Maybe it is time to rediscover bureaucracy

Johan P. Olsen
Arena, University of Oslo
j.p.olsen@arena.uo.no

Making sense of public administration

Is "bureaucracy" an organizational dinosaur helplessly involved in its death struggle? Is it an undesirable and non-viable form of administration developed in a legalistic and authoritarian society and now inevitably withering away because it is incompatible with complex, individualistic and dynamic societies? Are, therefore, the term "bureaucracy" and the theoretical ideas and empirical observations associated with it, irrelevant or deceptive when it comes to making sense of public administration and government in contemporary democracies?

Or, is the mobilization of anti-bureaucratic sentiments and the claim that it is time to say goodbye to bureaucracies and bureaucrats, just another round in a perennial debate and ideological struggle over what are desirable forms of administration and government -- that is, a contest for control of the size, agenda, organization, competences, moral foundations, staffing, resources, and outcomes of the public sector? If so, how helpful is the literature on "bureaucracy" in analyzing current administrative challenges, compared to the diagnoses and prescriptions presented by reformers over the last 25 years?[1]

The paper acknowledges that there have been important changes in public administration and, even more so, in the way administration is portrayed. Yet, it questions the fashionable ideas, that bureaucratic organization is obsolescent, and that there has been a paradigmatic shift from (weberian) bureaucracy to market-organization or network-organization.[2] In contrast to decades of bureaucracy-bashing, the paper argues that contemporary democracies are involved in a struggle over institutional identities and institutional balances. It also argues that for those interested in how contemporary public administration is organized, functions and changes, it is worthwhile to reconsider and rediscover bureaucracy as an administrative form, an analytical concept and a set of ideas and observations about public administration and formally organized institutions.

The argument is developed in the following way: *First*, some characteristics of bureaucratic organization are outlined. *Second*, claims about the undesirability of bureaucracy are discussed in relation to competing criteria of success/failure and assumptions about the performance of bureaucratic organization. *Third*, aspects of administrative dynamics and the viability of bureaucratic organization are inquired, and *fourth*, some reasons for rediscovering bureaucracy are recapitulated.

Bureaucracy, bureaucrats, bureaucratization

"Bureaucracy" is often used as a pejorative slogan, as well as a label for all public administration, or any large-scale formal organization. Max Weber, however, made bureaucracy an analytical concept, decoupled from the polemical context in which it had emerged (Albrow 1970); and here the term signifies, *first*, a distinct organizational setting, the *bureau* or *office*: formalized, hierarchical, specialized with a clear functional division of labor and demarcation of jurisdiction, and standardized, rule-based and impersonal. *Second*, bureaucracy refers to a professional, full-time administrative staff with life-long employment, organized careers, salaries and pensions, appointed to office and rewarded on the basis of formal education, merit and tenure. *Third*, bureaucracy implies a larger organizational

and normative structure where government is founded on authority, that is, the belief in a legitimate, rational-legal political order and the right of the state to define and enforce the legal order. Binding authority is claimed through a fourfold rule-bound hierarchical relation: between citizens and elected representatives, democratic legislation and administration, within administration, and between administration and citizens as subjects (as well as authors) of law. Bureaucratization, then, refers to the emergence and growth of bureaucratic forms and not to the perversions and illegitimate extension of the power of bureaucrats.[3]

Bureaucratic theory connotes a set of theoretical ideas and hypotheses concerning the relations between organizational characteristics and administrative mentality, behavior, performance and change.[4] One key assumption is that rationality and control are attributes of organizational structure and that it matters how public administration is organized. Another assumption is that organizational form can be deliberately developed. Yet, the interpretation of these assumptions depends on whether bureaucracy is conceived as an instrument or institution and as an "ideal-type" or its empirical approximations.

INSTRUMENT AND INSTITUTION. Bureaucracy can be seen as a rational tool for executing the commands of elected leaders. In this perspective it is an organizational apparatus for getting things done, to be assessed on the basis of its effectiveness and efficiency in achieving pre-determined purposes. Bureaucratic structure determines what authority and resources can be legitimately used, how, when, where and by whom. Commands and rules are followed because they are given by office-holders as trustees of an impersonal rational-legal order. Administrative legitimacy is based on the idea that the tasks are technical in nature -- to identify a logically correct solution by interpreting rules and facts or applying expert causal knowledge. Administrative dynamics is subject to deliberate design and reform by legislation through procedurally correct methods.

Bureaucracy can, however, also be seen as an institution with a raison d'être and organizational and normative principles of its own. Administration is based on the rule of law, due process, codes of appropriate behavior and a system of rationally debatable reasons. It is part of society's long-term commitment to a *Rechtsstaat* and procedural rationality for coping with conflicts and power-differentials. Bureaucracy, then, is an expression of cultural values and a form of governing with intrinsic value. Rationality and justice are characteristics of the procedures followed to reach an outcome and not the outcome itself. Bureaucrats are supposed to obey, and be the guardians of, constitutional principles, the law and professional standards. They are imagined to use their professional expertise and experience to illuminate all aspects of public policies and "speak truth to power". They are also supposed to have autonomy in applying the law to individual cases without involvement of elected politicians and organized interests. As a partly autonomous institution, bureaucracy has legitimate elements of non-adaptation to leaders' orders and environmental demands.[5]

IDEAL-TYPE AND PRACTICE. As an ideal-type, bureaucracy has clear characteristics, preconditions and effects. Practice at best approximates the ideal type and public administration is never a fully developed bureaucracy. There are fluid and overlapping organizational principles and the functioning, emergence, growth and consequences of bureaucracy depend on a variety of factors.[6]

Weber observed the *possibility* that beliefs in a legitimate order will govern organized action but also that human behavior can be guided by utility, affinity and traditions. Domination based on authority and the validity of an order was defined as questions of degree and probabilities. Orders could be interpreted differently. There could be contradictory systems of order and the key questions were: how often and under which conditions do bureaucrats actually comply with rules and commands, and how often are rules and commands enforced? Bureaucratization was stimulated by the quantitative and

qualitative expansion of administrative tasks, but its direction and the reasons that occasioned it, could vary widely (Weber 1978: 971).

Weber saw the bureaucrats' willingness and capacity to follow rules and orders as depending on a variety of mechanisms. *Motivation* was a result of material incentives inherent in life-long careers, as well as socialization and habituation in educational and bureaucratic institutions. The bureaucracy's *capacity* to follow formal rules or ethical codes depended on their own qualifications and orientations but also on the leaders' ability to give direction and the continuous availability of resources.[7] Yet, incentives and socialization mechanisms could not be expected to be perfect and elected leaders could lack the knowledge and authority to direct and control administration.[8] They could promote contradictory or morally dubious objectives or be unable or unwilling to extract adequate resources. Citizens could express their concerns through other channels than the electoral one. Bureaucrats had interests and power of their own and the distinction between politics and administration could be hard to uphold in practice.

As a result, there was a potential tension between elected officials, bureaucrats and citizens and the causal chain from a command to actual compliance could be long and uncertain.[9] Bureaucratic organization could produce multiple and contradictory outcomes and authority-based behavior could lead to disastrous consequences. In individual cases the consequences depended upon to what degree various spheres of life were bureaucratized, the direction which those controlling the apparatus gave to it, and the distribution of economic and social power in society.

Given this complexity, which criteria are actually used to assess success and failure when it is claimed that bureaucracy is an undesirable organizational form? And what are the attributed implications of a de-bureaucratization of public administration?

The desirability of bureaucracy

Weber emphasized the technical superiority and the procedural rationality of bureaucracy, in contrast to the assertion that bureaucratic organization is undesirable and should be replaced by competitive markets or cooperative networks.[10] Bureaucracy then is assessed instrumentally, based on the expected contribution to realize predetermined goals, and deontologically, based on the validity of the behavioral codes and the principles of reason, moral, organization and governing on which bureaucracy as an institution is founded (Olsen 1997). A complication is that the functionally best solution is not always politically or culturally feasible and vice versa (Merton 1938).

CRITERIA OF SUCCESS AND FAILURE. In an ideal-type bureaucracy, *bureaucrats* are responsible for following rules with regard to their office with dedication and integrity and for avoiding arbitrary action and action based on personal likes and dislikes. They are not responsible for adverse consequences stemming from the execution of appropriate rules in proper ways. Nevertheless, *bureaucracies* are in practice assessed on the basis of a variety of criteria, depending on the social group complaining. For example, in 1847, professor in political science at Heidelberg, Robert *von Mohl* observed that "The privileged classes complained of loss of privileges, the commercial classes of interference in commerce, artisans of paperwork, scientists of ignorance, statesmen of delay" (Albrow 1970: 29). Weber also foresaw an insoluble conflict between formal and substantive justice. Equality before the law, legal guarantees against arbitrariness and recruitment based on merit would reduce feudal privileges and have a leveling effect on social and economic differences. Nevertheless, the propertyless masses could be expected to prefer an equalization of economic and social life chances rather

than formal-legal equality.

