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# Rethinking New Public Management: A Metaphorical Approach

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**Abstract:** There has been a notion that public administration is steadily progressing toward a unanimously accepted and universally applicable administrative reform theory and practice called the New Public Management (NPM). To reinvent their public sectors, many countries have embraced the ideas of NPM that are based on the private sector model. Through the lens of a metaphorical analysis, this paper highlights and explores the specific weakness in the NPM's claim of a convergence to a business-like model driven by competition and technological advances, reveals the private interests disguised as public good underlying the NPM movement, and questions its emphasis on managerialism by rejecting a politics-administration dichotomy. It is further argued that, like any other administrative and policy argument, viability of the NPM to a large extent depends on its ability to strategically craft persuasive rhetoric in its favor.

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The decades since the 1980s have been seen as an era of rapid change in the public sector with an overwhelming "new public management" (NPM) movement that has been argued to bring fundamental changes to governmental institutions in many countries. The traditional bureaucratic administrative style has been severely challenged on the grounds that it is intellectually bankrupt, inept, inefficient, and unaccountable. NPM as an administrative reform theory and practice embraces competition, decentralization, contracting out, privatization, entrepreneurial government, as well as other reforms. There is a notion that public administration is steadily progressing toward a unanimously accepted and universally applicable managerial practice (Du Gay, 1993). One may ask whether these reforms and innovations reflect changing values and belief systems about the government's role and how it should operate, and the effect of fundamentally altering governmental structures in many aspects.

The NPM is an expansive family of ideas and thus a comprehensive review and analysis is beyond the scope of this paper. This paper intends to explore some of NPM's claims with the help of a metaphorical approach. In the following sections, the paper highlights some features of the NPM reform; introduces an analytical framework of metaphor; analyzes the NPM's three claimed premises by using metaphors of opening organisms, political systems, and a dialectical logic respectively. It then moves on to probe the NPM's viability through the lens of its

rhetorical power of persuasion and finally concludes the paper.

## What is the New Public Management Movement?

The NPM is a managerial revolution in the public sector that has affected a number of countries around the world, although to considerably different degrees.<sup>1</sup> Although the theoretical foundations NPM relies upon were largely developed in the United States, it is interesting to note that the Westminster nations, including Australia, UK, Canada, and New Zealand, are the world's most aggressive NPM reformers and have widely been viewed as models (Dunleavy & Hood, 1994).

The theoretical background of NPM draws on substantial elements of new institutional economics, public choice theory, and transaction costs economics developed by American theorists (Scott, Dale & Ball, 1997). New institutional economics analyzes implications of transaction costs as the equivalent in economic systems of friction in physical systems. In public policy and management, transaction costs render public choice problems and principle-agent problems. Public choice problems arise when the transaction costs of gathering information and influencing policy-makers enable special interests to become more organized and informed so that they can succeed in twisting public policies in their favor at the expense of the wider public interest. Members of larger groups, or the public as a whole, are more difficult to organize, have less information, and have fewer stakes individually, although their aggregate

losses may be very large. The capture of policy and resources by the public institutions that are involved in the delivery of services is a subset of public choice problems. The principal-agent problems are essentially about the difficulties caused by transaction costs of aligning the incentives of people in the public sector delivery systems with the policy objectives that politicians establish either directly or through authorized governing bodies. This class of transaction costs, known as agency costs, includes the costs of establishing, monitoring, and enforcing contracts for the delivery of services and also deadweight losses due to imperfections in these contracts.

These theoretical perspectives suggest that the goal for reforming public sector institutions and processes is to avoid public choice problems and minimize agency costs. Therefore, the basic guidelines directing the NPM reform are summarized as the following (Osborne & Gaebler, 1992):

- Public management should shift its emphasis on procedure and input control to results or output control.
  - Competition is desirable between service providers through privatization, contracting out, as well as other market mechanisms.
  - Citizens should be redefined as customers to whom the public sector should be responsive.
  - Government ought to ensure that public goods and services are provided, rather than produce those goods, or provide the services by itself; in other words, steering rather than rowing.
  - Centralized, hierarchical bureaucratic control and monitoring of government operations is not consistent with results-oriented public administration, and is to be replaced by competition, customer service incentives, and accountability to customers.
  - Front-line operators should be delegated and empowered decision-making authorities to exercise creativity and innovation in the pursuit of more effective services to customers.
- Public organizations should be as entrepreneurial, innovative, and flexible as the private sector.

