



# PUBLIC MANAGEMENT: OLD AND NEW

Laurence E. Lynn, Jr.

# Public Management: Old and New

Discussion of public management reform has been riveted by claims that a new paradigm, a business-like New Public Management, is replacing traditional, bureaucratic government on a global scale. By examining the evolution of managerial structures, practices, and values in France, Germany, the United Kingdom, and the United States, *Public Management: Old and New* reveals how public management reform in any country is inevitably shaped by that country's history.

This original new book illuminates the historical, institutional, and political factors that are essential to understanding contemporary public management practices and reform processes. Laurence E. Lynn, Jr. argues that constitutions and constitutional institutions, legislatures, and courts regulate the evolution of managerialism and that the triumph of democracy, not of capitalism, is the most influential of recent global developments shaping public management reform.

Indispensable for all students of public management, administration, and policy, this influential and insightful text offers a breadth of understanding and a unique perspective on public management today. It is an original addition to the bookshelves of all those interested in gaining a broad institutional perspective on their field.

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# **Public Management: Old and New**

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# Preface

The writing of this book began with an idea for a title and a few basic convictions: that public management is a nexus where politics, law, and administration necessarily engage each other; that the comparative study of public management is essential to understanding its importance as an institution of governance; that a study of public management must be both historical and analytical, both descriptive and theoretical; and that public management as a subject of teaching and research must be recognized as having multiple dimensions, including its structures of authority, its practices or craft, and its institutionalized values.

These convictions were formed as I participated in discussions of the most recent hot topic in the field of public management reform. A “New Public Management” (NPM) emphasizing incentives, competition, and results is, it has been argued by many scholars and practitioners, displacing the obsolete “Old Public Administration,” with its emphasis on politically supervised hierarchy – “command and control” – and on compliance with rules of law. Of course, there are critics on both normative and empirical grounds of this narrative of transformation. As this book appears, moreover, the NPM fevers have begun to subside, and the talk, now more sober and less breathless, is of governance, participatory democracy, networks, and other “paradigms” of public management.

Rather than simply note the passing of yet another ephemeral managerial fashion, in the manner, say, of Japanese management, planning–programming–budgeting, scientific management, and cameralism, the widespread popularity of NPM’s narrative of reform invites reflection on what the subject of public management ought to be about. This issue has been central in American professional discourse since the emergence of the field of public administration beginning in the latter nineteenth century. “Managerialism” is a much newer idea in Europe, however, and there are tendencies in Europe, as well as among many in the United States, to view public management narrowly: as an operational function of government that can as readily be “reformed” as can personnel administration, budgeting or auditing. To the contrary, the argument of this book is that public management is deeply rooted in national (and, increasingly, international) politics, law and institutionalized values. The “NPM narrative,” with its “out-with-the-old, in-with-the-new” imperative, offers an opportunity to understand how, why, and with what



consequences the view of public management elaborated in this book is, and always has been, the correct one.

Though its perspective is broadly historical, this book was not written for historians, who will immediately note its reliance on secondary, English-language sources. Though it compares public management in four countries, it was not written for country specialists or even for comparativists, who will immediately note that more detailed descriptions and comparisons of the governments included in this study, as well as of a much broader array of governments, are available. (The magisterial works of E. N. Gladden (1972a, 1972b) and S. E. Finer (1997) are prominent among them.) As an American, I am myself acutely aware of omitted levels of detail and insight concerning my own government that are important to a deep understanding of American government and public management. Though its concern is with political institutions, the book was not written for political scientists, who will note the limited attention devoted to the kinds of theoretical considerations that are central to their research.

The audience for this book is, rather, students of management and, especially, of public management. My intention is to provide in a single volume description and analysis at a level of detail sufficient to illuminate the historical, institutional, and political contexts that shape contemporary public management and that are essential to understanding public management reform processes and their consequences.

The intellectual approach here is, as noted, broadly institutional in that it traces the evolution of those durable governmental structures, conventions, practices, and beliefs that enable and constrain public management policy and practice. The central argument is that public management without its institutional context is “mere” managerialism, that is, an ideology which views management *principia probant, non probantur* as a technocratic means to achieve the end of effective governmental performance without regard for the powerful influences of specific institutional contexts and circumstances on its structures, practices, and values. From an analytic perspective, management must, I argue, be understood as endogenous to each country’s political economy, and each country’s political economy must be understood as a resultant of path-dependent, dynamic processes subject to occasional “punctuations” or discontinuous changes that affect their specific character.

