Introduction

This chapter addresses the issue of how to interpret the influence of the past on contemporary public administration and public policies. Historical Institutionalism (HI) is the chosen theory of reference for explaining tradition and the influence of the past — or, put differently, for explaining the influence of context as the consolidation of past choices and events on present choices and events (Pollitt 2013; Pollitt and Dan 2011).

Context is a notion that denotes more than the consolidation of past choices in contemporary institutions, as it is also composed of contemporaneous higher-level events: for example, the fiscal crisis occurred in certain euro-zone countries over 2010–2015 became part of the context of fiscal and administrative policies in those countries. Contemporaneous events combine with pre-existing structures, processes and institutions to affect the dynamics of public policy. However, institutions stemming from past events are a crucial part of the context, and that set of contextual influences is the subject of the present chapter.

We at first examine the question of causality: why do past choices about the structure and processes of government cause present effects? What is the causal foundation of path dependency? Then we discuss the conditions under which non-incremental change — gradual, radical, and transformative — may occur in HI, and the levels of applicability of this theoretical perspective. Subsequently, we focus on the domain of administrative reforms and review models rooted in HI that try to explain administrative change. This chapter concludes with a foray into the complex issues of the generalizability of predictions when making attempts to explain and theorise phenomena within an HI perspective.

Foundations of causality in historical institutionalism

The preliminary, and in a sense foundational, question to be addressed is that of causality in HI: why do past choices about the structure and processes of government cause present effects? What is the causal foundation of path dependency? One approach is to adopt a logic of appropriateness perspective (e.g. March 1999) and consider that institutions shape what is considered appropriate by decision-makers, hence constraining the boundaries of what is
considered to be feasible or opportune. This approach has its roots in the cognate theoretical strand of normative new institutionalism (Peters 2005), which sees pre-existing institutions as shapers of judgements about what is appropriate behaviour: in this perspective decisions are taken by matching the specific circumstances with general patterns of appropriate behaviour. The logic of appropriateness provides at least a partial explanation for why past decisions that have shaped institutions, which in turn shape what is deemed to be “appropriate behaviour” have an influence on present decision-making. Framed this way, however, HI tends to be subsumed under the strand of normative new institutionalism, and its distinctive focus on past choices may be blurred or lost.

Another theoretical perspective for explaining path dependency is more akin to rational choice new institutionalism but can be distinguished from it for its specific use of the notion of increasing returns. Its emphasis on the role of institutions, however, places it firmly within the neo-institutionalist stream and distances it from rational choice modelling or behavioural public administration.

The starting point of this approach for explaining causality in HI is the consideration that the estimation and evaluation of the consequences of decisions is centre-stage in decision-making, but decision-makers do not make their decisions in a vacuum. Rather, institutions shape the opportunity structure within which decisions are made. This approach borrows from the discipline of economics the conceptual tool of increasing returns in order to account for path dependence:

In an increasing returns process, the probability of further steps along the same path increases with each move down the path. This is because the relative benefits of the current activity compared with other possible options increase over time. To put it a different way, the costs of exit – of switching to some previously plausible alternative – rise.

(Pierson 2000a: 252, emphasis in original)

Increasing returns is then a departure from equilibrium analyses (often based on decreasing rather than increasing economic returns), which point to a single optimal outcome. Conversely, increasing returns is a theoretical perspective for accounts of political and policy processes that assume the long-term survival of a plurality of arrangements in political systems. Path dependency is grounded in the consideration that “not just […] institutional arrangements may make a reversal of course difficult. Individual and organizational adaptations to previous arrangements may also make reversal unattractive” (Pierson 2000b: 491). As a consequence, initial institutional decisions, even suboptimal ones, can become self-reinforcing over time: they can last over long time frames, even if they contain dysfunctional elements (which, it should be added, is not necessarily the case).

A logic of increasing returns combined with a logic of appropriateness, we argue, may thus provide an explanation for the influence of past choices on present public policy processes. The influence is in the direction of persistency and stability, so questions about the possibility for change to occur arise: how is change, other than a marginal or at most an incremental one, attainable under an HI perspective? It is to this question that we now turn.