In sum, the NPM model emphasizes the switch from policy formulation to management and, process controls to output controls, integration to differentiation, and centralization to decentralization. It highlights the utility of adopting private sector practices in reforming the public sector and assumes managerial values and practices as a priority in the operations of governmental programs and agencies. The NPM revolution is mainly based on the following claimed premises:

- Pressure of competition and technological advance transform public management into a global convergent style of private-business model.
- Such a transformation would be in the interests of the general public.
- Public sector reform is a managerial problem instead of a political one.

### **A Metaphorical Approach to the New Public Management Claims**

One possible way to better understand the ascendancy of NPM in the 1980s is to analyze the movement's three claimed premises.<sup>2</sup> Any theory is an explication of a set of relations among concepts within boundary background assumptions (Bacharach, 1989). Background assumptions assert a connection between the event and data, and the process or states of affairs described by the hypotheses. They are the means by which contextual values and ideology are incorporated into scientific inquiry. Then, the next question is to locate an analytical framework as a point of departure. Gareth Morgan (1984) warns that there is a logical contradiction in attempting to argue for or against the certainty or superiority of knowledge stemming from one set of assumptions if one's argument is based on those assumptions. To be able to make such foundation claims regarding the priority of one subject or some relation between the two, one has to be able to see and evaluate their claims from a perspective that transcends the presuppositions that shape the subject.

A framework of metaphor, I believe, provides us with such a transcending tool to unveil the logic of

NPM as a new wave of administrative reform. A metaphor is a socially constructed, interpretive process of transferring information, knowledge, or experience from a tacit/unknown domain to a relatively familiar/explicit domain, from an individual intuitive insight to a shared interpretation, in order to make sense of the reality and legitimate new behaviors (Weick, 1995 and Scott, 1995).<sup>3</sup> Organizational and management theorists and practitioners draw out of implications of different metaphoric insights for bounding, framing, and differentiating categories of experience referred to as an “organization” or “management.”

As Morgan (1997, p. 4) argues, “...the use of metaphors implies a way of thinking and a way of seeing that pervade how we understand our world generally.” A metaphorical analysis is a critical examination of the ways in which our thinking is shaped and constrained by our choice of metaphors. It enables us to discern the underlying assumptions that are made about the subject and to reveal elements that have been overlooked because of the partial and one-sided nature of any metaphor. Deriving from this perspective, administrative reforms, like the NPM movement, can be better understood with the help of metaphors of open organisms, political systems and dialectic logic.

### **The Claim of A Convergence to A Business-like Model Driven By Competition and Technology: A Metaphor of Open Organisms**

The metaphor of organisms represents an environmentally deterministic view (Astley & Van de Ven, 1983). It holds that organizational change originates in the environment based on the assumption that the organization is an open system that constantly interacts with its environment, transforming inputs into outputs as a means of creating the conditions necessary for survival. Environmental changes are viewed as presenting challenges to which the organization must respond and adapt through a process of variation, selection, retention, and struggle (Aldrich, 1999). According to that metaphor, NPM could be interpreted as an administrative reflection of that broader set of social changes triggered by external environment, more specifically, competition and technological change.

First, that metaphor helps us understand the NPM’s desire to structure public organizations to promote efficiency in response to competition at the micro and macro levels. At the micro level, the NPM reform is based on the desire to increase the efficiency of public agencies (Lane, 1997; Considine & Painter, 1997). It views NPM as an organizational theory attempting to transform the public sector through reforms that focus on results in terms of efficiency,

effectiveness, and quality of service.<sup>4</sup> Efficiency is a major tenet of managerialism, with the same emphasis as private managers on holding public managers accountable for producing public goods and services.

At the macro-level, an environmentally determined motivation of public sector reform is believed to derive from nation-states’ continually seeking advantage compared with other nation states in a global economy. The delivery, choice, and provision of increasingly efficient and targeted public support policies and mechanisms are therefore important factors underpinning a nation-state’s competitiveness. New global competition requires that the public sector address market-rational behavior with minimal bureaucracy and the exploitation of as little public power as necessary. Thus, the changes in the nature of the delivery of both government policies and services reflect (at least partially) market rationality driven by competitive concerns.<sup>5</sup>

Second, NPM claims that the onset of the modern information age has rendered a bureaucratic form of government that was established on the basis of Weberian-style command-control system ineffective and obsolete. Therefore, governments should be made more entrepreneurial, primarily through a process of reforming administrative institutions on an entrepreneurial model (Reschenthaler & Thompson, 1996).