For source materials, I have cast my net as widely as possible for resources available in English. Owing to the World Wide Web, such materials now include what were once regarded as “fugitive sources,” including reports, unpublished manuscripts, and innumerable websites that make available research reflecting various motives and perspectives. At the risk of imparting a tone that occasionally seems derivative because of numerous quotes and citations, my general purpose has been to integrate the contributions of the most insightful scholarship bearing on public management into a coherent analytical account of how the field has evolved.

During the writing of this book, I confronted the challenge of creating coherent narratives from many specialists’ accounts with two handicaps. First, as an American, my basic grasp of European governments and the subtleties of their politics is bound to

be limited, and I anticipate having to wince when those neglected subtleties are pointed out. Second, the fact that I was trained as an economist and have found that thinking like one is especially insightful no doubt unduly limits my appreciation for insights from fields of scholarship and from epistemologies other than those with which I am most familiar. My goal, however, has been neither to try to beat specialists at their own game nor to present either a revisionist account of administrative history or an account that over-privileges the perspectives of the sub-discipline of political economy. Rather, the goal has been to make accessible, in coherent form, to an Anglophone audience the insights that now reside in countless national and specialized niches in the literature. It is my insecurities that account for my tendency to let the specialists speak in their own words rather than everywhere putting up inadequate paraphrases.

Inevitably I have drawn on my own earlier papers and on the research on which they are based, notably:

- 1993. "Management sans Manageurs: Les Fausses Promesses des Reformes Administratives." *Politiques et Management Public* 11: 45–65.
- 1996. "Reforma Administrativa desde una Perspectiva Internacional: Ley Pública y la Nueva Administración Pública." *Gestión y Política Pública* 5: 303–18.
- 1998. "A Critical Analysis of the New Public Management," *International Public Management Journal* 1: 107–23.
- 1998. "The New Public Management: How to Transform a Theme into a Legacy." *Public Administration Review* 58: 231–37.
- 1999. "Public Management in North America." *Public Management* 1: 301–10.
- 2001. "The Myth of the Bureaucratic Paradigm: What Traditional Public Administration Really Stood For." *Public Administration Review* 61: 144–60.
- 2001. "Globalization and Administrative Reform: What Is Happening in Theory?" *Public Management Review* 3: 191–208.
- 2002. "Novi Trendi v Javnem Menedzmentu (Recent Trends in Public Management)." In *Vec neposredne demokracije v Sloveniji – DA ali NE – Novi trendi v javnem menedzmentu*. 131–50. Ljubljana, Republika Slovenija: Drzavni Svet Republike Slovenije.
- 2003. "Public Management." In B. G. Peters and J. Pierre, eds., *Handbook of Public Administration*. 14–24. Thousand Oaks, CA: Sage.
- 2004. "Reforma a la Gestión Pública: Tendencias y Perspectivas (Public Management Reform: Trends and Perspectives)." In María del Carmen Pardo, ed., *De la Administración Pública a la Gobernanza*. 105–28. Mexico City: El Colegio de México.
- 2005. "Public Management: A Concise History of the Field." In E. Ferlie, L. Lynn, Jr. and C. Pollitt, eds., *Handbook of Public Management*. 27–50. Oxford: Oxford University Press.
- 2005. "Introduction to a Symposium on Public Governance" (with Carolyn J. Hill, Isabella Proeller and Kuno Schedler). *Policy Studies Journal* 33: 203–11.

I hope that this book is appropriate for use as a primary or a supplementary text for courses in public management at the graduate and advanced undergraduate level. I have also endeavored, at the risk of some redundancy, to structure key chapters, notably Chapters 1, 2, 6, 7, and 8, so that they can be assigned as supplementary, stand-alone readings.

Finally, a preliminary note on usage is in order. I argue in this book (as I do elsewhere) that no authoritative distinction can be drawn between the concept of administration and that of management despite considerable scholarly effort to make such a distinction. I also argue, as noted above, that public management is not confined to “what managers do” or to governmental operations. It comprises the structures of formal authority, the practices of those in managerial roles, and the institutionalized values that infuse choice and decision making throughout government. The history of public administration, which encompasses the emergence and evolution of structures of authority, of “best practices” and of institutionalized values, is also, therefore, a history of public management. In other words, the chapters of this book dealing with what some call Old Public Administration in France, Germany, the United States, and the United Kingdom are about public management every bit as much as the chapters that discuss NPM and the managerialism of recent years.