A distinction has to be made between the criticism that public administration is not bureaucratic enough, and that it is excessively bureaucratic. In the *first* case public administration do not meet the ideal-model because a hierarchical, rule-based and professionally staffed bureaucracy has not been set up. Or, the formal organization is just a façade and bureaucrats are not acting in accordance with the institution's ethos and codes of conduct. The staff is corrupt and unreliable, incompetent, inefficient, lazy, rigid and unresponsive, self-regarding and uncontrollable. Administrators misuse their position and power. Laws are not executed in a competent and fair manner, the commands of superiors are not followed, and bureaucrats are not responsive to, or accountable to, elected political leaders or the constitution.

The s*econd* type of criticism is that rules are followed too slavishly, or that public administration should be organized and staffed according to non-bureaucratic principles, administrators should act according to a different ethos and code of conduct, or there should not be public intervention at all. Complaints that a law is badly administered are then mixed with criticism of the content of the law and a principled opposition to the primacy of representative government. Such criticism is often part of a conflict over organizational and normative principles, world views, symbols and legitimacy, where the aim is to change the institutional identity and power of public administration (Merton 1937, Brunsson and Olsen 1993, Bienefeld 2001).

Recent criticism of public administration has elements of both types but the latter has been predominant. What started as an attack on "bureaucracy" and its inefficient, costly and rigid internal organization and operations, has since the late 1970s developed into a criticism of the role of public administration; the possibility and desirability of government shaping society; the power balance between institutions and between actors; and the relevance and functionality of jurisdictional boundaries, including those of the territorial state (Olsen 2004a). Key arguments have been that the "traditional" way of governing society is ill-suited to cope with the tasks and circumstances faced. A paradigmatic shift from administering and governing through bureaucracies and hierarchies, to competitive markets and cooperation in partly autonomous policy networks has been diagnosed or prescribed (Dunleavy and Hood 1994). The special nature and success-criteria of the public administration has been denied and dichotomies such as state-society, public-private, politics-administration and expert-layman have become obscure.

Reforms based on neo-classical economic ideology and private management ideology has prescribed privatization, deregulation, market competition and commercialization. Public administration is a supermarket delivering a wide variety of public services, disciplined by market competition (Olsen 1988). Management by contract and result replaces management by command. Citizens are a collection of customers with a commercial rather than a political relationship to government, and legitimacy is based on substantive performance and cost efficiency and not on compliance with formal rules and procedures. Administrative change is portrayed as improvement, "best practice", "rightsizing", better value for money, and serving pre-determined (usually economic) goals better.[11] The power aspects and the ethical and moral dilemmas involved are rarely made explicit. Rather, reform efforts are guided by a strong trust in competitive markets, a hope for "the final demise of central planning" (Camdessus 1999), and the old quest for reduced state paternalism and a more "adequate and realistic theory on the role and limits of government intervention" (de Oliveira Campos 1967: 287).

The network criticism of bureaucracy has appealed to democratic ideology and has explicitly raised issues of authority and power.[12] It has prescribed cooperation and consensus-seeking in "flatter" and

more flexible types of organization and emphasized participation in, rather than freedom from, administrative decision making, implementation and enforcement. Public administration is to be disciplined, but also enabled, by citizens' empowerment and social partnerships. Interdependent public and private actors need to cooperate, persuade, bargain and build trust. They also need to pool legal authority, financial resources, expertise and organization in order to improve results.

The criticism is usually principled and systemic. It is presented as a corrective to the conventional view of politics and government as centered on formal-constitutional institutions (Marinetto 2003: 98-99). It is argued that no single political center can legitimately claim to represent the public and the common good, issue commands and expect compliance. Attempts to command are likely to generate withdrawal of cooperation, non-compliance and a loss of trust and a defining activity of administration is building support and mobilizing resources. Popular elections and majority government are not the only source of legitimacy. Demands and support are not channeled solely via the institutions of representative democracy and citizenship involves more than voting. A new institutionalized moral vision synthesizing private and public ethical principles and standards is needed because of "the charade of democratic accountability given by the current electoral system" (Brereton and Temple 1999: 466).

It has been argued that public administration was never designed to maximize efficient service delivery, customer friendliness and flexibility and that these criteria are an irrelevant yardstick (Peters and Pierre 2003b: 6). Still, von Mohl's observation is relevant. Public administration is likely to be assessed in terms of whatever is perceived as important problems by vocal groups in society. This is so, whether the concern is fostering democracy, constitutionalism and the rule of law; securing economic growth and competitiveness and fighting inflation, budget deficits and indebtedness; providing social equity, justice and the reduction of poverty, inequality, illiteracy, and child mortality; or a variety of other values, norms, interests and goals.

Making sense of contemporary public administration, then, requires an understanding of the complex ecology of institutions, actors, rules, values, principles, goals, interests, beliefs, powers, and cleavages in which it operates. Administration is rarely provided with clear and stable criteria of success and failure. Politicians, judges, experts, organized groups, mass media and individual citizens are likely to hold different and changing - not coherent and stable - concepts of "good administration". They are likely to want the administration to serve a variety of changing and not necessarily consistent principles, goals and interests. Each concern is a possible source of legitimacy as well as criticism. As the mix of concerns changes, so do conceptions of good administration and good administrators (Kaufman 1956, Jacobsen 1960, Olsen 2004a).

In democracies, however, citizens' confidence in their institutions of government is a core criterion and a challenge is to develop institutions and actors that survive and flourish in the face of changing environmental pressures while maintaining commitment to the primacy of democratic values (March and Olsen 1995: 192). What implications, then, can be expected from a (de-)bureaucratization of public administration?

IMPACTS OF BUREAUCRACY. There is a conspicuous discrepancy between the enthusiasm for organizational design and reorganization and the lack of systematic knowledge about organizational impacts. In spite of decades of evaluation there is modest understanding of what consequences different forms are likely to have in different contexts (Wollmann 2001). While it is documented that it matters how public administration is formally organized, and that administrators are influenced by the rules and structural settings in which they act, state-of-the-art reviews have so far had little to say about the relationships between organizational structure and administrative behavior (Egeberg 2003: 120).

The nature of the relation is contested. Formal structure can be highly consequential but also a façade or empty shell, overwhelmed by informal structures and external resource distributions (Bendix 1962: 488). Organizational structure is not the only factor at play and administrative organization can provide a framework rather than an "iron cage", determining administrative mentality, behavior and outcomes. Formal organization charts and procedural manuals have variable explanatory power and manipulating formal organization can be a more or less precise instrument that gives different results in different contexts (Blau and Meyer 1971, Aucoin 1997: 305).

Possibly, there has been little felt need to examine assumptions about the consequences of administrative reform because many reforms have been driven by strong ideological convictions, or even a doctrinaire faith in what is the ideal organization and role of public administration in the economy and society. Yet it is also *difficult* to identify the exact effects of organizational structures and a weak factual basis leaves room for strong ideological convictions. Since it is commonplace to focus on the negative effects of bureaucratic organization, and since the main complaints are well known, attention is here turned to some potentially positive implications of bureaucratic organization.

Consider, for example, the impact of rules. Subjecting human conduct to constitutive rules has been portrayed as part of processes of democratization and civilization (Elias 1982, Berman 1983). Rules tend to increase action capabilities and efficiency (March and Olsen 1989). They make it possible to coordinate many simultaneous activities in a way that makes them mutually consistent and reduces uncertainty, for instance by creating predictable time-rhythms through election and budget cycles (Sverdrup 2000). Rules constrain bargaining within comprehensible terms. They enforce agreements and help avoid destructive conflicts. Rules provide codes of meaning that facilitate interpretation of ambiguous worlds. They embody collective and individual roles, identities, rights, obligations, interests, values, world views and memory, thus constrain the allocation of attention, standards of evaluation, priorities, perceptions, and resources (March and Olsen 2004). Rules, furthermore, do not necessarily imply rigidity and inflexibility (March, Schultz and Zhou 2000). Rules may prescribe change and they allow behavioral flexibility. For example, in the European Union, with its strong emphasis on legal integration and formal rules, changing patterns of attention, behavior and resource allocation have taken place within fairly stable structural frameworks (Olsen 2003a).

Bureaucracy can also be positively related to important economic, social and political criteria. For example, merit-based bureaucracy foster economic growth in developing countries (Evans and Rauch 1999) and contribute to poverty reduction (Henderson et al. 2003).[13] Bureaucracy is associated with low corruption, partly because a longer time horizon makes quick returns in terms of corruption less likely (Evans and Rauch 1999: 757, Kaufmann, Kraay and Mastruzzi 2004). General rules and welfare services, *not* tailor-made solutions intended to serve a special group or interest, create trust in institutions of government and among citizens, when implemented in an impartial and uncorrupt way (Rothstein 2003). General rules also contribute to democratic equality because they are (relatively) blind to the wealth and other resources of the citizens they serve. In comparison, market "efficiency" is efficiency in arranging trades that are mutually acceptable, given initial resources; and the democratic quality of networks depends on their accessibility for groups with different values, interests, resources and capabilities.

Still, the blessing of rules may be mixed. Rules may up to a point have positive effects, and then negative as there is more of it (Evans and Rauch 2003). Detailed rules and rigid rule following might under some conditions make policy making, implementation and enforcement more effective, but a well-working system may also need rules that allow discretion and flexibility. Consequently, short-term

and long-term consequences of rules may differ. Rules might make public debate obligatory, but rule-following may also hamper reason-giving and discourse (March and Olsen 2004). Rules are in varying degrees precise, consistent, obligatory and legally binding and they provide more or less clear prescriptions of appropriate behavior in different settings and situations. There are also more or less specified exceptions from the rules and varying agreement about who the authoritative interpreter of a rule is. Bureaucracies may be more or less "autonomous" or "instrumental", with different degrees of freedom from political government and executive leadership (Knill 1999).