This line of thinking comes from new institutional economics theory. It suggests that the comparative advantage of any institutional arrangement boil down to a question of information or transaction costs. As technology advances, the justifications for the public sector are dissolving.<sup>6</sup> Most market failure arguments boil down to claims about market mechanisms being blocked by transaction costs. But technology has trimmed transaction costs and made the old rationales for government intervention increasingly obsolete. Besides trimming transaction costs, technological advancement accelerates economic change and multiplies the connections between activities. By making the economic system even more complex, it makes the notion that regulators can meaningfully know and beneficially manipulate the system less credible (Reschenthaler & Thompson, 1996).

The metaphor of open organisms merits considerable attention for its emphasis on the public sector’s ability to adapt to environmentally induced changes. It is nevertheless as partial as any other metaphor. By insisting on the self-evident validity of their explanations, NPM has succeeded only in replacing blind obedience to the public sector with blind obedience to the private sector.

First of all, an implicit assumption underlying

the NPM's claim is that only if the public sector operates in a more business-like manner can it be efficient. This concept of efficiency is simply understood as existing in an economic sense: maximizing output at a given input. This is partially true because the public sector performance should also be measured in terms of responsiveness, accountability, and equity (Bozeman, 1987). As Terry Cooper (1985, p. 113) points out, "...an efficient government should be viewed as one which maximizes the full range of public-private relationships for any given inputs." The drive to increase economic efficiency with competition is partial for neglecting to meet the need for reform in accountability and equity. As long as the social and ecological costs are not included in the calculus of efficiency, the term is meaningless. Accountability from perspectives of efficiency and competition in the private sector are more important to shareholders than to consumers.<sup>7</sup>

As far as competition is concerned, one downside overlooked by the claim of competition is that inter-jurisdictional competition among decentralized levels of government in the US has the possibility of introducing serious allocative distortions. In their eagerness to promote economic development with the creation of new jobs, state and local government officials tend to hold down tax rates and, consequently, outputs of public services so as to reduce the costs for existing and prospective business enterprise. This results in a "race to the bottom" with sub-optimal outputs of public services (Oates, 1999).

Second, the NPM's claim on the irreversible transformation from the public to private sector because of technological change, particularly information technology, is questionable. It is based on the assumption that technology changes would always lead to changes in fundamental social relationships (Hood, 1998). What it ignores is that organizations shape the way information technology is used just as much as information shapes the way organizations work. For some, computer networks can open access to power through lateral interaction among the social solidarity of like-minded groups scattered around the world whose culture, outlook, language, or belief might otherwise be lost in the workings of old-fashioned mass media. For others, the results of new information technologies could instead reinforce the existing management culture.<sup>8</sup> "...Other bureaucracy theorists have argued that technology actually leads to more bureaucracy, so that advances in technology reinforce the effects of size increases, rather than diminishing bureaucracy" (Donaldson, 2001, p.127).

James Curtis (1992) further points out that the

belief in the benevolence and power of science and technology popular during the late 19th century has been called into question. The expectation that knowledge serves the interests of democracy led to the conviction that technology was the ingredient that could solve the problems of scale and complexity in modern society. Technical training may promote values at odds with popular participation in government. Technical discoveries can solve technical problems, but the problems posed by scale and complexity are not of a technical nature, they are questions of human capability and social organization.

Third, the metaphor of open organisms ignores the fact that the environment does not only trigger change but also presents constraints that direct and limit the path of change, that is, path-dependent. *Path-dependence* refers to the range of policy choices available for administrative reformers embedded in existing institutions and shaped more by what have already existed than by any desired model.

This position can be used to explain the variation of NPM implementation across those countries in terms of depth and width, suggesting no convergent trend. It has been observed that a relatively pure model of reform—large-scale, forceful changes—are implemented in those Westminster democracies with a tradition of stronger, more centralized government, such as the UK and New Zealand. It is because in the classic Westminster system, two parties compete in the electorate and the one gaining a majority in parliament forms a government. Through cohesive voting on policy, the governing party is then in a position to pass its own program at will.<sup>9</sup> The institutions allow the executive to get what it wants and thus enable radical reform in those countries (Aucoin, 1995).