Though I was tempted to use the term public management throughout the book, such usage would no doubt have irritated readers for whom the term public administration is not only acceptable but historically appropriate and accurate. Where I thought the context called for it, I used the term public administration. Where either term would have been appropriate, I used the term public management.

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# Milestones in the history of public management

Fourth century BCE	Shen Pu-hai governs in north-central China, codifies principles of administration
124 BCE	Founding of imperial university in China to inculcate the values and attitudes of public service
529	First draft of the Code of Justinian I promulgated, summarizing Roman law
1154–1189	English common law established during the reign of Henry II
1231	Frederick II of Lower Italy and Sicily promulgates statutes at Melfi adumbrating modern bureaucracy
1640–1688	Absolutist regime of Frederick William (The Great Elector) of Brandenburg (later Prussia) establishes public service as a duty to the people, not the ruler
1648	Treaty of Westphalia creates European community of sovereign states
1688	The Glorious Revolution reconstitutes British monarchy with curtailed powers
1760	Johann von Justi publishes authoritative cameralist treatise <i>Die Grundfeste zu der Macht und Glückseligkeit der Staaten</i>
1787	United States Constitution incorporates elected executive, separation of powers; papers now known as <i>The Federalist</i> published
1789	Revolution in France promulgates Declaration of the Rights of Man, establishes principle of national (as opposed to royal) sovereignty
1804–1814/15	Reign of Napoleon Bonaparte marked by promulgation in 1804 of the influential <i>Code Napoléon</i> , which codified civil law, and influential administrative reforms
1829–1837	US president Andrew Jackson initiates spoils system as basis for public personnel selection
1836	Henry Taylor publishes <i>The Statesman</i> , the first modern book devoted to public administration

## MILESTONES

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1848	Continental revolutions accelerate movement toward political democracy and <i>Rechtsstaat</i>
1853	Northcote–Trevelyan Report accelerates progress toward the professionalization of the British civil service
1883	The Pendleton Act initiates movement toward American civil service reform
1900	Frank J. Goodnow’s <i>Politics and Administration: A Study in Government</i> makes seminal case for the administrative state
1911	Publication of Frederick W. Taylor’s <i>Principles of Scientific Management</i> inaugurates the scientific management movement
1947–1948	Criticisms by Robert A. Dahl, Herbert S. Simon, and Dwight Waldo undermine the authority of “traditional public administration,” laying foundations for “intellectual crisis”
1960–1978	Successive American administrations promote PPBS, MBO, ZBB, and other executive tools of management reform
1979–1990	Government of British prime minister Margaret Thatcher launches the “New Public Management” movement
1992	David Osborne and Ted Gaebler’s book <i>Reinventing Government</i> popularizes the idea and many principles of public management reform
1990–2006	Influenced by New Public Management, the field of public management becomes international and comparative

# Public management comes of age

## INTRODUCTION

Effective management of public organizations — departments, agencies, bureaus, offices — is vital to the success of government programs, policies, and regimes, and perhaps even of democracy itself.<sup>1</sup> Although generally accepted around the world, this seemingly sensible statement would have been only barely intelligible within the public administration profession as recently as the 1970s.<sup>2</sup> From a subject widely regarded as “new” only a generation ago, public management is now a field of policy making, practice, and scholarship which enjoys international recognition. “Public management” and “public management reform,” along with concepts and terms of art associated with them, have entered the languages of practical politics, scholarship and instruction.

A number of factors impelled the rapid growth of interest in public sector management. Among the most prominent were the national economic crises of the 1970s and 1980s, which opened disconcerting gaps between government outlays and revenues and suggested the need for more tight-fisted management of public agencies. Other contributing factors included heightened expectations for effective government on the part of citizens around the world following the end of the Cold War; growing interdependence within the global economy, which increased pressures for efficient regulation and reliable and frugal administration of government functions (Caiden 1991, 1999); and the growing popular appeal of neo-liberal, that is to say, business-and-market-oriented, ideologies, policies, and political programs intended to reduce the scale, scope, and fiscal appetite of governments. The era of generous, unmanaged, rule-governed social provision, of the welfare state, was, it was widely argued, history.