**Change in historical institutionalism: mechanisms and types**

Can change occur in an HI perspective? If so, what kind of change is possible beyond a marginal or incremental one? And how does change unfold in such a perspective?
HI has been interpreted as a theory leading to consider political systems in general, and hence administrative systems and public policies, as either very stable (though dysfunctionally so) or subject to change only through rupture mode. Here, the collapse of an equilibrium leads to its replacement by another equilibrium, which tends to last a relatively long time due either to the self-reinforcing mechanisms of increasing marginal returns, or to the reinforcing of behaviours shaped by a logic of appropriateness. In the words:

In the absence of analytic tools to characterize and explain modes of gradual change, much of the institutionalist literature relies – explicitly or implicitly – on a strong punctuated equilibrium model that draws an overly sharp distinction between long periods of institutional stasis periodically interrupted by some sort of exogenous shock that opens things up, allowing for more or less radical reorganization.

(Streeck and Thelen 2005: 1)

Conversely, Streeck and Thelen (2005) argue about a third option between stability and perpetuation, on the one hand, and breakdown of the system and replacement by another one, on the other hand. They identify mechanisms whereby gradual transformation – incremental change with transformative results – may occur. Previous choices do affect the paths that can later be taken but do not impede change (Thelen 1992, 2003; Thelen and Steinmo 1992; Steinmo, Thelen, and Longstreth 1992). Streeck and Thelen identify a number of mechanisms enabling gradual transformation: layering, conversion, displacement, drift, exhaustion. Layering is the creation of new policy or institutions without eliminating the old, allowing the former to serve new purposes at least partly bypassing the influence of previous institutions. Conversion is the internally driven adaptation of institutions, whereby “existing institutions are redirected to new purposes, driving changes in the role they perform and/or the functions they serve”, Thelen 2003: 226). Displacement is the discovery and activation of alternative institutional forms that did exist before but were considered deviant. Drift is the gradual and sometimes unplanned adaptation of institutions, while exhaustion occurs as the institution gradually loses its purpose and, though formally still in place, ultimately breaks down.

They represent mechanisms – often operating in combination – whereby change may occur within path dependency in a gradual way but ultimately leading to profound transformation of the system or policy, a process substantially different from change occurred through abrupt, transformation at critical points of system breakdown. They also explain why political and policy changes may be relatively frequent across polities and jurisdictions, even in the presence of sustained continuity accounted for by path dependency.

Two further mechanisms may lead to more radical change, yet they originate in small internal changes rather than in system breakdown caused by an external shock. They are accumulation, in which the accruing of a series of small changes can ultimately lead to a large radical change, and threshold, where slow incremental change reaches a critical threshold beyond which radical change suddenly occurs.

Summing up, HI is a theoretical perspective to explain both continuity and change in public policy and public administration, provided the analysis of the mechanisms that are at work is carried out. The repertoire of mechanisms recalled above is far from exhaustive yet may provide a good entry point for analysis.

HI is a way to account for the influence of history and tradition on continuity, as well as change in public policy and administration, which can be applied at different levels. First, at the level of political systems or subsystems at a large, encompassing level: for example, the political institutions of a state, polity or jurisdiction, or significant portions of it. Second, to substantive
public policy domains: for example, the environmental policy, health policy, social security policy, etc.

Third, to the public sector and its reform, both of the general configuration of public administration and of the systems employed for managing it, government-wide reforms of public management systems have been conceptualized by authors as a distinctive policy in its own right: the public management policy is a specific policy whose target is not a category of final users of public services, but rather the management processes of public administration itself (Barzelay 2001). Fourth, to individual public services organizations and their organizational behaviour an application of HI lies in explaining the contextual conditions under which strategy forms in public services organizations which in turn is part of the answer to the question of why and under what conditions public services organizations form a strategy at all (Ferlie and Ongaro 2015). Fifth, to sub-units of the public sector (e.g. an office or bureau) or even the behaviour of individuals (at this level, institutionalism and institutional analysis most benefit from being combined with “behavioural” public administration).

In the remainder of this chapter we focus on how, in the perspective of HI, tradition and past choices affect public sector reform at the level of public management systems, or more broadly at the level of the general configuration of public administration.

Comparative studies (Pollitt and Bouckaert 2011) have in fact shown that tradition and past choices affect how countries respond to global pressures to reform. The doctrines of the New Public Management (NPM) (Barzelay 2001; Hood 1991) have, mainly over the 1990s, propagated and shaped the global discourse of public sector reform, yet countries have responded very differently to such reform pressures. Some, like Australia, New Zealand or the United Kingdom, have embraced them, and in important respects are still saturated with such ideas (Ferlie et al. 1996), while others, such as France, have only limitedly, if at all, introduced such doctrines (Bezes 2010). An explanation for such striking differences lies in the receptivity of different jurisdictions to NPM doctrines. In turn, this difference in receptivity may be explained by considering how history and the past have shaped the systems – that is, from the perspective of HI.