Knowing what the rules demand and what is the common good, then, is problematic. The fact that orders are not always obeyed, that rules are not always followed, and that the content of public policy is modified on its way through the administrative apparatus (Merton et al. 1952) may reflect administrative complexity, and not bureaucratic power. Kaufman, for example observes:

> "A simple command or a single new statute sometimes has little effect because there is such a large body of existing law and practice, and such a strongly established set of rights and privileges and obligations, that it is not possible for government officers and employees to respond to the latest instruction without violating others and without infringing on the legitimate interests of a good many people. Bureaucrats may respond sluggishly to new directives not because they are willfully disobedient or obstructive, but because they cannot ignore the accumulation of prior directives which the authors of the new ones know nothing. A bureaucracy that scrupulously discharges its responsibilities *may for that very good reason* appear arbitrary and high-handed to some observers. Conscientious attention to the entire body of relevant law thus makes public servants look like villains to some people" (Kaufman 1981: 7).

The degree to which rules and a logic of appropriateness guide administrative behavior depends on the competition from other behavioral logics, such as the logic of consequentiality and utility-maximation. While the problems of rules are often exposed, it is also difficult to specify precise, consistent and stable goals, and both goals and rules can pervert behavior. In goal-driven systems there is, for example, a tendency to concentrate on measures of performance rather than to performance (March and Olsen 1995: 159). Neither are single purpose agencies likely to be a panacea. Even when there are efficiency gains with regard to a single objective, actors are likely to externalize their costs at the detriment of the general public. The "hidden hand" of the market mechanism cannot be expected to reliably compensate such externalities and there may be a loss of political accountability and control (Christensen and Lægreid 2004, Wollmann 2004: 26). Strong vertical linkages between social groups and single purpose agencies also make effective coordination and horizontal linkages within government difficult (Peters 1998: 302). Administrators, then, regularly face situations where the clarity and consistency of rules, (self) interests and preferences vary and give more or less clear behavioral guidance (Egeberg 1995, 2003). One hypothesis is that the comparative prescriptive clarity of a behavioral logic will determine which one will dominate other logics.[14]

The impacts of rules also depend on whether rules are internalized or represent external incentives and constraints. While some see good administration solely as a question of right organizational incentives, others argue that properties of *administrators* as well as structures, rules and resources make a difference. In public administration there have been cycles of trust in control of behavior through manipulation of incentive structures and individual cost-benefit calculations, and trust in an ethos of internal-normative responsibility and willingness to act in accordance with rules of appropriateness. Historically, the two have interacted and their relative importance have changed over time and varied across institutional settings (deLeon 2003).

Weber, on the one hand, deplored the bureaucrat that the routine of bureaucracy were seen to select and form (Gerth and Wright Mills 1970: 50) and usually the bureaucratic method and the moral atmosphere it spreads are assumed to hamper initiative (Merton 1940) and exert a depressive influence on creative minds (Schumpeter 1996: 207). Yet, Weber also underlined how important it is that administrators are socialized into an ethos of rule following. That is, that they are governed by internalized codes of exemplary behavior, right and wrong, true and false, legal and illegal, organized into the bureaucracy as an institution (March and Olsen 1989, 2004). Hence, the impacts of rules are linked to how well bureaucracies solve the "perennial problem of preserving character and judgment", i.e. the ability to maintain ethical reflection, give good reasons, distinguish between legitimate and illegitimate demands and "ensure responsible action even when no one is watching" (Jos and Tompkins 2004: 256, 276).

THE DISENTAGLEMENT PROBLEM. While it is relatively easy to monitor whether rules and procedures are followed, it is more difficult to attribute causal effects to specific organizational properties or actors, in particular in multi-level and multi-centered systems. A disentanglement problem appears when "good administration" is defined by several competing criteria and performance depends upon the organization of public administration as well as the qualities, orientations and capabilities of the personnel. The problem is extended because administrative success also depends on the performance of several actors and institutions organized on different principles, and with different cultures, resources, histories and dynamics; and on the degree to which officials and citizens are able and willing to mobilize resources that match tasks and goals and give administration autonomy to apply their expertise.

The challenge of specifying the implications of bureaucratization and de-bureaucratization, therefore, is formidable and the value of the ideal-type of bureaucracy for this task is questionable. Its structural characteristics do not necessarily occur together in practice (Hall 1963) and it has been suggested that each dimension could be regarded as a variable (Friedrich 1952). Usually, however, analysts make no attempt to include all relevant features of a bureaucratic structure.[15] Neither is it obvious how the organization of post-bureaucratic administration can best be characterized and typologized and what the likely effects of de-bureaucratization are. Market-organization and network-organization come in many guises and hybrid forms (Thompson et al. 1991, Thompson 2003). There are quasi-markets and quasi-networks, as well as quasi-hierarchies (Exworthy, Powell and Mohan 1999) and "it is the mix that matters" (Rhodes 1997b).

From a democratic point of view there are good reasons to reconsider the possible positive impacts of bureaucratic organization, as a supplement to the well-known story of its perversions. The claim that there is too little bureaucracy is as relevant as the criticism of excessive bureaucracy and assessments of public administration need to make explicit the normative criteria used, and not reduce administrative (re)organization solely to a technical question involving the efficient implementation of predetermined goals. Then, if bureaucracy is to some degree, and under some conditions, desirable, is it also viable? Or is it, like the dinosaur, doomed to disappear?

The viability of bureaucracy

In contrast to recent reformers who have diagnosed or predicted the necessary demise of a centrally organized and rule-bound public administration, Weber argued that bureaucracy would be the dominant organizational form in the modern world.[16] Several lines of thought are involved, however. Weber saw the growth of bureaucratic organization as the inevitable product of a long historical development towards rationalization of human organization and cooperation, but he denied that history follows a general law

of development and can be constructed in terms of "unilinear" evolution or "cycles" (Gerth and Wright Mills 1970: 51). Weber viewed bureaucratic structure as malleable -- a rationally designed tool, deliberately structured and restructured in order to improve the ability to realize externally determined goals. Yet when fully developed, the bureaucracy was indispensable, powerful and difficult to control or destroy even in the face of radical changes in society.[17] Nevertheless, there would be changes in the control of bureaucracy and beliefs in its legitimacy would be modified through human deliberation, reason-giving and political struggles. In sum, the dynamics of bureaucratization resulted from many forces and Weber wondered how far the development of bureaucratic organization was subject to political, economic and other external determinants or to an "autonomous" logic inherent in its technical structure (Weber 1978: 1002).

Reformers tend to treat change as a master-value, but the challenge is twofold. *First*, to clarify how malleable are administrative organization and practices, mentalities, cultures and codes of conduct, and what are the conditions under which administrative forms can be deliberately designed and reformed; and *second*, to balance stability and flexibility. Democracies value order, continuity and predictability as well as flexibility and change and usually there are attempts to balance the desire to keep the basic rules of government stable and the desire to adapt rules to new experience. Democratic institutions create some degree of order and thereby elements of rigidity and inflexibility. Yet, they are arranged both to speed up and slow down learning from experience and adaptation to changing circumstances.

Here, a distinction is made between administrative reforms aimed at improving practical problem solving within fairly stable institutional and normative frameworks, and reforms aimed at changing such frameworks. Focus is on the latter, where an institution's external relations – its *pact* with society – are at stake. Transformation from one institutional archetype to another requires de-institutionalization and a subsequent re-institutionalization (Eisenstadt 1959, Peters 1999). The legitimacy of an institution's mission, organization, functioning, moral foundation, ways of thought and resources are thrown into doubt, and a possible outcome is the fall and rise of institutional structures and their associated systems of normative and causal beliefs. The key issues are of a constitutional character: What kind of public administration and government for what kind of society? What is to be core institutions and auxiliary institutions? How is the preferred solution to be achieved?

HISTORICAL NECESSITIES? New Public Management reformers have claimed that the era of hierarchical and rule-bound administration is over. Usually, the language is a-political and administrative development is fate more than choice. There is an "inevitable shift" toward a more advanced administration and a convergence in administrative forms globally or at least among OECD-countries (Osborne and Gaebler 1992, see also Christensen and Lægreid 2001, Pollitt 2003).

Market-enthusiasts are inspired by neo-classical economic theory. Public administration has to adapt to a globalized economy and a paradigmatic shift to markets and management has been presented as a generic medicine (World Bank 1991: 38). While network-enthusiasts, emphasizing horizontal links and power-sharing between government and society, call attention to attempts to change existing power balances through political processes (Kettl 1996: 16), elements of environmental "necessities" are also present. Network organization is, for example, interpreted as a logical consequence of the functional differentiation of modernity (Mayntz 1997), a reflection of changing power-relations in society (Kettl 1996) and the "reconquest of political authority by societal actors" (Andersen and Burns 1996: 228). The increasing number and importance of multi-centered networks bring about a loss of central authority and political steering and elected officials and administrative leaders have limited capacity to deliberately design and reform public administration.[18]

The holistic visions of market-organization, network-organization and bureaucracy share a well-known conception of change: existing institutions and organizations survive because they work well and provide better solutions than their alternatives (Goodin 1996, Stinchcombe 2001). Each vision assumes that a single, context free set of principles for organizing public administration is functionally and normatively superior. Over time the superior form replace the others. It spread independent of characteristics distinctive and specific to a region or country, resulting in convergence on a single organizational model.

