham’s bid to become a Best Value pilot drew extensively on the Vision paper, only now it was complete with specific proposals about how to do. Newham’s bid was one of the most far-reaching of the applications received and accepted for Best Value status, many of which relate to a limited number of services, functions or aspects of the organization. Newham’s approach concerns all the council’s services and the whole organization. It has committed itself to improve the quality of all its services by 10% and reduce the costs of them by 5% over the next three years. An academic task force, which has been commissioned by the government to follow and analyze the pilot authorities, categorizes Newham’s bid as a strategic approach as it is explicitly linked to its wider vision and goals for the local area (Hartley, 1999), hence the strong presence of the wider societal context in the council’s discourse. Newham articulates a view of the world which stretches far beyond its boundaries.

The metaphor “Newham, the Arc of Opportunity” refers to the shape of the expanse of developable land which encircles the south-western part of the authority and where the authority would like to attract new businesses and see new homes built. Thus, the council’s efforts to revitalize and relaunch Newham as an attractive place and a pivotal player in the regional economy are closely connected to rethinking the area/region as a space with a destiny, shape, identity and
role which lifts it out of its local legacy and connects to a particular vision of the global market place. For this reason, the authority has throughout the 1990s engaged in several interlocking regional partnerships aimed at unlocking the region’s potential as a corporate investment object, given its proximity to London, Europe and the world – in Newham’s case now accentuated by the Jubilee Line Extension, the Channel Tunnel Rail Link stopping at the prestigious new International Passenger Station in Stratford, and London City Airport. One example is the London Lee Valley Partnership, which brings together six impoverished local authorities, Newham among them, a number of other institutions as well as a group of private sector employers. In sharp contrast to earlier representations of how the proximity to London sucked people and money away from the wastelands of old industry, effectively blocking any hope of redevelopment, Newham now enthusiastically sports its strategic location in London’s major growth area, which means "plugging into one of the world’s most powerful concentrations of economic energy. In the battle for influence between the world’s major cities, London is winning. As accelerating global competition divides the world into three economic power blocs – America, Europe and the Pacific Rim – London is now staking its claim to be more than Britain’s capital alone. It is now effectively the major business location, communications hub and cultural forum for the whole European bloc, which with 370 million people is also the world’s biggest single market" (London Lee Valley, 1997).

In 1998, a booklet titled Keeping up the Momentum reported on the progress made since the Vision; and in 1999 a booklet titled New millenium. New opportunities. Newham takes stock of recent developments at the eve of the new era. At this point in the transformation process, it is very clear that the persistent articulation of the magnitude of the reforms undertaken – underscored by continuous references to Newham’s economic, social and environmental problems and lacklustre past - has been a pillar in the discourse that has accompanied the reconstruction of Newham’s identity. The Best Value scheme has served as an ideational framework for the themes around which the new image has been built: performance, pride and politics. Performance, meaning high standards and quality services, connects closely to another idea, which is spelt out in many of the council’s communications, namely its vow to become Best in Class. This refers very specifically to the council’s determination to out-perform all other local authorities with broadly similar social and economic circumstances: in 1995-96 Newham’s performance was 31st out of 33 London authorities; in 1999-00 it had shot up to 3rd, as reported in the all-London League table of 8

The central ‘economic corridor’ of the area has been accorded ’Objective 2’ status by the EU, meaning that it qualifies for major grants to promote regeneration. Over £50m was provided in 1994-96, with a further £75 being made available
Council Service Performance. The authority’s discourse is teeming with references to external recognition and verification of its achievements, whether in the form of awards, academic comments, quotes from mention in the media, by central government and other local authorities. The council’s embrace of leading-edge information technology is also widely publicized – effectively linking the borough to the future and not to its collapsed industrial past. Another omnipresent theme is pride, as evidenced in the environment campaign New Look – pride in our borough. The council has also laid on a Regeneration Tour – a guided tour of the authority, where citizens are encouraged to come and see the changes in the physical environment for themselves.

Finally, there is New Politics, which is about increasing public participation and empowerment of citizens. For the council, this is an opportunity to express its support for the Blair government’s modernizing agenda; however, it is interesting that in its various publications, including the June 1999 publication cited above, Politics comes last: the council must be seen to perform - i.e. be seen to master central tenets of the NPM discourse, notably performance, efficiency, service-, business- and action-orientation and hard-nosed pragmatism, before it can win citizens wary of old politics back to contemplating their role as citizens rather than users, customers and consumers. If the council succeeds in raising local people’s expectations and local engagement, both in their capacity as citizens and as users of the council’s services, then the NPM discourse becomes the vehicle for a somewhat different project than the OECD vision of ensuring efficiency and coherence, in a top-down fashion, across different layers of government.