As forces and ideas threatening the status quo of national welfare state governments gathered momentum, the ideology of managerialism and strategies for public management reform became a priority of the international community, including the Organization for Economic Cooperation and Development (OECD), the World Bank, the United Nations Development Program, the European Commission, the Inter-American Development Bank, and many other regional bodies, as well as of bilateral aid donors, trade partners, and non-governmental organizations (NGOs), with “unmistakable impact” (Common 1998, 61). Among such organizations, as well as among many



national advocates for governmental improvement, the belief took hold that external pressures for change had created new opportunities for public management reforms by national governments (Fuhr 2001). National and international public management consultancies began to proliferate and flourish, sustaining the momentum for change, and academic interest in these developments burgeoned.

Because improving public management in more than specifically technical ways virtually always requires active political and expert support, neologisms that incite approval, such as “new public management,” “reinventing government,” and “state modernization and reform,” entered the vocabularies of policy makers, practitioners, and scholars world-wide. Surveyed by the OECD, few countries failed to report deliberate efforts at governmental improvement, and most claimed actual, albeit largely uncorroborated, achievements (OECD 1994, 1995, 1996). Discussions of public management that were once confined within national boundaries are now the subjects of a thriving international discourse featuring comparative analysis, evaluation, and lesson-drawing.

These developments have spawned new programs of public-management-oriented teaching and research and, as well, have energized, although not in any coordinated way, academic fields concerned with various aspects of the subject. The disciplines of political science, economics and sociology, policy subfields such as health, education, public welfare, and information technology, professional fields such as financial management, personnel management, and accounting, and private-sector-oriented fields such as organization studies, management, and non-governmental or non-profit sector studies have come to be viewed as intellectual resources for the study and practice of public management, and their practitioners regularly participate in international public management forums. The sense of urgency about public management reform and the casting of a wide net to capture useful ideas are thought by many to have thrown the traditional field of public administration into crisis by revealing the inadequacy of its intellectual apparatus for addressing twenty-first-century problems of resource allocation, coordination and control (Kettl 2002).

Of particular interest to public management specialists are the insistent claims by many scholars, policy makers, and public officials that the field of public management has crossed a historical watershed. A new paradigm of public management emphasizing incentives, competition, and performance – termed New Public Management or, more generally, managerialism – is said by many to be displacing traditional public administration’s reliance on rule-based hierarchies overseen by the institutions of representative democracy, a development with profound implications for democracy itself. The mantra has grown in volume: the bureaucratic paradigm is dead; long live quasi-markets and quangos, flattened hierarchies and continuous improvement, competitive tendering and subsidiarity. Other anti-traditional paradigms emphasizing, for example, deliberative democracy, or networked relationships and partnerships – joined-up government – or “governance” are also claimed to be gaining in popularity in national, state, and local governments around the world. A grand, global isomorphism of governmental structures and practices is thought by many to be well under way.

These remarkable claims and developments and their implications for public management thought, policy, and practice are the subject of this book. Although the impressively growing literature of public management records the views of numerous skeptics and critics of recent developments (discussed further in Chapter 6), there have been relatively few systematic attempts to examine managerialism's central premise: that the field of public management is experiencing a historical transformation that is realigning the relationships between the state and society, between government and citizen, between politics and management. The book's primary questions are these: In the light of the long history of public administration and management in organized societies, are claims on behalf of such a transformation credible? What is actually new, and to what extent is "the new" changing in fundamental ways not only public management policies and practices but the field's intellectual and institutional infrastructure? To the extent that we can discern significant continuity in the managerial institutions of mature democracies, what are the implications of such a reality for the prospects of further managerial reform?

The argument of this book is that the old and the new, that is, public management's historical and contemporary structures, practices, and institutions, are so intimately interrelated that answers to the foregoing questions require an understanding of the paths and patterns of national institutional development. While reform, change, and adaptation of contemporary national administrative systems may be nearly universal, it follows centuries of reform, change, and adaptation that have resulted in national institutions whose function is to guarantee a certain stability and continuity in democratic governance. To imagine that such institutions can be overturned in a generation is an unwarranted conceit. The past constrains and shapes the present and constrains the future in comprehensible ways.