However, parliamentary administration, which rests on the foundation of legislative supremacy, is not available in the US, which was founded on three separate and equal branches of government. In contrast, the multiple layers of government in a federal system, combined with the devolved responsibility for public policy, make public sector reform a much more difficult prospect in the US than in Westminster nations.<sup>10</sup> The US system of divided government means that agency performance can be undermined by disharmony in objectives arising in relation to the executive, the legislature, the taxpayers, or the recipient of the service. The nature of political struggle between the executive and the legislature means that each branch of government often specifies different and conflicting performance objectives for public sector agencies. The result is confusion and blurred accountability as

agencies end up being accountable to everyone but no one simultaneously.

### **The Claim of NPM as A Beneficial Reform: A Metaphor of Political Systems**

A political metaphor of NPM focuses on the different sets of interests, conflicts, and power plays that shape administrative reform. By challenging a common myth of organizational rationality and neutrality, it recognizes how and why those actors involved in the reform are self-interest driven and helps us understand the political significance of the patterns of meaning enacted in the public sector reform. In line with this approach, NPM reflects a “new client politics” structure suggested by public choice theory in which the benefits of public action are concentrated in a relatively small, mobilized group while costs are diffused among a larger, harder-to-mobilize group (Dunleavy, 1994). One must ask some questions: Whose goals are being pursued? What interests are being served? And who benefits? A number of winners have been identified in the NPM reform.

First, NPM’s emphasis on cost saving and prudent budgeting is interpreted as new Treasury control in the UK and New Zealand, which serves to reassert the power of central controlling departments and high bureaucrats against the advocates of public programs and professional service deliverers in the public sector (Hood, 1998). The new corporate management and public choice jargon gives a new base for the activities of those departments in cutting back staff and spending, in reducing the power of public sector labor unions and of the service professionals.

Second, private providers for public services, financial intermediaries, investment banks, and insurance companies have a clear stake in contracting-out, privatization, and deregulation. The phenomenon of privatization thus should be understood in a direct correlation with globalization of capital under late capitalism. Privatization has been conceived by design, and not by chance. Its implementation has been pursued purposely, deliberately, and vigorously around the world as a strategic instrument of promoting globalization of corporate capital (Farazmand, 2001).

Third, the emergence of NPM has created a growing demand for “consultocracy” (Saint-Martin, 1998). Following the rise of the NPM in the 1980s, politicians in many countries increased their use of management consultants from the private sector in developing and implementing the course of reforming their bureaucracies. Because of their knowledge of business administration, consultants provide a way to bridge ideas and values across the private and the pub-

lic sectors. For instance, because of their traditional link with government through accountancy, British and Canadian consultants have been involved in the last 30 years in the construction of state management capacities. Through their participation in these institution-building processes, they established networks of expertise with the state and acquired the experience of work in government. Over the years, these created opportunities for consultants to make their voices heard in the inner circles of decision-making and made possible the exercise of influence on the NPM reform policies. The losers will be the majority of consumers who are too unorganized to sustain a collective action and subsequently bear the diffused costs.<sup>11</sup>

### **The Claim That Public Sector Reform is a Managerial Problem Instead of A Political One: A Metaphor of Dialectic Logic**

A metaphor of dialectic logic can be traced back to Taoist philosophy in ancient China. Taoism presents a dialectic view of reality, treating change as a consequence of tensions between opposites. A modern version of dialectical analysis highlights the paradoxes and contradictory tensions that are created when organizations are interacting with their environments. Any phenomenon implies and generates its opposite and the existence of one side depends on the existence of the other (Benson, 1977). Public sector reform can be seen from this angle as a process of managing paradoxes of politics-administration dichotomy that has long haunted the field of public administration.

A politics-administration dichotomy is a normative one about how the administrative state ought to work. It is the job of elected officials to set public policy through the political process, and the job of administrators to execute that policy impartially and effectively. The development of modern public administration manifests tensions between the two trends: pluralization of politics and rationalization of administration (Cooper, 2001). The transition from early to modern public administration is commonly marked by the discipline’s pendulum that swings between the two extremes.