In sum, in Newham’s case, the strategic embrace of NPM was and remains very much the responsibility of the leading councillors and chief officers - it was never imposed from above. However, at the local level, it has very much been a tightly steered top-down affair. The level of ambition – radical socio-economic re-engineering - suggests that it is as yet premature to assess the long-term effects of the initiatives, both in the organization, among local people and in the world at large. The council’s systematic work with image and reputation is nevertheless impressive and its shrewd use of NPM in its efforts to create a new identity for itself and for Newham testifies to its careful reading of contemporary cultural values and political games.

The history of the discourse of NPM shows a development from scattered ideas and pluralistic
rhetoric, to a more focused, normative discourse about the necessity of change and the correct way to create better public services, favouring managerial technologies over more traditional bureaucratic measures. By shaping the claims and declarations of prestigious organizations such as the OECD and the WB, TDCs are incessantly reproducing NPM discourse globally, with a specific view to local application in all places and at all levels.

In this sense, NPM is sufficiently influential to be viewed as a hegemonic discourse: its rationality and technologies of change, responsiveness and efficiency frame and direct public administration reforms almost everywhere, contributing to a new sense of what ‘ruling’ is about - a new governmentality. Our cases show how public administration reforms in locations as different as Tijuana and Newham self-consciously apply core elements from NPM. We have studied other cases in other countries, not reported here, and seen other applications (e.g. Bislev 1999; Pröhl 1997a, 1997b). One can always use the word ‘hegemony’ in a loose sense, merely indicating some form of dominance and ubiquitousness - the simple transmission of a pattern of dominance. With the above observations in mind, therefore, the discourse of NPM is certainly hegemonic: NPM does reflect a certain political rationality. It points in the direction of less state, more market, less order and more choice, implying less equality, more differentiation. But we believe that the interests in liberalization are complicated and widely distributed. Thus NPM is not hegemonic if we by hegemony understand an ideology reflecting the perspectives of a ruling class and justifying class domination. It is possible to identify a clear direction of the development of international economic regimes – liberalizing the international movements of capital. But it would be difficult to identify a ‘class’ of international capital-owners, directing the liberalization and reaping the benefits (e.g. Sklair 1992). In line with our perspective on governance, the advantages as well as the disadvantages of neo-liberalism are negotiated and distributed unevenly across categories of people, states and societies through a loosely coupled and highly complex network of economic and political power.

But our cases also show a different aspect of the process of dissemination and application, and consequently, of the dynamics of hegemony: the translation that NPM discourse undergoes locally, the contextual contingency of the reproduction of a global discourse. Following our conceptualization of the local as a ‘generating site’, this comes hardly as a surprise. For one thing, Tijuana and Newham are examples of how municipal authorities relate to and engage with national and global developments, through the production of new political rationalities and technologies government. It would be wrong, in other words, to view the municipal authorities as
passive organizational forms that are “being ‘suited to’ some already pre-existing stable space”. This is the typical perspective applied in studies of bureaucratic organizations (du Gay 1999:22), as well as in many studies of globalization in which the capacity or agency of the local is underconceptualized, or entirely left out. In contrast to such a perspective, the municipalities in question appear as highly productive organizations that shape the local environment, as well as national and global discourse. This is in fact not only a prime example of what Robertson has coined ‘glocalization’ (1995). It also pinpoints a core dimension of hegemony: In a truly Gramscian view, hegemony is never stable nor solid, but always a process that involves a constant re-negotiation of interpretations and incorporates subordinate perspectives (Buci-Glucksman, 1980, pp. 56ff; Mallón 1994; Rubin 1997).

By adapting a globally hegemonic discourse for local purposes, the municipalities may end up producing new types of social and spatial differentiation, not only externally, but also internally: As territorial political and administrative units, the municipalities can now promote themselves as more responsive and efficient - as true ‘entrepreneurs of themselves’. At present, this appears to be a prime quality not only in the worlds of government and business, but also more generally because managerialism reflects wider societal changes whereby, increasingly, human life is conceived of in entrepreneurial terms (du Gay, 1999). In this way, they may expect to attract investments and the ‘right’ people from the outside. And they can project a new and different picture of themselves in the local context. In doing this, they contribute to a modification of the relations between local authorities and citizens; the former is turned into a partner and promoter, the later into a self-helping and co-responsible citizen.

In sum, our identification of a ‘hegemonic’ NPM discourse implies the view of hegemony as a process, an ongoing re-interpretation of the field of public administration. At present, this process is headed by and articulated through TDCs, but it also takes place at the local level. NPM discourse is used for political projects, but those projects are defined in local contexts and translate the global discourse into configurations that are contingent upon the lived world of local people. The political interests served through these processes depend upon local power configurations. With NPM managerialist and liberalist, managers and business owners feel at home in the NPM discourse, while trade unions and public professionals feel that their influence is diminishing, and their established positions crumbling. No one hegemonic class, however, corresponds to the hegemony of NPM, and in today's complex world of multilevel business and governance, a number of different political projects can apply the discourse of New Public
Management.
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