The heart of the book is an examination and analysis of public management, old and new, in the United States, the United Kingdom, France, and Germany. Intellectual boundaries for this inquiry must first be laid, however. These boundaries are the subject of the first two chapters of the book. (The plan and method of the remaining six chapters are outlined at the end of this chapter.)

Because the very idea of a new public management conveys the notion of divergence from past practice – from "traditional public administration" – the question arises as to how the history of a rapidly obsolescing field can be relevant to understanding contemporary developments. Public administration was "then"; public management is "now." Moreover, because a premise of contemporary managerialism is that the functional distinction between the public and private sectors is, and ought to be, breaking down – that public and private management are, or at least ought to be, increasingly indistinguishable – the question arises as to how a history of institutions formed when industrial capitalism was rudimentary at best can be relevant to understanding governance in an era of transcendent global capitalism and stateless enterprises, instantaneous communications, and the extensive interpenetration of public and private sectors.

The present chapter takes up two issues related to these questions: the relationship between “administration,” “management,” and a third, more recent and related concept, “governance” and the distinguishability of public and private management. Concerning the first of these issues, the conclusion is that it is generally impossible to establish, either historically or conceptually, a definitive distinction between administration and management; in effect, the history of public administration is a history of public management, a notion that many readers, especially in Europe, may find uncongenial or unhelpful. While governance may yet emerge as a distinction with a difference, such a conclusion is as yet premature. Concerning the second of these issues, the conclusion is that a distinction between public and private management is virtually axiomatic; the two sectors are constituted in fundamentally different ways, one through sovereign mandate, the other through individual initiative enabled but not mandated or directed by the state.

In the light of these conclusions, Chapter 2 discusses why and how history matters to a proper interpretation of contemporary developments in public management. Using social science concepts such as path dependency and punctuated equilibrium, an initial conclusion is that there have emerged inextricable links between the past and present of public management that, as illustrated by the four countries discussed in this book, both ensure the fundamental continuity of national institutions and enable change, adaptation, and reform without debilitating disruption, albeit – and this is fundamental – on different terms in different countries. Next, a concept of public management emphasizing three dimensions – structures, practices, and institutionalized values – is set forth in some detail to provide a framework for interpreting the specific character of both continuity and change. Reference to these three dimensions will be made throughout the book.

## **ADMINISTRATION, MANAGEMENT, AND GOVERNANCE**

The terms “public administration,” “public management,” and “public governance” entered academic discourse more or less in that order. They are sometimes used as if they were virtually interchangeable, sometimes held to be conceptually distinct. Unfortunately, the considerable intellectual effort that has been devoted to differentiating them has failed to converge on a conventional scheme of conceptualization and usage, largely because each of the three terms itself lacks a definitive conceptualization.

In the most general sense, both “administration” and “management” when referring to the public sector seem to encompass methodical efforts to accomplish the goals of sovereign authority. Yet as already noted, public management has been widely acknowledged on both sides of the Atlantic to represent a new approach to governing, a new ideology, or perhaps a new paradigm. In sorting out this issue, it will be helpful to review briefly the evolution of each of the two ideas.<sup>3</sup>

## The idea of administration: inordinate magnitude and difficulty

The general notion of administration as methodical effort associated with securing the goals of sovereign authority is of ancient origin, as is awareness, or, as it might be termed, “common knowledge” (Hood and Jackson 1991b) or “practice wisdom,” of the techniques of administration.<sup>4</sup> However, it is in the literature of cameralism – a theory of managing natural and human resources in a way most lucrative for the ruler and his interests, and the precursor of modern administrative science – that one finds systematic recognition of the idea of administration that anticipates later intellectual developments.

Motivated in part by hostility to the kind of manipulative and opportunistic advice to rulers associated with Machiavelli, cameralism identified “techniques and objects of administration” for state domains the use of which would stabilize and increase the ruler’s powers (Tribe 1984, 268). The term *polizei* (referring to the maintenance of internal order and welfare) was defined as “activity of interior state administration . . . which is established as an independent means for achieving general objectives of the state, without consideration for the individual and without waiting until its service is specifically called for” (F. Rettig quoted by Anderson and Anderson 1967, 169). According to Georg Zincke, perhaps the foremost cameralist academic scholar, “a prince needs genuine and skillful cameralists. By this name we mean those who possess fundamental and special knowledge about all or some particular part of those things which are necessary in order that they may assist the prince in maintaining good management in the state” (quoted by Lepawsky 1949, 99; Small 1909, 253).<sup>5</sup>

