Part VI

Public administration and patterns of policy-making in European politics
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Introduction: developments in national European administrations and governance patterns

Public administration and the modes of public governance across Europe have undergone fundamental transformations during the last 30 years. This has been due to developments in the global economy, increasing social complexity, the changing role of the state, the evolution and enlargement of the European Union, and the diffusion of new ideas of governance. For more than three decades now, public administrations have been engaged in an ongoing reform and modernization process. This process, consisting in part of the shrinking or retreat of governmental intervention and the quest for increased efficiency, has been justified on the basis of the demands of globalization and the related pressure for international competitiveness, as well as the pressure of increased debt or budgetary problems caused by task expansion resulting from the emergence of the modern welfare state (Goetz 2008; Gualmini 2008; Pollitt and Bouckaert 2011; Hardiman 2012).

Different countries have embarked on this process at different points in time and have experienced these general tendencies with varying intensity, with many states going through several waves of reform or ‘economization of the public sector’ (Löffler 2003). Britain was the forerunner of this trend at the beginning of the 1980s, followed in the late 1980s by the Scandinavian countries and Germany; shortly afterwards came the upheaval in the Central and Eastern European (CEE) countries, under their special circumstances. In the mid- to late 1990s, reforms affected France and the Southern European countries as well (Haensch and Holtmann 2008: 607). As in other developed Western countries, in Europe this era has been characterized by the global financialization of capitalism, the liberalization of markets and attempts to constrain the role of government. These changes were enacted with the goal of rebuilding national governments with a new institutional architecture intended to complement a liberalized and globalized economy (Roberts 2010).

In the sphere of governance ideas, these developments have been accompanied by two main tendencies: first, the criticism of traditional Weberian bureaucracy, which was viewed as slow,
inefficient and inflexible due to its hierarchical organizational structures; and, second, the criticism or the expression of profound scepticism regarding the operation of the traditional modes of democratic governance, which was seen as producing short-sighted or unstable policies that only satisfied the selfish concerns of specific groups such as the bureaucracy itself (see Roberts 2010). The support of economic liberalization and the criticism of traditional bureaucracy and public intervention were at first revolutionary doctrines based on a neo-liberal and right-wing agenda, but after three decades they have become an orthodoxy also promoted by centre-left politicians in many countries and the EU as an institution in its treaties.

Against the backdrop of these structural changes in capitalism and public finance and the development of these ideological paradigms, several diagnoses were advanced regarding the problems of government and the excessive cost of mature welfare state services, together with criticisms of the operation of bureaucracy and democratic processes. These critiques brought about programmes of governmental reforms, more or less coherent or systematic depending on their formulation and application; at times, such programmes were promoted by international organizations and consultancy firms, as seen in most European countries and also within the institutions and policies of the European Union since the late 1980s. This evolution has been reflected in six general trends or developments in public management and governance in Europe:

- **Liberalization, privatization and deregulation**: major sectors of the economy and public services of general interest that were once state-owned enterprises (such as postal services, electrical utilities, public transport and airlines, telecommunications companies, mines and steel manufacturers) were sold to private investors. Regulations that limited competition, constrained international investment or protected employment were also eliminated (Roberts 2010; Höpner et al. 2011).

- **A shift from the Keynesian interventionist to the regulatory state**: as a consequence of the previous trend, the state was no longer to be involved in the production of goods and services. As a result, since the 1980s, public investment spending across the OECD world dropped 25 per cent (Keman 2010); the state would not be a direct economic actor any longer but instead a regulator or ‘enabling’ actor, ensuring the smooth functioning of free markets. This implied a major qualitative change in public governance at both the national and supranational levels (Majone 1997; Jordana and Levi-Faur 2004).

- **A general movement towards managerialism, performance management and client orientation in public administration**: primarily a response to the New Public Management (NPM) paradigm of reforms in its various national manifestations, this has largely implied the introduction of new management techniques and policy instruments such as market-based governance and accountability for results, with the goal of ‘letting managers manage’ (Pollitt and Bouckaert 2011; Greve 2013; Kuhlmann and Wollmann 2013). Somewhat paradoxically, in some cases this focus on managers has increased the political control of bureaucracy, since politicians have fought back through the politicization of the appointment of top managers or the rise of ‘special advisers’ in both ministerial bureaucracies and the newly established autonomous executive agencies (Peters and Pierre 2004; OECD 2007). A focus on user choice and on information and communications technologies (ICTs) in the form of e-government in order to achieve increased efficiency in public services and promote information flows to and from citizens has also been a component of most reform packages (Dunleavy et al. 2006; Margetts 2012). Related to this development, in recent years a movement towards transparency and open government to make both politicians and public managers more accountable has also expanded in many countries through access to information legislation (Roberts 2006).
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- The movement towards delegated governance and agencification at the national and EU levels: this has meant a shift from a centralized and consolidated public sector to a structurally decentralized public sector, consisting of a multitude of different kinds of semi-autonomous organizations formally independent from traditional ministerial departments of government, effectively separating policy design, implementation and evaluation (James and van Thiel 2010; Verhoest et al. 2012). This trend has also been seen in regulatory governance as a by-product of the liberalization, privatization and deregulation movements, as well as the aforementioned scepticism towards elected politicians; it has found expression in attempts to ‘depoliticize’ or remove certain subjects from the realm of party politics by proscribing certain policy choices or transferring authority to technocrat-guardians or experts (such as central banks and other regulatory agencies) that are supposedly more reliable (Thatcher 2005; Flinders and Buller 2006; Vibert 2007; Gilardi 2008). This notion of adapting institutions so as to impose constraints on elected officials and voters has been termed a ‘logic of discipline’ (Roberts 2010).