The inevitability and convergence-hypothesis is not supported by empirical observations. While globalization is exerting pressures on administrative systems around the world, they have not created convergence and a common pattern (Welch and Wong 2001). Neither have the internal market, common legislation and intense interaction among administrators in the European Union produced structural convergence (Olsen 2003a). Member states continue to organize their administrations differently both at home and in Brussels (Kassim, Peters and Wright 2000, Kassim et al. 2001).

The European Union also illustrates that market-building and network-building do not exclude bureaucratic organization. The Union is to a large extent based on legal integration and rules, and strengthening markets and networks have produced more, not fewer rules. The EU's search for a constitutional order, the writing of a Constitutional Treaty and the emphasis on human rights have further strengthened the tendency. A trend towards rules and institutions is also observed in world politics (Goldstein et al. 2000). Generally, there has been a rule explosion (Ahrne and Brunsson 2004), a rights revolution (Sunstein 1990) and a global expansion of judicial power (Tate and Vallinder 1995), and the conviction that professions such as medical doctors and teachers have been ineffectively subjected to public accountability has created an audit-explosion and new rules (Power 1994). Scandals in both the private and the public sector, from Enron in the USA to the demise of the Santer Commission in the EU, have also triggered demands for legal and ethical rules and an ethos of responsibility.

Arguably, increasing diversity might be conducive to the quest for rules. In heterogeneous polities, governing can rarely assume a community of shared objectives. Such polities can at best develop and maintain a community of shared institutions, principles, rules and procedures that makes it possible to rule a divided society without undue violence (March and Olsen 1995). In the absence of agreed-upon, clear and stable goals and with uncertain ends-means relations, administrative organization becomes a problematic policy instrument and deontological concerns are likely to become more important. Citizens may not accept centralized discretion and power, but they may want common rules. They may develop not only institutions that make it possible to participate in administrative processes but also institutions that make it unnecessary to participate because they treat citizens as political equals and work with integrity in predictable ways (Olsen 2003b).

Therefore, what recent reformers present as universal diagnoses and prescriptions for public administration are in fact partial, time- and space-bound interpretations. Each perspective highlights specific components of the system of public administration found in democratic polities, reflects a development in a specific time period, or is associated with a particular reform ideology. The institutional centerpiece in one order, period or reform- ideology is an auxiliary institution in other orders, periods and ideologies (Olsen 2004a). Rather than a paradigmatic shift and global convergence, there is an open-ended re-examination and contention over institutional identities and institutional balance.

DEMOCRATIC LEARNING? Criticism of public administration and government is part of

democratic dynamics. The democratic vision is that when immediate experience with bureaucratic institutions cannot be reconciled with democratic values, bureaucracy becomes a political issue and the bureaucratic system looses legitimacy (March and Olsen 1995: 192). Up to a point, recent reforms illustrate such a pattern. Reform programs have been part of a re-examination of democratic-constitutive ideals. They have involved attempts to modify inter-institutional relations and rebalance the role of the state, market and civil society, as well as the role of different professions, organized interests and citizens.

The bureaucracy-bashing of the New Right and the neo-liberal administrative reforms in the 1980s, branded the public sector a problem and not a solution (Savoie 1994). The "reinventing government"-movement was a reaction, presenting a partly alternative vision of the role of government and a third way between bureaucracy and market. It proposed "better government" rather than "less government", with a state supporting civil society and markets, rather than "steering" society (CLAD 1999, Rhodes 2004). Political and organizational factors were critical in the process. The "reinventing government"-movement, for example, gained ascendancy in political circles in Washington DC and spread through a network of a globalized, US-dominated management consulting firms (Saint-Martin 2001).

Understanding administrative change then requires an examination of how reforms are borrowed or imposed from outside the national political framework. International organizations such as the Organization of Economic Co-operation and Development (OECD), the International Monetary Fund (IMF) and the World Bank (WB) have been important for diffusing administrative reform ideas. As observed by Nef, administrative reforms externally induced or assisted, is nothing new for newly independent and developing states. Transplanted administrative forms from Europe and North America, with their visions of rationality, efficacy and impersonality, have been the measuring rod of "modernity by imitation" and the supremacy of the bureaucratic model has been followed by reforms inspired by neo-liberal ideology (Nef 2003).

Reforms imposed on developing countries have often been justified by crises, but the standard prescription is also used when such problems do not exist. For example, in a recent report, OECD observes that Norway's economy and society, measured against that of its OECD peers, are very strong (OECD 2003). Nevertheless, the arguments for radical public sector reform are seen as compelling and greater reliance on markets and greater competition is "urgently needed". State ownership must be reduced and the wage settlement system made more flexible. Reforms have been too cautious. Needed is a break with the Norwegian reform style of consensus-based incrementalism, even when that tradition of decision making is likely to come under strain. Social peace is put at risk without any explicit analysis of the normative aspects involved or the system's historical ability to adapt to shifting national and international circumstances.

The Norwegian example gives support to those who question to what degree international organizations are able to learn from past successes and failures.[19] Nevertheless, the enthusiasm for a universal (NPM) cure, and the institutionalized pressure for global administrative convergence, has weakened since the early 1990s. It has been discovered that complaints about public administration have not disappeared after decades of reform. A good public administration is no longer a minimalist one and states can play a role beyond protecting property rights and enforcing contracts. The need for in-depth understanding of the specific situation in individual countries is emphasized. There are few answers that are right under all circumstances and no one-size-fits-all-recipe will do. Administrative reform must be matched carefully with the needs, traditions and resources of each political system (World Bank 1997, 2000, also OECD 1997, 2002).

After some enthusiasm for NPM principles, the relevance of administrative context has been rediscovered also in former communist states in Europe. Now, it is concluded that each country has to recognize its own potential and find its own way, and *not* copy business methods and the NPM reforms from the West. Adopting Anglo-Saxon prescriptions and cultures are likely to have "detrimental" and "disastrous" consequences, in particular when reforms are made within tight budgetary constraints and a short time frame. Part of the advice is to go "back to basics", that is, weberian bureaucracies (Fournier 1998: 129,135, Hesse 1998: 176, Metcalfe 1998: 61). Furthermore, the possibility of maintaining a modernized neo-weberian state in Europe has been suggested, as a continental European and a Scandinavian alternative to the largely Anglo-Saxon New Public Management (Bouckaert 2004, Pollitt and Bouckaert 2004).

Within a weberian perspective the viability-issue extends beyond changes in rules and structures. It requires insight into the processes through which a sense of administrative identity and role is learnt, lost and redefined and the conditions under which administrators are likely to develop and internalize democratic, constitutional and professional norms.[20] For democratic governments it is more legitimate to change formal administrative structures than to change moral structures and mentalities that influence whether people voluntary accept binding authority and comply with rules of conduct. The ethical question is what kind, or kinds, of administrators are wanted (Dahl and Lindblom 1953: 523) -- rule-followers, competitive actors or cooperative personalities, and with what kinds of skills? Among the empirical questions are: To what degree are administrators malleable and administration a site of learning where civic minded, public spirited identities might be developed? How, and through what processes and institutions, are individuals transformed into office-holders and rule-followers with an ethos of self-discipline, impartiality and integrity; self-interested, utility maximizing actors; or cooperating administrators oriented towards the policy-networks they participate in? Today, there are no firm answers to these questions.

BEYOND A SINGLE PRINCIPLE. Bureaucratic-, market- and network organization are usually portrayed as alternatives, based respectively on hierarchical authority, competition and cooperation. From an analytical point of view, these are different mechanisms for achieving rationality and control, mobilizing resources and compliance, and organizing feedback from society. In modern, pluralistic societies with a variety of criteria of success and different causal understandings, it is, however, unlikely that public administration can be organized on the basis of one principle alone. An administration that simultaneously have to cope with contradictory demands and standards and balance system coordination and legitimate diversity organizationally (Olsen 2004b) and technologically (Peristeras, Tsekos and Tarabanis 2003) is likely to require more complexity than a single principle can provide.

One possibility is to see polity and society as consisting of dependent but partly autonomous institutional spheres of thought and action. Within a common set of values and morals in society, modernity involved an extensive differentiation between spheres with different organizational patterns, norms and values, roles, vocabularies, resources, and dynamics, and the institutionalization of bureaucracy was part of this large-scale institutional differentiation (Weber 1978: 489, Eisenstadt 1959). The political-administrative systems then can be resolved into partly supplementary and partly competing administrative forms and mechanisms of governing -- including hierarchies, voting systems, price systems and competitive markets, and cooperative networks (Dahl and Lindblom 1953). In periods the different institutions are in balance. Nevertheless, there is strain between institutions and Weber suggested that historical dynamics could be understood in terms of a tension between bureaucratic routinization and charismatic political leadership. In different time periods the economy, politics, organized religion, science etc. can all lead or be lead and one can not be completely reduced

to another. At transformative points in history institutions can also come in direct competition (Weber 1970: 335).