We introduce two widely cited models elaborated by academic authorities to examine ways in which the theoretical perspective of HI may be employed to explain continuity and change in the configuration of the public sector and its management as well as enduring differences across jurisdictions. We conclude the chapter by briefly discussing the extent to which models drawing on HI can be generalizable in their scope and remit, or whether they remain idiosyncratic to specific configurations and settings.

Focus: Two models for explaining administrative change rooted in HI

Pollitt and Bouckaert (2011) present a framework for the analysis of contextual influences that singles out five contextual dimensions for their influence on the dynamics of public management reforms. First, the vertical and horizontal dispersion of authority within the polity under consideration. Second, the dominant administrative culture, that is, the beliefs and expectations held by the staff about what is normal and acceptable; the administrative culture tends to fall into either of two categories: the “Public Interest” culture of governance, typical of most Anglo-Saxon countries, whereby public organizations receive legitimacy through the effectiveness and usefulness of what they deliver to the public; and the “Rechtsstaat” culture of governance, widely spread, for example, across most of continental Europe, in which the law is at the core of administrative action and legitimacy. Third, the configuration of the relationships between executive politicians and senior public servants. Fourth, the nature of executive
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government, and notably whether it is majoritarian – minimal–winning coalition governing – or larger and more composite in its parliamentary bases. Fifth, the sources of policy advice in matters of administrative reform: whether the bureaucracy is also a major provider of advice to reformers, or conversely external sources, like multi-national consultancies, have ease of access to the government in matters of public management reform and play an influential role in it.

Subsequent studies have applied the model developed by Pollitt and Bouckaert (2000) to other jurisdictions and further elaborated on it. For example, in the study of Southern European countries (Ongaro 2009; Ongaro 2011; Kickert 2011), additional dimensions such as clientelism and the geographical provenance of the civil service (whether it is polarized or evenly distributed across the country) have proved useful for a better understanding of the dynamics of administrative reforms.

Each of these dimensions potentially affects the contents and/or the process of administrative reform, though in combination with other contingent factors, and not in a mechanistic way (Pollitt and Bouckaert 2011). Thus, for example, a public interest culture may facilitate the diffusion of tools like performance contracts that link the performance of public agencies to some kind of monetary reward resembling or imitating the functioning of markets. This tool understands public services legitimacy as being driven by the notions of results and delivery, which are more akin to this type of culture of governance than to a Rechtsstaat conception.

Shifting from influences on the contents of reforms to the process of reforming, it has been argued that majoritarian governments may facilitate radical and broad-scope public management reforms, and speed them up, as the government can more easily get parliamentary backing, and a limited number of key decision-makers tend to have a say in the reform process; indeed a few can “call the shots”, something that is more unlikely to happen in non-majoritarian systems. Majoritarian government enables radical change and an intense pace of reforms, at least at the policy decision level, whilst implementation may turn out to be even more challenging, if consensus has not previously been created and facilitating conditions not set up.

Pollitt and Bouckaert (2011) work out a framework for analyzing such lines of influence based on the study of 12 countries plus the special case of a supranational institution like the European Commission, adding important qualifications and caveats. The academic debate stemming from this prominent contribution has led to more nuances being identified by later works and the model being further qualified. For example, in another work I argue that the application of this framework to a supranational institution like the European Commission would require introducing the notion of compound institutional systems as a further qualification of the vertical dispersion of authority (Ongaro 2013).

The key question is: how wide is the scope of application of this model? Can it be applied to all polities and jurisdictions across the world or is it mainly meaningful only for the western world, or perhaps just a subset of it? All 12 countries examined by Pollitt and Bouckaert (2011) in their comparative study belong either to Western Europe or Scandinavia, or to the Anglo-sphere (Australia, Canada, New Zealand and the US), while for example the whole of Latin America, which can well be included as part of the western world, is not covered by the study.

The second model we introduce is proposed by Martin Painter and Guy Peters (2010). This model is wider in its ambition and encompasses most administrative systems across the world. It is grounded in the idea of administrative tradition, a set of basic traits that characterize the public administration of clusters of countries.