- A shift from hierarchical government to governance: sometimes also dubbed horizontal, collaborative or network governance, occasionally including some deliberative and participatory components, such as interactive decision-making, public–private partnerships, or several forms of stakeholder or citizen involvement. For some, such as Klijn (2008) governance is defined as a distinctive mode of governing which is a hybrid of hierarchy and market elements. For others, the new governance entails various defining elements (see Levi-Faur 2012; Torfing et al. 2012). Benz and Papadopoulos (2006: 2–3), for instance, pointed out the plurality of decision centres with no clear hierarchy between them, whereby ‘the core of decision structures consists of networks’; the boundaries of these decision structures are fluid and are primarily defined in functional terms. Actors in these networks include experts, public actors and the representatives of private interests. Within them, collective actors dominate and negotiation and informal modes of decision-making prevail. Questions remain regarding the extent to which traditional government has been replaced or only supplemented by ‘governance’ and networks (Goetz 2008).

- The Europeanization of national administrations and policies, and the formation of a European administrative space: this development has created pressure on national administrations to adjust and converge with regard to certain policy instruments and organizational forms (Héritier et al. 2001; Knill 2001; Kassim 2003a; Schmidt 2006). Bickerton (2012) has observed a shift from nation-states to member states, producing a new distinctive form of statehood where national authority is exercised through external frameworks of rule, based on EU technocratic, consensus-driven decision-making to protect national governments and elites from the demands of their own citizens and allow national leaders to make unpopular reforms. This shift has also entailed the emergence of a new multilevel executive order with unique features and a growing centre specializing in multilevel regulatory governance located in the European Commission (Egeberg 2006; Kelemen 2011).

In recent years, however, most of these long-term developments have been questioned or qualified to varying degrees by governmental responses to the significant governance failures made apparent by the recent financial and fiscal crisis in European countries (Wilson 2012). This fiscal crisis, in part a product of the bailout of financial sectors and the subsequent conversion of private debt into public debt, led to a sharp rise in debt to record levels and a sovereign debt crisis in the Eurozone. This has called into question the notion that market reforms are capable of sustaining growth rates; in addition, it has revealed the failure of all efforts at debt consolidation and public expenditure reduction. In the last 30 years, governments have been unable to close
the gap between spending obligations and public revenues, and the budget consolidation
achieved in the 1990s and 2000s has been rapidly offset by the crisis in a few short years. This
in turn has brought about policies of austerity intended to curb spending and promote additional
privatization, which will further reduce governments’ room for manoeuvre, lead to drastic
reductions and increase public discontent with the actual functioning of democracies in Europe
(Schäfer and Streeck 2013).

This current post-crisis constellation raises the issue of the continuity and change in patterns
of governance, public management approaches and the design and effects of public policies.
The crisis has made apparent a number of latent governance failures in the regulatory
frameworks, organizational arrangements and coordination mechanisms developed during the
past few decades. These factors prevented governments from knowing what was happening and
also impeded effective interventions to remedy the failures (e.g. in banking sectors or in the
economy in general; see Peters 2011; Peters et al. 2011; Lodge and Wegrich 2012). The crisis
has also shattered some of the assumptions and doctrines regarding the role of government and
the superiority of private-sector management that had been undisputed in recent years (Roberts
2013). In addition, it has stimulated discussion about the demise or the overthrow of the NPM
paradigm that has inspired reforms in many countries over the past three decades, inspiring a
search for potential alternatives (Christensen and Lægreid 2011; OECD 2011c). At the same
time, the crisis has also revealed the persistence of divergent national effects and responses, as
well as the significance of administrative legacies for current attempts at reform (Meyer-Sahling
and Yesilkagit 2011), and therefore the continuing relevance of understanding the sources of
divergence among countries and national patterns of governance in Europe.