Contemporary political-administrative orders routinely face institutional imbalances and collisions. There are shifting interrelations between institutions and strain between their foundational norms is an important source of change (Orren and Skowronek 1994). There are intrusions and attempts to achieve ideological hegemony and control over other institutional spheres, as well as institutional defense against invasion of alien norms. Typically, an institution under serious attack reexamines its pact with society and its rationale, identity and foundations, its ethos, codes of behavior and primary allegiances and loyalties (Merton 1942).

Such a reexamining has been going on in public administration lately and there has been a rebalancing of the core institutions of modern society. Available observations do not, however, support the prediction that administrations converge on a single form and that bureaucratic organization is non-viable; that it is disappearing because it is out-competed by market- and network forms of administrative organization. Rather, bureaucratic organization may become more important in increasingly heterogeneous societies, as part of a public administration organized on the basis of several competing principles.

The reform agenda activates Weber's question: how the viability of administrative forms depends on large scale societal transformation and environmental determinism; government's capabilities to govern through institutional design and reform; and internal bureaucratic autonomy and routine ability to adapt to changing circumstances. Rather than a linear trend, there may be contradictory developments, cycles, reversals, breakdowns, and transformations. If so, students of public administration are given an opportunity to explore the shifting legitimacy and importance of different forms, their changing relations and interactions, and the conditions under which each is likely to decline or rise in importance. A general lesson seems to be that the Enlightenment-inspired democratic belief in administrative design, learning and reform in the name of progress is tempered by a limited human capacity for rational understanding and control, making reformers institutional gardeners rather than institutional engineers (March and Olsen 1983, Olsen 2000).

Reasons for rediscovering bureaucracy

So why bother with bureaucracy, bureaucrats, bureaucratization and bureaucratic theory? One reason is that the dinosaur-scenario, emphasizing the undesirability and non-viability of bureaucracy and an inevitable and irreversible paradigmatic shift towards market- or network organization, is wrong or insufficient. Bureaucratic organization and the success criteria in which it is embedded are still with us. Bureaucracy has a role as the institutional custodians of democratic-constitutive principles and procedural rationality, yet in competition with other institutions embedding competing criteria of success. Bureaucracy also has a role as a tool for legislators and representative democracy and is positively related to substantive outcomes that are valued in contemporary democracies, yet by some more than others. Juridification of many spheres of society, human rights-developments, increased diversity, lack of common overriding goals and renewed demands for public accountability, may furthermore contribute to a rising interest in the legal-bureaucratic aspects of administration and governing.

The argument then is not that bureaucratic organization is a panacea and the answer to all challenges of public administration. Bureaucracy is not *the* way to organize public administration, for all kinds of

tasks and under all circumstances. Bureaucratic organization is part of a repertoire of overlapping, supplementary and competing forms co-existing in contemporary democracies, and so are market-organization and network-organization.

While simple diagnoses and prescriptions often "win" political-rhetorical battles over administrative organization, Weber denies simple answers. A theory of public administration has to acknowledge the complexity of administrative organization, actors and change. One should make efforts to detect empirical regularities and develop generalizations, as well as explaining particular cases, yet recognize the limits of generalization. Because administrative theory and practice is closely linked to the history and culture of specific states and regions, and as long as definitions of "good administration" and "good government" hinge on specific definitions of ends, purposes and values, there can be no truly universal generalizations about public administration without a profound knowledge about the varying political and social characteristics that impinge on the administration.[21]

Therefore, administrative theory has to take into account that contemporary practicians are involved in law application, expert advice, service provision, support building and resource mobilization. Administrators are rule-driven bureaucrats and also managers calculating expected utility. They are problem-solving servants as well as powerful masters. Administrative arrangements are sometimes facades, at other times efficient organizational tools for implementing the policies of elected leaders, or institutions with an ethos and procedural rationality that temper the self-interested pursuit of power. Public administration is organized on the basis of authority as well as competition and cooperation. Several organizational forms co-exist, but the mix changes over time. Different organizational patterns perform well, facing similar tasks and contexts. Administrations deal with the population as subjects, civic minded citizens, clients and self-interested customers, expecting different things in different contexts from government and differently able and willing to provide administration with resources. Administrative development involves change and continuity, convergence and divergence and a variety of not necessarily coordinated processes. The politics of administrative design and reorganization includes deliberations and struggles over organizational forms but also over symbols, legitimacy, and the ethos and identity of public administration.

For students of public administration inclined to follow up Weber's research program, one theoretical challenge is to reconcile logics of action and fit them into a single framework that provides an improved understanding of the conditions under which administrators will be motivated and able to obey political orders, follow constitutive or professional codes of behavior, and act in a self-interested manner or as spokespersons for specific causes or groups. Another challenge is to generate improved insight into the processes that translate organizational structures into behavior and consequences, the factors that strengthen or weaken the relation between organizational structure and administrative mentality, behavior and performance, and to identify the conditions under which different organizational forms work well according to democratic standards. Likewise, there is a need to inquire how a variety of processes translate human action into change in institutional structures and their moral foundations, as well as in administrators.

Rediscovering Weber's analysis of bureaucratic organization enriches our understanding of such questions and of public administration in general. The argument is not that Weber always provides authoritative answers. Much has to be learnt about the mechanisms by which public administration approaches the ideal-type bureaucracy, what causes the emergence, growth and decline of bureaucratic organization, and the implications of such changes. Nevertheless, Weber calls attention to important issues and dilemmas and offers stimulating lines of thought. This is in particular true when we (a) include bureaucracy as an institution, and not only an instrument; (b) look at the empirical studies in

their time and context, and not only at Weber's ideal-types and predictions; and (c) take into account the political and normative order bureaucracy is part of, and not only the internal characteristics of "the bureau".

References

Ahrne, G. and N. Brunsson (eds.) 2004, *Regelexplosionen.* Stockholm: Stockholm School of Economics.

Albrow, M. 1970, *Bureaucracy*. London: Macmillan.

Andersen, S.A. and T.R. Burns 1996, The European Union and the erosion of parliamentary democracy: A study of post-parliamentary governance. *Contemporary Developmental Analysis* 1 (2): 33-66. Reprinted in S.A. Andersen and K.A. Eliassen (eds.) 1996, *The European Union: How Democratic Is It?* 227-251. London: Sage.

Arellano, D. and A. del Castillo 2004, Maturation of public administration in a multicultural environment: Lessons from the Anglo-Saxon, Latin and Scandinavian political traditions. *International Journal of Public Administration* 27 (7): 519-528.

Aucoin, P. 1997, The design of public organizations for the 21st century: why bureaucracy will survive in public management. *Canadian Public Administration* 40 (2): 290-306.

Bendix, R. 1962, *Max Weber. An intellectual portrait*. New York: Doubleday Anchor Books.

Berman, H.J. 1983*, Law and Revolution. The Formation of the Western Legal Tradition*. Cambridge Ma: Harvard University Press.

Bienefeld, M. 2001, Restructuring Cuba's public sector: an international perspective. VI Congreso Internacional del CLAD sobre la Reforma del Estado y la Administración Publica, Buenos Aires, Argentina, 5-7 November 2001.

Blau, P.M. and M.W. Meyer 1971 (2nd. ed.), *Bureaucracy in Modern Society*. New York: Random House.

Bouckaert, G. 2004, Die Dynamik von Verwaltungsreformen: Zusammenhänge und Kontexte von Reform und Wandel. In W. Jann et al. (eds.), Status-Report Verwaltungsreform: Eine Zwischenbilanz nach zehn Jahren. Modernisierung des öffentlichen Sektors Nr 24: 22-35. Berlin: Edition Sigma, Berlin.

Brereton, M. and M. Temple 1999, The new public service ethos: An ethical environment for governance. *Public Administration* 77 (3): 455-474.

Brunsson, N. and J.P. Olsen 1993, Organizational forms: Can we choose them? In N. Brunsson and J.P. Olsen (eds.) *The Reforming Organization*: 1-14. London: Routledge.

Brunsson, N. and J.P. Olsen 1998, Organization theory: Thirty years of dismantling, and then …? In N. Brunsson and J.P. Olsen (eds.) *Organizing Organizations*: 13-43. Bergen: Fagbokforlaget.

Camdessus, M. 1999, Second generation reforms: Reflection and new challenges. Washington DC: Opening remarks to IMF Conference on Second Generation Reforms. *http://www.imf.org/external/np/speeches/1999/110899.htm*

Christensen, T. and P. Lægreid (eds.) 2001, *New Public Management. The Transformation of Ideas and Practice*. Aldershot: Ashgate.

Christensen, T. and P. Lægreid 2004, Governmental autonomisation and control: The Norwegian way. *Public Administration and Development* 24: 129-135.

CLAD's Scientific Council 1999, A new public management for Latin America. *http://Upan1.un.org/intradoc/groups/public/documents/clad/unpan000163.pdf* (June 10 2004). Caracas: Latin American Center of Administration for Development.

Dahl, R.A. 1947, The science of public administration: Three problems. *Public Administration Review* 7 (Winter): 1-11.