Early usages of the term “administration” in the English language were primarily descriptive and only implicitly conceptual. In 1836, Sir Henry Taylor, in a book, *The Statesman* (1958), which has been termed “the first modern book to be devoted to the subject of public administration,” argued that without “administrative measures” we have but the potentiality of government (quoted by Dunsire 1973, 10). John Stuart Mill wrote that “freedom cannot produce its best effects, and often breaks down altogether, unless means can be found of combining it with trained and skilled administration” (Mill 1861, quoted by Dunsire 1973, 73). In *The Science of Law* (1874), Sheldon Amos (quoted by Fairlie 1935, 19–20) said that administration consists

in selecting a vast hierarchy of persons to perform definite work; in marking out the work of all and each; in taking such measures as are necessary to secure that the work is really done; and in supplying from day to day such connections or modifications as changing circumstances may seem to suggest. . . . In a very complete and advanced condition of society . . . the task of administration is one of inordinate magnitude and difficulty, but it is only a subordinate agency in the whole process of government.

One writer referred to administration as occurring at “the lower ranges” of government (Fairlie 1935).

The term “administration” began to find its way into technical dictionaries, especially those concerned with the law. Bouvier’s *Law Dictionary* (first published in 1839), at the end of its article on the administration of estates, gives a brief definition of the administration of government: “The management of the affairs of the government; the word is also applied to the persons entrusted with the management of public affairs” (quoted by Fairlie 1935, 14–15). Black’s *Law Dictionary*, first published in 1891, defined “the administration of government” as “the practical management and direction of the executive department, or, of the public machinery or functions” (quoted by Fairlie 1935, 25). Note the habit of dictionaries (also true of the *Oxford English Dictionary*) of using each of the terms “management” and “administration” to define the other, a habit that, as already noted, originated with seventeenth-century cameralists.

The most systematic attempts to define administration in the English language were associated with identifying the activity of administration with respect to the emergent field of administrative law. “It is only since the last decade of the nineteenth century,” says John Fairlie (1935, 3), “that the terms ‘public administration’ and ‘administrative law’ have come to receive extended recognition in English-speaking countries. In this recent development, Frank J. Goodnow was the first important leader [whose work] marked the beginning of fuller recognition and more extended study of public administration in the United States” (Fairlie 1935, 25).<sup>6</sup> Goodnow, according to Fairlie, saw administration as “the entire activity of the government, exclusive of that of the legislature and the purely judicial work of the courts” (quoted by Fairlie 1935, 25).

Early American public administration textbooks, which were attempting to give shape to an emergent field, necessarily offered definitions and conceptualizations of administration. Leonard White differentiated administrative law as concerned with the protection of private rights from public administration as concerned with the efficient conduct of public business (Fairlie 1935, 36).<sup>7</sup> According to W. F. Willoughby (1927), “[i]n its broadest sense, [administration] denotes the work involved in the actual conduct of governmental affairs, regardless of the particular branch of government concerned. . . . In its narrowest sense, it denotes the operations of the administrative branch only” (quoted in Fairlie 1935, 35). To Ernest Barker (1944, 3), administration was “the sum of persons and bodies who are engaged, under the direction of government, in discharging the ordinary public services which must be rendered daily if the system of law and duties and rights is to be duly ‘served’.”<sup>8</sup>

## The idea of management: finding the light

As already noted, the term “management” appeared early in the discussion of state administration as virtually synonymous with administration. Management as a distinctive idea did not begin to emerge until the nineteenth century, with “[e]xplicit theorizing . . . perhaps most noticeable in the US, which industrialized later and even faster than Germany or the UK” (Pollitt 1990, 12). The term initially tended to characterize those activities associated with providing direction to the large-scale

corporate organizations associated with industrial capitalism. It was extended by analogy to government.

The flowering of the scientific management movement (discussed further in Chapter 5), given impetus by the publication of Frederick W. Taylor's *The Principles of Scientific Management* in 1911 and by the unprecedented managerial challenges of World War I, instigated a widening interest in general management and administration.<sup>9</sup> Taylorites insisted that management could be a true science and should be universally applied, a view that was influential on both sides of the Atlantic (Pollitt 1990). The popularity of the idea was reinforced in Europe by the work of Henri Fayol, the French manager-engineer, who "fathered the first theory of management through his principles and elements of management" (Wren 1987, 179). It was Taylor, however, who attracted the mass audience and his followers who gave international currency to the term "management."