Administrative tradition is “a historically based set of values, structures and relationships with other institutions that defines the nature of appropriate public administration within society” (Peters 2008). For example, a number of countries have been influenced by and adopted institutions of the French public sector and they still display similar traits in their administrative
systems. Notwithstanding the differences that their respective histories have brought about, they may be characterized as belonging to the “Napoleonic” administrative tradition (Ongaro 2009, 2010). Notably, these countries are located in the south of Europe: Greece, Italy, Portugal and Spain – though the influence of this tradition may also be found in Africa and Latin America.

Painter and Peters (2010: 13–14) have identified and outlined certain distinctive traits of a number of such clusters, intended to form major families or groups, based on a range of geographical, historical and cultural considerations: Anglo-American; Napoleonic; Germanic; Scandinavian; Latin American; Post-colonial South Asian and African; Confucian (East Asian); Soviet/Post-Soviet; and Islamic.

Alongside these, hybrids and transplants can be added, like the Netherlands, Hong Kong, or Japan, where the Meiji Revolution brought certain basic traits of both the Napoleonic and the Germanic administrative traditions into an East Asian system.

The usefulness of the notion of an administrative tradition lies in the possibility it creates to provide key entry points for analysis. In the words of the authors:

The ability to hold some variables constant and to highlight significant differences based on a rigorous classification of different traditions provides a key entry point to comparative analysis of a variety of phenomena, such as administrative reform and policy capacity. To some extent traditions fulfil the same function as a model such as Weber’s model of bureaucracy. We can compare real world cases against the model of the tradition, e.g. is the United States really an Anglo-American system, or something quite distinctive? On the other hand, we can attempt to collect as much information as we can about the individual systems and attempt to develop the models of the traditions from that empirical data. (Painter and Peters 2010)

Four basic variables are used to characterize a tradition. First is the conception of the state and its fundamental relation to society. The main distinction is between organic conceptions of the state, whereby the state is assumed to be linked from its inception with society, and hence almost a given, and contractarian conceptions of the state, whereby the state is conceived of as a human construct, malleable by the parties to the contract. Second is the relationship of the bureaucracy with political institutions. Such a dimension encompasses a range of profiles, from the politicization of careers within the bureaucracy, to how much the bureaucracy itself becomes a general-purpose elite for the state, to the extent to which careers in the civil service are distinct from both political careers and private sector careers, or whether they are interconnected. Third is the relative importance attached to law vs. management. Fourth is the nature of accountability in the public sector: either relying upon the law or upon political actors, especially parliaments, as the primary mechanism to enforce accountability.

The Painter and Peters model is grander in its scope and remit; it is, however, shorter on drawing specific implications about the alleged effects of contextual dimensions on administrative reforms, which brings us back to the key question of how far we can go in terms of scope or domain of applicability of models rooted in HI when the drawing of causal explanations, rather than mapping and interpreting, is the ultimate goal.

Both these models are terms of reference in the study of administrative reforms, and both have strong roots in HI and can then be considered as exemplars of an application of an HI perspective to the study of public administration (though it should promptly be recognized that they draw from a range of theoretical sources and cannot be ascribed only to an HI perspective). Questioning the scope of applicability of such models is thus a good entry point to address the
issue of how generalizable are explanations of policy and administrative change rooted in HI. It is to this big question, which here we can only briefly introduce and discuss, that we turn in the conclusion of the chapter.

Can contextual knowledge be global?

What do these models of analysis by leading scholars in the field tell us? What analyses of causal influences can be derived of general applicability? And hence, what can be stated about the question of whether theoretical perspectives rooted in HI are generalizable in their scope and remit or rather idiosyncratic to specific configurations and settings? Put differently, can “contextual knowledge” (HI being a theoretical perspective that emphasizes context-dependent explanations) be global, or is this very idea inherently contradictory (Ongaro and Van Thiel 2017)?

We should immediately state that our aim here is more to raise a question we consider to be important and pertinent, rather than attempt to provide an answer, however tentative. We discuss the applicability of the two models in order to engage with this major issue, and hopefully leave the reader with the appetite to move on along this important line of reflection and study.

We at first discuss briefly the application of the Pollitt and Bouckaert model outside of the “West”, mainly Western European or Anglo-American countries, making special reference to its potential application to the “East” (meaning mainly Eastern Asia). Expanding case studies across the continents would lead to further refinements of the discussion presented here.