Dahl, R.A. and Ch.E. Lindblom 1953, *Politics, Economics, and Welfare. Planning and Politico-Economic Systems Resolved into Basic Social Processes*. New York: Harper Torchbooks.

DeLeon, L. 2003, On acting responsibly in a disorderly world: Individual ethics and administrative loyalty. In B.G. Peters and J. Pierre (eds.) *Handbook of Public Administration*: 569-580. London: Sage.

De Oliveira Campos, R. 1967, Public administration in Latin America. In N. Nimrod (eds.), *Readings in Comparative Public Administration*: 283-294. Boston: Allyn and Bacon. Reprinted from B.A. Baker (ed.), *Public Administration: A Key to Development*: 41-54. Washington DC: The Graduate School, U.S. Department of Agriculture 1963.

Du Gay, P. 2000, *In Praise of Bureaucracy. Weber – Organization – Ethics*. Milton Keynes: Open University Press.

Dunleavy, P. and C. Hood 1994, From Old Public Administration to New Public Management. *Public Money & Management* 14: 9-16.

Egeberg, M. 1995, Bureaucrats as public policy-makers and their self-interest. *Journal of Theoretical Politics* 7: 157-167.

Egeberg, M. 2003, How bureaucratic structure matters: An organizational perspective. In B.G. Peters and J. Pierre (eds.) *Handbook of Public Administration*: 116-26. London: Sage.

Eisenstadt, S.N. 1958, Bureaucracy and bureaucratization. *Current Sociology* 7: 97-164.

Eisenstadt, S.N. 1959, Bureaucracy, bureaucratization and debureaucratization. *Administrative Science Quarterly* 4 (December): 302-320.

Eisenstadt, S.N. 1965, Bureaucracy, bureaucratization, markets, and power structure. In S.N. Eisenstadt: *Essays in Comparative Institutions*: 175-215. New York: Wiley.

Elias, N. 1982 [1939], *The Civilizing Process: State Formation and Civilization*. Oxford: Basil Blackwell.

Evans, P. and J. Rauch 1999, Bureaucracy and growth: a cross-national analysis of the effects of 'Weberian' state structures on economic growth. *American Sociological Review* 64 (4): 748-65. London: Sage.

Exworthy, M., M. Powell and J. Mohan 1999, The NHS: Quasi-market, quasi-hierarchy and quasi-network? *Public Money & Management* October-December: 15-22.

Fournier, J. 1998, Governance and European integration – reliable public administration. In OECD/Sigma Papers No. 23 1998a: 119-135. Paris: OECD (CCNM/SIGMA/PUMA(98)39).

Frederickson, H.G. 1999, The repositioning of American Public Administration, *Political Science & Politics* (December). http://www.findarticles.com/cf_dls/m2139/4_32/59136259/print.jhtml

Friedrich, C.J. 1952, Some observations on Weber's analysis of bureaucracy. In R.K. Merton, A.P. Gray, B. Hockey and H.C. Selvin (eds.) *Reader in Bureaucracy*: 27-33. Glencoe Ill.: The Free Press.

Gerth, H.H. and C. Wright Mills (eds.) 1970, *From Max Weber: Essays in Sociology.*. London: Routledge & Kegan Paul.

Goldstein, J.L., M. Kahler, R.O. Keohane and A-M. Slaughter (eds.) 2000, Legalization and World Politics. *International Organization (Special Issue)*.

Goodin, R.E. 1996, *The Theory of Institutional Design*. Cambridge: Cambridge University Press.

Goodsell, C.T. 1983 (2nd ed.), *The Case for Bureaucracy. A Public Administration polemic*. Chatham NJ: Chatham House Publishers.

Hall, R.H. 1963, The concept of bureaucracy: an empirical assessment. *American Journal of Sociology* (July): 32-41.

Henderson, J., D. Hulme, H. Jaililian og R. Philips 2003, Bureaucratic effects: 'Weberian' state structures and poverty reduction. *http://gapresearch.org/governance/bureaucraticeffectspaper.pdf* (February 15 2004)

Hesse, J.J. 1998, Rebuilding the state: administrative reform in Central and Eastern Europe. In OECD/Sigma Papers No. 23 1998a: 168-179. Paris: OECD (CCNM/SIGMA/PUMA(98)39).

Hood, C. 1996, Exploring variations in public management reform of the 1980s. In H.A.G.M. Bekke, J.P. Perry and T.A.J. Toonen (eds.): *Civil Service Systems in Comparative Perspective*: 268-287. Bloomington: Indiana University Press.

Jacobsen, K.D. 1960, Lojalitet, nøytralitet og faglig uavhengighet i sentraladministrasjonen. *Tidsskrift for samfunnsforskning* 1: 231-248.

Jos, P.H. and M.E. Thompkins 2004, The accountability paradox in an age of reinvention. The perennial problem of preserving character and judgement. *Administration & Society* 36 (3): 255-281.

Kassim, H., B. G. Peters and V. Wright (eds.) 2000, *The National Co-ordination of EU Policy. The Domestic Level.* Oxford: Oxford University Press

Kassim, H., A. Menon, B.G. Peters, and V. Wright (eds.) 2001, *The National Co-ordination of EU Policy. The European Level.* Oxford: Oxford University Press.

Kaufman, H. 1956, Emerging conflicts in the doctrine of American public administration. *American Political Science Review* 50: 1057-73.

Kaufman, H. 1981, Fear of bureaucracy: a raging pandemic. *Public Administration Review* 41 (1): 1-9.

Kaufmann, D., A. Kraay and M. Mastruzzi 2004, Governance matters III: Governance indicators for 1996-2002. Washington DV: The World Bank.
http://www.worldbank.org/wbi/governance/pdf/govmatters3_wber.pdf

Kettl, D.F. 1993, Public administration: The state of the field. In A.W. Finifter (ed.): *Political Science: The State of the Discipline II*: 407-428. Washington DC: The American Political Science Association.

Kettl, D.F. 1996, Governing at the Millenium. In J.L. Perry (ed.) *Handbook of Public Administration*: 5-18. San Francisco: Jossey-Bass.

Kickert, W.J.M. and R.J. Stillman II 1999, *The Modern State and its Study. New Administrative Sciences in a Changing Europe and United States.* Cheltenham: Edward Elgar.

Kickert, W.J.M. and F.A. van Vught (eds.) 1995, *Public Policy & Administration Sciences in the Netherlands.* Hemel Hempstead: Prentice Hall/Harvester Wheatsheaf.

Kickert, W.J.M., E-H. Klijn and J.E.M. Koppenjan 1999, *Managing Complex Networks: Strategies for the Public Sector*. London: Sage.

Knill, C. 1999, Explaining cross-national variance in administrative reform: Autonomous versus instrumental bureaucracies. *Journal of Public Policy* 19 (2): 13-39.

Koppenjan, J.F.M and E.H. Klijn 2004, *Managing Uncertainties in Networks. A Network Approach to Problem Solving and Decision Making*. London: Routledge.

Lepsius, M.R. 2003, Eigenart und Potenzial des Weber-Paradigmas. In G. Albert, A. Bienfait, S. Sigmund and C. Wendt (eds.): *Das Weber-Paradigma. Studien zur Weiterentwicklung von Max Webers Forschungsprogramm*: 32-41. Tübingen: Mohr Siebeck.

Lynn, L.E. Jr. 2001, The myth of the Bureaucratic Paradigm: What traditional public administration really stood for. *Public Administration Review* 61 (2): 144-160.

March, J.G. 1997, Administrative practice, organization theory, and political philosophy: Ruminations on the Reflections of John M. Gaus. *Political Science & Politics* (December).
http://www.apsanet.org/PS/dec97/march.cfm

March, J.G. and J.P. Olsen 1983, Organizing political life: What administrative reorganization tells us about government. *American Political Science Review* 77: 281-297.

March, J.G. and J.P. Olsen 1989, *Rediscovering Institutions*. New York: Free Press.

March, J.G. and J.P. Olsen 1995, *Democratic Governance*. New York: Free Press.

March, J.G. and J.P. Olsen 1998, The institutional dynamics of international political orders. *International Organization* 52 (4): 943-969.

March, J.G. and J.P. Olsen 2004, The logic of appropriateness. To appear in Martin Rein, Michael Moran and Robert E. Goodin (eds.), *Handbook of Public Policy*, Oxford University Press.

March, J.G., M. Schultz and X. Zhou 2000, *The Dynamics of Rules. Change in Written Organizational Codes*. Stanford CA: Stanford University Press.

Marinetto, M. 2003, Governing beyond the centre: A critique of the Anglo-governance school. *Political Studies* 51: 592-608.

Mayntz, R. 1997, *Soziale Dynamik und Politische Steuerung. Theoretische und Methodologische Überlegungen*. Frankfurt am Main: Campus.

Meier, K.J. 1997, Bureaucracy and democracy: The case for more bureaucracy and less democracy. *Public Administration Review* 57 (3): 193-199.

Merton, R.K. 1937, Science and the social order. Paper read at the American Sociological Society Conference, December 1937. Reprinted in R.K. Merton 1968 (enlarged ed.), *Social Theory and Social Structure*: 591-603. New York: The Free Press.