The Progressive movement in the US, beginning in the late nineteenth century and flowering in the early part of the twentieth century, was the first attempt to separate administration from politics to create “administrative state” (Rohr, 1986).<sup>12</sup> Its aim was to establish public administration as a technically competent, politically neutral, and merit-based profession rather than a set of jobs with which politicians could reward their friends and relations. Yet scholars and practitioners later came to recognize that public administration is

unavoidably political: under constant pressure from politicians and interest groups, is subject to political control of their programs, budgets, and personnel through numerous administrative procedures, and compelled to become strategic political actors in order to survive and prosper (Waldo, 1965). With the politics-administration dichotomy no longer shaping the scholarly mind, it is reasonable to think that political scientists would have seen structures, staffing, and other basic administrative issues as inherently political, and that they would have taken action to put administrative theory on a political footing. An understanding of public bureaucracy calls for a theory grounded in politics, which I label the “political state.”

However, the longer one method of social organization has been in good standing, the more obvious its faults become and the more it bears the blame for all the ills of society. The longer the alternative system has been out of favor, the rosier the light in which it appears to those disillusioned with the current orthodoxy, and the more its own faults tend to be forgotten. Consequently, today’s NPM grew out of a profound dissatisfaction with over-politicized administration, a reaction against the restrictions imposed by generalized process rules and a monastic culture of public services. It comes as no surprise that New Zealand, as a classic example of corporatist progressivism in the 1970s, gave birth to the most radically individualist public management reform.

Two famous NPM slogans, “let managers manage” and “make the manager manage,” exhibit such a shift toward a “managerial state” (Saint-Martin, 2000) as a revised version of “administrative state”—the belief that a professional class of managers should run an administration. The argument to “let managers manage” believes that managers know the right things to do, but existing rules, procedures, and structures create barriers to doing it. Existing policies and practices create their own political reality, which make managers reactive, chained to standard operating procedures and limited in vision. Advocates of making managers manage point out that managers have little incentive to manage better because most government agencies and programs are monopolies. The only way to improve government performance, they believe, is to change the incentives of government managers by subjecting them to market forces (Scott, Ball & Dale, 1997).

One of the assumptions central to the NPM model is the same as the Progressive movement, that is, administration can be insulated from politics. An overemphasis on the management side however inevitably produces a counter force of the political side. Whether one likes it or not, public administration is

inherently political in its nature. As the Denhardtts (1979) suggest, any chances of balancing the growing concerns for efficiency and a concern for choice were seriously limited by the early distinction between politics and administration. To the extent that administration began to be perceived as separated from the political process, the discipline of public administration was no longer obligated to address questions related to the basic role of public bureaucracy in modern society. Rather, public administration could concern itself solely with those technical problems encountered in the context of rational bureaucracy (Kirlin, 1996).

To operationalize the assumption of separation of politics and administration has not been very successful. Even if you let, and make, managers manage, the outcome of public policy implementation typically depends not solely on management’s efforts but many factors that public managers themselves cannot control. One frequently cited problem in the supply of public services arises when users of services also function as essential co-producers. Without the intelligent and motivated efforts of service users, the service may deteriorate into an indifferent product of insignificant value. For instance, the productive efforts of students and users of educational services critically affect the quality of an educational product. When professionals presume to know what is good for people rather than providing them with opportunities to express their own preferences, one should not be surprised to find that increasing managerialism of public services is accompanied by a serious erosion in their quality. The better services are, as defined by professional criteria, the less satisfied citizens are with those services.

Some recent developments exhibit a reverse change. One related change is a move from the stress on ‘results’ or ‘outputs’ that is constantly the catchword of the NPM reformers in the early 1980s, to the stress on ‘governance,’ an equivalent to ‘process’ as the hot topic in the 21st century. Another example of such flip-flopping is the California power crisis (LA Times, 2001). The California state legislature approved electricity deregulation with a unanimous vote in 1996. The move was expected to lower power bills in California by opening up the energy market to competition. Relatively few companies, however, entered that market to sell electricity, giving each a considerable influence over the price. Meanwhile, demand has increased in recent years while no major power plants have been built. These factors combined to push up the wholesale cost of electricity. But the state’s biggest utilities, Pacific Gas & Electric and Southern California Edison, were barred from increasing consumer rates. So, the utilities have accumulated billions of

dollars in debt and, despite help from the state, have struggled to buy enough electricity. The state Senate voted to create a public power authority that would build, buy, and own power plants and sell to consumers at or near cost.

### **New Public Management's Rhetorical Power of Persuasion**

A metaphorical analysis of NPM calls into question the very notion that public management is steadily progressing towards a unanimously accepted and universally applicable management theory of best practice. Even so, one may still ask why NPM has become such a viable movement implemented by both right- and left-wing governments. In order to address this question, one needs to seek help from studying acceptance factors embodied in the rhetorical persuasion of any administrative argument.