In the United States, a regulatory proceeding, the Eastern Rate Case Hearings, and the Taylorite arguments of Louis Brandeis to the hearing examiners brought notions of scientific management and a thirty-year-old industrial "management movement" into contact with each other (Person 1977 [1926]). Thereafter, references to "management" proliferated in literature and professional discussion in both the public and the private sectors. Frederick Cleveland, the Progressive reformer closely associated with American bureaus of municipal research, made frequent early use of the term. By 1931, John Gaus was referring to the techniques of public management, largely as a result of the codified knowledge of city administration – an increasing number of cities were under the administration of "city managers" – that was being accumulated and disseminated by bureaus of municipal research around the country.

In a 1933 book written under the sponsorship of President Herbert Hoover's Committee on Social Trends, Leonard White titled a chapter "Management Trends in the Public Service," trends which he termed "the New Management."<sup>10</sup> By this term, he meant the emergence of "a contemporary philosophy of administration" – today one might say an ideology of administration – favoring consolidation of the administrative power of the elected chief executive and of the city manager. For an exemplary statement of this philosophy, he cites a series of principles put forward in 1931 by a state governor: "consolidation and integration in departments of similar functions; fixed and definite assignments of administrative responsibility; proper coordination in the interests of harmony; executive responsibility centered in a single individual rather than a board" (White 1933, 144). In most of his published work, especially in the 1940s and subsequently, Fritz Morstein Marx, a sometime government official, repeatedly used the term "public management" (Morstein Marx 1940, 1948, 1949).

A management movement had also arisen in Great Britain, beginning with Charles Babbage's 1832 book *On the Economy of Machinery and Manufactures*, but with important differences from the American ideology.<sup>11</sup> According to John Child (1969, 23), British management thought, a "comprehensive body of knowledge," serves both ideological and scientific functions: a "legitimatory" function of securing the social recognition and approval of managerial authority (by claiming appropriate social values for management)

and a technical function of searching for practical means of rendering managerial authority maximally effective (by statements of effective managerial techniques). In a similar vein, Rosamund Thomas (1977) argues that British thought sought to unify scientific thinking and ethical thinking, in contrast to what she saw as America's narrower preoccupation with a science of administration.<sup>12</sup>

Perhaps the most coherent expression of the British managerial school was Oliver Sheldon's *The Philosophy of Management* (1979 [1924]).<sup>13</sup> "The responsibility of management," he argues, "is a human responsibility, occasioned rather by its control of men than its application of technique. . . . The responsibility of management resides in the fact that the industry which it directs is composed of human as well as material elements" (1979 [1924], 72–3). He continues (1979 [1924], 74, 75):

[Management] must operate in some direct relation to the community. . . . [M]anagement is here used in a generic sense, and that in proportion as the workers are consulted, proffer suggestions and skill, or even knowingly and willingly assist in production, the workers themselves share with management the same responsibility. . . . Management is finding the light of a new spirit glinting from the pinnacles of its corporate task. That spirit is the spirit of service – the conception of industrial management as a social force directing industry to the service of the community.

Following World War II, British Treasury official J. R. Simpson argued that "it is essential to the preservation of democracy that the executive arm of government should attain a high standard of efficiency and effectiveness. That will require public management of a higher order, dynamic in character and ever striving for improvement" (Simpson 1949, 106). He defined management as "a single entity and all its parts are interdependent. . . . Organization and methods and personnel cannot be treated as separate independent elements in management. . . . [T]he maintenance and development [of good management] can be guided and stimulated from the top" (Simpson 1949, 100).

Following management movements initiated by the challenges of industrial capitalism, the idea of public *management* had become firmly rooted in both the United States and Great Britain by the 1940s, although, unlike the term administration, its use was still more idiosyncratic than systematic and often looked on askance by those of a more orthodox temper.

## A distinction without a difference

What of the relationship between these two great ideas, administration and management, which have crossed paths for centuries? There have been efforts to finesse the issue, the coining of President Franklin Roosevelt's Committee on Administrative Management and the efforts simply to join "public administration and management" as a singular noun, but they have gained little acceptance. More influential have been efforts to establish clear distinctions. Unfortunately, they have ultimately been no more successful.