Merton, R.K. 1938, Social structure and anomie. *American Sociological Review* 3: 672-682.

Merton, R.K. 1940, Bureaucratic structure and personality. *Social Forces* Vol. XVII: 560-568. Reprinted in R.K. Merton, A.P. Gray, B. Hockey and H.C. Selvin. (eds.) 1952, *Reader in Bureaucracy*: 361-372. Glencoe Ill.: The Free Press.

Merton, R.K. 1942, Science and technology in a democratic order. *Journal of Legal and Political Sociology* 1: 115-126. Reprinted as "The normative structure of science". In R.K. Merton (edited and with an Introduction by Norman W. Storer) 1973, *The Sociology of Science. Theoretical and Empirical Investigations*: 267-278. Chicago: The University of Chicago Press.

Merton, R.K., A.P. Gray, B. Hockey and H.C. Selvin. (eds.) 1952, *Reader in Bureaucracy*. Glencoe Ill.: The Free Press.

Metcalfe, L. 1998, Meeting the challenges of accession. In OECD/Sigma Papers No. 23 1998a: 41-63. Paris: OECD (CCNM/SIGMA/PUMA(98)39).

Nef, J. 2003, Public administration and public sector reform in Latin America. In B.G. Peters and J. Pierre (eds.): *Handbook of Public Administration*: 523-535. London: Sage.

OECD 1991, *Serving the Economy Better*. Paris: Occasional Papers on Public Management.

OECD 1995, *Governance in Transition: Public Management Reforms in OECD Countries*. Paris: OECD Publication Service.

OECD 1997, *Issues and Development in Public Management. Survey 1996-1997*. Paris: OECD Publication Service.

OECD 2002, *Distributed Public Governance. Agencies, Authorities and Other Government Bodies*. Paris: OECD.

OECD 2003, *OECD Reviews of Regulatory Reform. Norway Preparing for the Future Now*. Paris: Organisation for Economic Co-operation and development.

Olsen, J. P. 1988, Administrative reform and theories of organization. In C. Campbell and B.G. Peters (eds.): *Organizing Governance: Governing Organizations*: 233-254. Pittsburgh: Pittsburg University Press.

Olsen, J.P. 1997, Institutional design in democratic contexts. *The Journal of Political Philosophy* 5: 203-229.

Olsen, J.P. 2000, How, then, does one get there? An institutionalist comment to Herr Fischer's vision of a European Federation. In C. Joerges, Y. Meny and J. Weiler (eds.): *What Kind of Constitution for What Kind of Polity? Responses to Joschka Fischer*: 163-179. Florence/Cambridge MA: European University Institute/Harvard Law School.

Olsen, J.P. 2001, Garbage cans, New Institutionalism, and the study of politics. *American Political Science Review* 95: 191-198.

Olsen, J.P. 2003a, Towards a European administrative space? *Journal of European Public Policy* 10: 506-531.

Olsen 2003b, What is a legitimate role for Euro-citizens? *Comparative European Politics* 1 (1): 91-110.

Olsen, J.P. 2004a, Citizens, public administration and the search for theoretical foundations. *PS Political Science & Politics*, 37, January: 69-79. (PSOnline *www.apsanet.org*)

Olsen, J.P. 2004b, Unity, diversity and democratic institutions. What can we learn from the European Union as a large-scale experiment in political organization and governing? To appear in Spanish in *Gestión y Política Pública* and in English in *The Journal of Political Philosophy*.

Olsen, J.P. and B.G. Peters eds. 1996, *Lessons from Experience. Experiential Learning in Administrative Reforms in Eight Countries*. Oslo: Scandinavian University Press.

Orren, K and S. Skowronek 1994, Beyond the iconography of order: Notes for a 'new' institutionalism. In L. Dodd and C. Jillson (eds.) *The Dynamics of American Politics: Approaches and Interpretations*: 311-30. Boulder CO: Westwiew.

Osborne, D. and T. Gaebler 1992, *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector.* Reading MA: Addison-Wesley.

O'Toole, L.J. Jr. 1997a, The implications for democracy in a networked bureaucratic world. *Journal of Public Administration Research and Theory* 7 (3): 443-459.

O'Toole, L.J. Jr. 1997b, Treating networks seriously: Practical and research-based agendas in public administration. *Public Administration Review* 57 (1): 45-52.

Peristeras, V., Th. Tsekos and K. Tarabanis 2003, Realising e-Government: Architected/centralised versus interoperable/decentralised ICTs and organizational development. Paper for the European Group of Public Administration Annual Conference 2002, 4-7 September. Potsdam, Germany.

Peters, B.G. 1998, Managing horizontal government: the politics of coordination. *Public Administration* 76: 295-311.

Peters, B.G. 1999, *Institutional Theory in Political Science*. London: Routledge.

Peters, B.G. and J. Pierre 2000, Governance without government: Rethinking public administration. *Journal of Public Administration Research and Theory* 8: 223-242.

Peters, B.G. and J. Pierre (eds.) 2003a, *Handbook of Public Administration.* London: Sage.

Peters, B.G. and J. Pierre 2003b, Introduction: The role of public administration in governing. In B.G. Peters and J. Pierre (eds.) *Handbook of Public Administration*: 1-9. London: Sage.

Pollitt, Ch. 2003, *The Essential Public Manager*. Maidenhead: Open University Press.

Pollitt, C. and G. Bouckaert 2004 (2nd ed.), *Public Management Reform. A Comparative Analysis*. Oxford: Oxford University Press.

Powell, W.W. 1990, Neither market nor hierarchy: network forms of organization. *Research in Organizational Behavior* 12: 295-336.

Power, M. 1994, *The Audit Explosion*. London: Demos.

Rhodes, R.A.W. 1997a, *Understanding Governance. Policy Networks, Governance, Reflexivity and Accountability*. Buckingham: Open University Press.

Rhodes, R.A.W. 1997b, It's the mix that matters: from marketisation to diplomacy. *Australian Journal of Public Administration* 56: 40-53.

Rhodes, R.A.W. 2004, Policy network analysis. To appear in Martin Rein, Michael Moran and Robert E. Goodin (eds.), *Handbook of Public Policy*, Oxford University Press.

Rokkan, S. 1966, Norway: Numerical democracy and corporate pluralism. In R.A. Dahl *Political Oppositions in Western Democracies*: 70-115. New Haven, Conn: Yale University Press.

Rothstein, B. 2003, Social capital, economic growth and quality of government: The causal mechanism. *New Political Economy* 8 (1): 49-71.

Saint-Martin, D. 2001, How the reinventing government movement in public administration was exported from the U.S. to other countries. *International Journal of Public Administration* 24 (6): 573-604.

Savoie, D.J. 1994, *Reagan, Thatcher, Mulrony: In Search of a New Bureaucracy.* Pittsburgh: University of Pittsburg Press.

Schumpeter, J.S. 1996 [1942], *Capitalism, Socialism & Democracy*. London: Routledge.

Selznick, P 1949, *TVA and the Grass Roots*. Berkeley: University of California Press.

Selznick, P. 1957, *Leadership in Administration*. New York: Harper and Row.

Stammer, O. (ed.) 1972, *Max Weber and Sociology Today*. New York: Harper Torchbook. First published as *Max Weber und die Soziologie heute*. Tübingen: J.C.B. Mohr (Paul Siebeck), 1965.

Stinchcombe, A.L. 2001, *When Formality Works. Authority and Abstraction in Law and Organizations*. Chicago: University of Chicago Press.

Sunstein, C.R. 1990, *After the Rights Revolution. Reconceiving the Regulatory State*. Cambridge Ma: Harvard University Press.

Sverdrup, U.I. 2000, *Ambiguity and Adaptation. Europeanization of Administrative Institutions as Loosely Coupled Processes*. Oslo, ARENA: Report No 8/2000.

Tate, C.N. and T. Vallinder 1995, *The Global Expansion of Judicial Power. New York: New York University Press*.

Thompson, G.F. 2003, *Between Hierarchies and Markets. The Logics and Limits of Network Forms of Organization*. Oxford: Oxford University Press.

Thompson, G., J. Frances, R. Levacic and J. Mitchell 1991, *Markets, Hierarchies and Networks*. The Coordination of Social Life. London: Sage.

Vaknin, S. 2003, The Washington Consensus. The International Monetary Fund (IMF). *http://samvak.tripod.com/pp148.html*.

Waldo, D. 1948, *The Administrative State.* New York: The Ronald Press.

Weber, M. 1970, Politics as a vocation. In H.H. Gerth and C. Wright Mills (eds.), *From Max Weber: Essays in Sociology*: 77-128. London: Routledge & Kegan Paul.

Weber, M. 1978, *Economy and Society* (G. Roth and C. Wittich, eds.). Berkeley CA: University of California Press.

Welch, E.W. and W. Wong 2001, Effects of global pressures on public bureaucracy. Modeling a new theoretical framework. *Administration & Society* 33 (4): 371-402.

Wollmann, H. (ed.) 2001, Evaluating public sector performance: An international and comparative perspective. *Revista Internacional de Estudios Políticos* (Special Issue, September).

Wollmann, H. 2004, Local government reforms in Great Britain, Sweden, Germany and France: Between multi-function and single-purpose organizations. Berlin: Humboldt-Universität zu Berlin: Manuscript submitted to *Local Government Studies*.