As Herbert Simon complained as early as 1946, administrative theories are more like verbal argumentation, such as proverbs, than like the law-based natural sciences. He launched a behavioral revolution to replace proverb-like administrative theory with scientific theory based on careful empirical observation and crucial experiments (Simon, 1946). However, five decades after Simon, theories of administration remain unchanged. There is no basis for definitive arguments that would prove one concept superior to others, as would be required of a science of administration. Instead, Hood (1998) and Stone (1988) respectively maintain that attention should be shifted to the link between administrative and policy arguments and their acceptance. The most important question about the administrative arguments is not about their truth or falsity or their value in enhancing organizations and environments. Rather, it is about why certain arguments gain currency and are accepted as truth in a process of rhetorical persuasion. Public management is more a matter of persuasion than of observation and proof. Acceptance rests on some key elements of persuasion, such as symmetry that presents arguments to fit the times, ambiguity to allow diverse interpretations, selectivity in their use of evidence, and private interests as public good that presents arguments about private advantage in terms of public good (Hood & Jackson, 1994).

Symmetry refers to the fact that persuasion is enhanced by producing solutions that appear to match problems perceived by those to be persuaded.<sup>13</sup> Viability of any administrative argument must be built on a diagnosis of political expectation of the persuaded. NPM seems to provide solutions to some perceived problems facing political leaders.

Aucoin (1990) points out that NPM matches three perceptions. First, there was a widespread perception by political leaders that state bureaucracy had assumed too much influence on the management of the state. NPM has tried to check, counter, and limit this influence. Second, there was a perception that central executive systems had come to restrict the capacity of political leaders to manage their own portfolios. NPM reform has made an effort to enhance this capacity. Third, there was a perception that public sector management was excessively preoccupied with adherence to rigid rules and procedures and thus prone to bureaucratic pathologies. NPM has introduced a greater emphasis on performance, an increased focus on responsiveness to citizens, and accountability to results. Moreover, the rise of NPM movement in the UK and US in the early 1980s is consistent with conservative ideology and market-oriented public policies favored by the Reagan administration and the Thatcher government.

Ambiguity illustrates that arguments are typically formulated as if they were universal truths, applying to all circumstances, to all times, and to all people. The knowledge that people are vulnerable in that way is used to fashion persuasive advertising (Etzioni, 1988). Any administrative argument must have the ability to speak simultaneously to persons or groups with different views and interests, making them draw their own positive conclusions. Ambiguity helps silence disbelief.

NPM has frequently touted citizens as *customers* or *clients*. These terms satisfy people's positions along the right-left ideological spectrum. For those on the right, citizens deserve the same attention afforded to paying customers or consumers by the private sector businesses. From this perspective, the mistrust of government is similar to the mistrust of private monopolies. For those on the left, citizens deserve the same attention clients receive from professionals who give primacy to the interests of their clients. From that perspective, the mistrust of government is similar to that of professionals when clients' interest takes a backseat to professional interest. Therefore, it came as no surprise that NPM reform has been pursued by both right- and left-wing governments in Westminster democracies.

Selectivity suggests that persuasion is achieved by careful selection of evidence and examples that fit a conclusion. People can not easily resist the temptation to discover just what they wanted to discover in the field through a biased selection of cases and evidences.

Osborne and Gaebler's book *Reinventing Government* is replete with selective examples of inspirational public managers who magically turned around

poorly performing bureaucracy. Much of NPM's emphasis on output rather than process, quantifiable measures, and other 'hard' technology, has been introduced into the public sector at the very time that the shift in the private sector seems to be in the opposite direction. NPM reform in New Zealand has been applauded with numerous examples of improving efficiency, without referring the fact that New Zealand has been one of the worst performing nations among OECD countries in terms of economic growth during the reform period.

Private interests as public good. To be persuasive, an administrative argument must be seen to be for the public good. However, at the same time, it hides the fact that it renders private benefits. As the metaphor of political systems has already illustrated, administrative reform is intrinsically political, shaped by the different interests.

Despite its promise to deliver quality public goods and services, NPM reform accrues private benefits to a list of agents. They are management consultants, potential private providers of public services, business management schools which have offered generic management training, accounting firms that have expanded their business into auditing public agencies, and those senior civil servants and private sector business people who have assumed many management positions during the various restructuring programs. Furthermore, as has been pointed out, NPM's emphasis on the financial performance and cost cutting reasserts the power of some central control bureaucracies, like the Treasury.