A first point is that the Pollitt and Bouckaert model is elaborated based on the study of exclusively liberal-democratic political systems. Does it require re-elaboration for application to non-liberal-democratic systems? This question raises big defining issues around democracy that go beyond the scope of this chapter, including whether democracy is a matter of grade – more or less democratic – or quality – either a political system is democratic or it is not. Yet, the question deserves at least some tentative discussion, especially considering the apparent consolidation of the so-called new authoritarianism. As Hensengerth puts the matter (referring also to Krastev 2011), across the world a number of regimes have defied the so-called third wave of democratization, that is, the assumption that countries move from authoritarianism to democracy. A number of countries have remained authoritarian, at times combining this basic character with some limited openings. Yet, this has not systematically led to grey and dull top-down countries – rather, some authoritarian countries have exhibited surprising vibrancy in social and economic development and have developed flexible governance structures that allows them to accommodate social and economic change, including capitalist reforms and a diversification of society.

The framework suggested by Pollitt and Bouckaert looks quite resilient even to such major shifts: most dimensions of context, as modelled by the authors, tend to look applicable also to non-democratic regimes. Along a number of contextual dimensions, such country cases will tend to be polarized (for example, the dispersion of authority will tend to be limited, then along that dimension authoritarian countries will tend to cluster with countries with altogether different democratic credentials, and yet with a similarly limited vertical and horizontal dispersion of power). The one contextual dimension that may require significant adaptation is the nature of executive government, which will tend to exceed also the “harsh majoritarian” – but fully democratic – countries; yet conventions of governing, when it comes to the specific field of administrative reforms, may not be so different: authoritarian regimes may too require consensus – though from different institutions than the elected parliament – which may make them similar in this regard to democratic governments. Indeed, any depiction of authoritarian
regimes as centralized decision-making systems may be misleading when it comes to matters of administrative reform.

Most dimensions of the Pollitt and Bouckaert framework may require being revisited, yet at face value seem to travel well from west to east and beyond. Concerning the culture of governance, the basic distinction of Rechtsstaat versus the Public Interest culture of governance may require being revisited, though, following Pierre, it may be stated, with obvious caveats, that such a basic distinction may be widely applicable, and that there may be a limited number of systems in the world which do not fall more or less squarely into either of these two basic models (Pierre 1995).

The distinction between internal and external sources of administrative policy advice seems to travel quite well. The vertical dispersion of authority does too, although important qualifications are required. For example, in countries like China or Vietnam, it is necessary to explore how the one-party system that mirrors the state structure frames both the process and the content of public sector reforms.

Other dimensions of analysis employed in the Pollitt and Bouckaert model would probably require more extensive re-working to be applicable in a non-western context, notably the civil service systems and their interconnections with political careers, particularly the politicization of the civil service and clientelism. For example, it is to be weighed in the heavy role of the “organization department” of the single party ruling the country vis-à-vis the decision-making powers of tenured bureaucrats in the state administration; similarly, the modalities of stakeholders involvement in policy processes will require adaptation beyond the conventional categories (pluralism vs. corporatism) adopted when studying western countries. Such categories would necessitate in-depth adaptation, yet in their very basic conception they seem to maintain their explanatory power for first approximation modelling purposes.

The administrative tradition model as proposed by Painter and Peters has been elaborated through a multiplicity of contributions from scholars whose expertise and knowledge of the administrative system collectively encompasses different geographical areas. Since its inception, this model was intended as more global in scope, in fact aiming to detect the traits of bureaucratic systems across the world by detaching it from the variable features of political systems. It also explicitly encompasses Confucian and Islamic legacies in public administration, which were not touched in the Pollitt and Bouckaert study. Yet in many respects, the administrative tradition model is more descriptive than the Pollitt and Bouckaert model: it describes and interprets similarities and dissimilarities in public administration across the world and argues for the existence and enduring significance of administrative “families” or clusters of countries. It does not, however, make strong predictions concerning implications for reforming public administrations, or for the conditions of delivering public services.

Summing up, models rooted in HI Can be expanded or adapted and provide useful entry points for interpreting the dynamics of administrative reform across a plurality of administrative systems. Further analysis will then be required on a case-by-case basis concerning what mechanisms are at work, and hence what causal explanations and, ideally, predictions for continuity and change in the administrative systems may be made.

This suggests that research on the influence of the past on administration and public policy is an area of continued interest for furthering our knowledge of the contemporary dynamics of this very important side of public life.
References