World Bank 1991, *The Reform of Public Sector Management. Lessons from Experience*. Washington D.C.: The World Bank.

World Bank 1997, *The State in a Changing World. World Development Report 1997*. Oxford: Oxford University Press.

World Bank 2000, *Reforming Public Institutions and Strengthening Governance. A World Bank Strategy*. November 2000. Washington DC: The World Bank.

Johan P. Olsen is professor in political science at the Centre for European Studies, University of Oslo. Either alone or in collaboration with colleagues, he has written or edited 18 books and written more than 100 book chapters and articles, many of them in leading international journals. Together with James G. March and Michael D. Cohen he developed the 'garbage can'-model of organizational decision making, and together with March he launched the concept of 'new institutionalism' in the mid 1980s. He holds an honorary doctorate at Åbo Academy, Finland, Copenhagen University, Denmark and the Erasmus University in Rotterdam, The Netherlands. He is a Fellow at the Center for Advanced Studies in the Behavioral Sciences at Stanford University, California and he received the American Political Science Association's John Gaus Award for his life-long contribution to public administration and political science in 2003 and the The Aaron Wildavsky Enduring Contribution Award (with James G. March) for

"Rediscovering Institutions. The Organizational Basis of Politics", by the Public Policy Section of the APSA and the Policy Studies Organization in 2004.

Mailing address: Centre for European Studies, University of Oslo, Box 1143 Blindern, 0317 Oslo, Norway.
Telephone: 47 22 85 76 78. Fax: 47 22 85 78 32.
E-mail: j.p.olsen@arena.uio.no. Web page:www.arena.uio.no

Endnotes

[1] The paper is prepared for the IX International Congress of Centro Lationoamericano de Administracion Para el Desarrollo (CLAD) on State and Public Administration Reform, Madrid 2-5 November 2004. I thank Morten Egeberg, James G. March and Ulf I. Sverdrup for constructive comments.

[2] I do not claim originality to this view. Lynn has criticized how the "bureaucratic paradigm" is portrayed in the literature (Lynn 2001). Bureaucracy has been assumed to survive because it is essential to good administration and because representative democracy requires the use of hierarchy and needs the bureaucratic ethos (Dahl and Lindblom 1953: 511, Goodsell 1983, Aucoin 1997, Meier 1997, du Gay 2000, Peters and Pierre 2003a). It has also been argued that many reform proposals are "repackaged versions of ideas that have been in public administration since its beginnings" (Hood 1996: 268) and that "new" approaches frequently rehash old ideas (Kettl 1993: 408). In particular, the propagation of private business administration as an exemplary model for the public sector is hardly new (Waldo 1948). Furthermore, Peters (1999: 104-5) sees a possible return to Weber's organizational archetypes as a tool for comparative purposes and Pollitt and Bouckaert (2004: 63) share the spirit of this paper when they write: "The idea of a single, and now totally obsolete, *ancient régime* is as implausible as the suggestion that there is now a global recipe which will reliably 'reinvent' governments".

[3] Weber 1978, also Merton et al. 1952, Eisenstadt 1958, 1959, 1965, Bendix 1962, Stammer 1965/1972, Albrow 1970, Gerth and Wright Mills 1970, Brunsson and Olsen 1998, Lepsius 2003. The scope of the discussion is delimited to public administration, even if Weber saw the large modern capitalist enterprises as "unequalled models of strict bureaucratic organization" (Weber 1978: 974) and bureaucracy as an institutional pillar of both mass democracy and a capitalist economy. Furthermore, focus is on the *central* governmental bureaucracy and not local bureaucracy.

[4] The term "theory" is here used in a relaxed way. The claim, made more than 50 years ago, that "it would be premature to refer to 'the theory of bureaucracy', as though there existed a single, well-defined conceptual scheme adequate for understanding this form of organization" (Merton et al. 1952: 17), still holds true (Peters and Pierre 2003a).

[5] For Weber "institution" referred to compulsory associations (*Anstalten*), in contrast to formal organizations (*Verband*) and two key examples were the state and the church (Weber 1978: 1380). An institutional perspective assumes that actors seek to fulfill the obligations encapsulated in a role or an identity, embedded in the membership in a political community or group and the ethos and practices of its institutions. Rules are then followed because they are seen as natural, rightful, expected, and

legitimate (March and Olsen 1989) and legitimacy depends on *how* things are done, not solely on substantive performance (Merton 1938). Because institutions are organizational arrangements infused with values beyond their instrumental utility, they develop a character that discourage arbitrary change and absorb criticism and protest through cooptation (Selznick 1949, 1957). New experiences may lead to change in institutions but institutionalists are not committed to a belief in historical efficiency, i.e. rapid and costless adaptation to functional and normative environments or deliberate political reform attempts, and therefore to the functional or moral necessity of observed structures and rules (March and Olsen 1989, 1995, 1998).

[6] "One must keep one's eye on the fluidity and the overlapping of all these organizational principles. Their "pure" types, after all, are to be considered merely border cases which are of special and indispensable analytical value, and bracket historical reality which almost always appears in mixed forms" (Weber 1978: 1002).

[7] Weber observed that "bureaucracy as a permanent structure is knit to the one presupposition of the availability of continuous revenues to maintain it" (Weber 1978: 968) and that "the bureaucratic structure goes hand in hand with the concentration of the material means of management in the hands of the master" (ibid. 980).

[8] "The question is always who controls the existing bureaucratic machinery. And such control is possible only in a very limited degree to persons who are not technical specialists" (Weber 1978: 224). According to Weber, there is an enduring struggle between political leadership and bureaucratization and the political "master" always finds himself, vis-à-vis the trained official, in the position of a dilettante facing the expert (ibid. 991).

[9] "The final result of political action often, no even regularly, stands in complete inadequate and often even paradoxical relation to its original meaning" (Weber 1970: 117).

[10] "The fully developed bureaucratic apparatus compares with other organizations exactly as does the machine with non-mechanical modes of production. Precision, speed, knowledge of the files, continuity, discretion, unity, strict subordination, reduction of friction and material and personal costs – these are raised to the optimum point in the strictly bureaucratic administration, and especially in its monocratic form" (Weber 1978: 973).

[11] For example, one OECD report (1991) was titled, "*Serving the economy better*", and another report summarized the key reform thrusts: "A greater focus on results and increased value for money, devolution of authority and enhanced flexibility, strengthened accountability and control, a client- and service-orientation, strengthened capacity for developing strategy and policy, introducing competition and other market elements, and changed relationships with other levels of government" (OECD 1995: 25). Within the NPM perspective, change follows from efficient adaptation to environmental dictates, or from competitive selection. Superior organizational forms are believed to surface in a system characterized by diversity, overlapping units and competition. Interestingly enough, large parts of the NPM also assume that hierarchy is possible and that actors can be divided into principals and agents.

[12] Powell 1990, Kickert and van Vught 1995, O'Toole 1997a,b, Rhodes 1997a,b, Kickert, Klijn and Koppenjan 1999, Kickert and Stillman 1999, Frederickson 1999, Peters and Pierre 2000, Koppenjan

and Klijn 2004. Students of networks usually see tensions between markets and networks, for example that competition tends to ruin trust-based networks. For a recent review, see Rhodes 2004.

[13] Evans and Rauch studied 35 developing countries in the period 1970-1990. Henderson et al. used the Evans-Rauch dataset in a study of 29 developing and middle income countries for the same time period.

[14] For other possibilities, see March and Olsen (1998, 2004).

[15] For example, Evans and Rauch (1999) created a "Weberianness Scale" based on the degree to which administrative agencies employed meritocratic recruitment and offered predictable, long-term careers. They observed that others stress other features, and that a comprehensive appraisal of all features of the bureaucratic ideal-form was beyond their capacities and available data.

[16] "The development of modern forms of organization in all fields is nothing less than identical with the development and continual spread of bureaucratic administration. This is true of church and state, of armies, political parties, economic enterprises, interest groups, endowments, clubs, and many others…The choice is only that between bureaucracy and dilettantism in the field of administration" (Weber 1978: 223).

[17] "Once fully developed, bureaucracy is among those social structures which are the hardest to destroy" … "Where administration has been completely bureaucratized, the resulting system of domination is practically indestructible (Weber 1978: 987).

[18] For references, see note 12. However, comparisons over time cannot assume as a base-line that once in the past all authority and power was concentrated in one center (Pollitt 2003). The role of the political center has been precarious and the authority and power following from winning democratic elections (Rokkan 1966) and occupying administrative positions have varied.

[19] For example: "The IMF is fairly dogmatic and ideological. It never praises – or learn from – countries – no matter how economically successful – if they diverge from its doctrines" (Vaknin 2003:8).

[20] Not all approaches to public administration accept that institutions provide a framework for fashioning actors by developing and transmitting specific cognitive and normative beliefs and developing of a common identity and sense of belonging. Many rational choice approaches take human nature as constant and universal. All individuals are utility-maximizers, whatever institutional context they act within.

[21] Dahl 1947, Olsen and Peters 1996, March 1997, Olsen 2001, 2003, 2004a, Arellano and Castillo 2004, Wollmann 2004.