### Conclusion

New public management is an administrative reform movement preaching that management techniques from the private sector should be applied to public services. A metaphorical analysis employed in this paper is instrumental in shedding some light on the NPM's claims of convergence of public administration to an entrepreneurial model; beneficial changes to the general public and emphasis on managerialism. First, a metaphor of open organisms suggests that the convergence claim is not substantiated because seeking efficiency due to competitive pressure may not be compatible with accountability as required in the public sector; impact of technical change is indeterminate; and public sector reform is path-dependent. Second, rather than as a reform beneficial to the public, a metaphor of political systems reveals that NPM is actually a reflection of "new client politics." Third, a metaphor of dialectical logic illustrates that the succession of public administration ideas tends to consist

of a set of reactions to the excesses of yesterday's orthodoxy because ironically the politics-administration dichotomy never died, but in fact was institutionalized in the debate of public administration. NPM from this perspective is a manifestation of "managerialist state" against "political state." Last, viability of the NPM arguments can be better understood as a myth of rhetorical persuasion rather than a reflection of changing values and belief systems about what government should do and how it should operate, and fundamentally altering governmental structures. The dominant concern of those NPM advocates is more with language, making their ideas sound nice and powerful, than with discovering their validity and relevance in the real world. The debate is far away from an ideal speech situation.

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### Notes

<sup>1</sup> It was initiated in the United Kingdom, spread first and foremost to the United States, Australia, Canada, and especially New Zealand, and then further on to Scandinavian countries and Continental Europe.

<sup>2</sup> As Helen Longino has noted (1990), in any scientific inquiry, evidential reasoning is always context-dependent where data are evidence for a hypothesis only in light of background assumptions.

<sup>3</sup> Metaphor as a rhetorical approach is to understand and experiencing one kind of thing in terms of another kind. It also provides a mechanism for presenting and disseminating the maximum level of information with a minimum of energy.

<sup>4</sup> Since the initial drive was to make bureaucracies more economically efficient, this placed a premium not just on developing cost-benefit analysis, but on viewing public services and goods as products to be measured with businesslike practices.

<sup>5</sup> For example, New Zealand's initiation of NPM has been described as being an immediate response to a fiscal crisis due to a weak world economy in the early 1980s (Scott, Ball and Dale, 1997).

<sup>6</sup> For example, new detection and metering technologies are being developed for highways, parking, marine farming, and auto emissions, making property-rights solutions viable. Information becomes more accessible and user-friendly, suggesting that quality and safety can be better handled by the private sector, undercutting consumer-protection rationales. As for public utilities, new means of producing and delivering electricity, water, postal, and telephone

services dissolve the old natural-monopoly rationales for control and governmental provision.

<sup>7</sup> During the recent California power crisis, it has been argued that major power suppliers systematically manipulated the wholesale electricity market to rip California off for \$6.2 billion. Power companies' actions are justified on the ground that firms are accountable to their shareholders (LA Times, 2001).

<sup>8</sup> As Ronfeldt describes (1992, p.280), "...increased susceptibility of individual to outside manipulation, a rise in the number and diversity of *ad hoc* interest groups and social movements, increased fragmentation and fractionalization of society and politics, great stratification and centralization of society around information resources, and great efforts by some policy-makers to control access to information and use it to manipulate the public."

<sup>9</sup> The executive arises out of the legislature and the majority party controls both. The executive is the leadership of the majority party, and thus the leadership of the legislature itself.

<sup>10</sup> For example, the accountability line in the US government is designed to be a matrix of balancing influences and incentives, rather than single line of accountability from a departmental head through the minister to the legislature, as in the Westminster system.

<sup>11</sup> In dealing with its power crisis, the California Public Utilities Commission approved rate hikes up to 46%, the largest in California history, for customers of Southern California Edison and Pacific Gas & Electric Co. The PUC also approved a formula that will allow the state to issue \$12 billion in bonds to bail out the state's three major private utilities with taxpayers' money (LA Times, 2001).

<sup>12</sup> Progressivism is normally interpreted as a reaction against the spoil system: the threat of rule by corrupt machine politicians interacting with special interests and big businesses.

<sup>13</sup> For example, an explanation of the persistence an eventual triumph of mechanistic philosophy in terms of its provision of a world picture satisfies the emerging needs and interests of its European social and political contexts.