In this context of upheaval, we have witnessed the emergence of cross-country governance
indicators of institutional performance, reform capacity and policy outcomes from several
international organizations (e.g. the OECD, the World Bank, and the Bertelsmann Foundation).
These developments are a response to both the need to evaluate the consequences of different
approaches to governance and public management and the need to identify those factors that
most effectively foster economic well-being and equity. These indicators provide us with a great
deal of comparable information (see OECD 2011b, 2013). From a scholarly point of view, a
growing comparative interest in public administrations and their reform and in European executive
politics more generally has arisen, focusing on the aforementioned tendencies in governance
and the degree of convergence or divergence across countries they reveal, as well as on the
effects of the recent crisis on European government and governance. Most of the recent literature
has concentrated on the debate over the best practices of governance, but it has also taken stock
of the consequences of many years of market-oriented reforms for democracy and welfare. It
has also increasingly focused on the impact of these developments on European citizens and
democratic quality (Pierre and Eymeri-Douzans 2010; Dan et al. 2012). This bourgeoning
scholarly literature located at an interface between comparative politics, comparative public
administration and Europeanization studies has seen the proliferation of comparative studies by
scholars in several EU countries. At the same time, large, multinational, comparative projects
conducted by academics and experts from many countries under common research frameworks
have been initiated, coordinated by large academic or private institutions.

This chapter seeks to broadly map the current discussion and the aforementioned tendencies
and patterns of governance in Europe. It takes stock of the progress in the literature and contributes
to the ongoing discussion about the convergence, divergence and persistence of national
patterns of administration, the role of the EU in this regard, the effects of the current crisis and
the scope and effects of reforms. To that end, it reviews the increasing number of comparative
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studies, novel approaches and international research by scholars from comparative public policy studies, public administration and the study of executive politics in general who seek to understand developments in national governance and public management across Europe.

Following the introduction, the chapter’s second section presents the various approaches utilized in comparative research to understand and map distinct national patterns, country groupings and the extent of convergence (or persistence) and adaptation of major administrative features around a European model. The third section deals with the main trends in the structural and institutional dimensions of national governance in recent decades, examining public-sector structures, provision of public services, employment systems, regulatory governance and the role of the EU and other global factors. The fourth section looks at national patterns of public management reform and modernization and its drivers, contents and consequences, with special attention devoted to the specific public management responses to the recent financial and fiscal crisis. The fifth section briefly addresses the evolution of politico-administrative relationships, in particular with regard to the politicization and the influence of bureaucrats, discussing whether reforms and other structural trends have led to changes or produced convergence among countries. The last section concludes.

National administrative patterns and the European administrative space

The literature on comparative public administration has produced a number of different typologies or groupings of countries and administrative systems in an effort to describe and explain continuity or path-dependent change and the consequences for performance or other outcomes. Depending on the research interests and the objects of the comparison, these groupings have considered cultural, political, legal or geographical factors.

Administrative traditions, families of countries and patterns of performance

A traditional distinction conventionally found in the literature is that between European countries belonging to a continental *Rechtsstaat* culture and those belonging to an Anglo-Saxon *Public Interest* culture. This dichotomy reflects a broad understanding of administrative culture that attempts to capture a country’s philosophy of governance and the goals or basic rationale of its public administration (see Pollitt and Bouckaert 2011: 61). Also in relation to administrative culture, some researchers have distinguished between four legal families in Western Europe – common law, Roman-French, Roman-German and Roman-Scandinavian – under the assumption that the legal tradition of a country can have a significant influence on its dominant values in governance, its modes of administrative implementation and the relationship between politics, citizens and the administration (Schnapp 2004).

One of the most frequently cited recent typologies is the history-based categorization developed by Painter and Peters (2010), which distinguishes (in addition to several other traditions beyond Europe) four administrative traditions on the European continent: Anglo-American, Napoleonic, Germanic and Scandinavian (see Painter and Peters 2010: 20). Each of these administrative traditions varies in terms of legal tradition, the relationship between state and society, governmental and administrative organization, and the structure of its civil service; these differences are presumed to have clear consequences for the content and scope of current administrative reforms.
Also based on cultural administrative traits and geographical location, Page (1995) developed a typology consisting of six national administrative patterns that typically exhibit common features: the British Isles model, the French model, the Germanic model, the Nordic model, the Southern European model and the Central and Eastern European model. Recently, Magone (2010) has added another pattern: that observed in the Benelux countries, which is a hybrid system between the Germanic and French models. For his part, Sotiropoulos (2004) has attempted to identify the typical administrative features of a Southern European model.

Other authors have based their typologies of national administrations on the composition and management of human resources, distinguishing among different public employment systems through measurements in several dimensions – for example how closely they approximate the Weberian ideal-type of a professional meritocratic administration. To that end, several indicators or indexes of Weberianess have been developed. Other scholars have included certain other relevant analytical dimensions in addition to measurements of the professionalism or politicization of top managers, such as the distinction between open (position-based) systems and closed (career-based) civil service systems (Knill 1999; Balint et al. 2008). Along these lines, Dahlström et al. (2011: 8) have produced a dataset and typology of the structure and behaviour of public administrations based on an expert poll in 97 countries (‘Quality of Government Survey’) using the same two dimensions of ‘professionalism’ and ‘closedness’; their results demonstrate that meritocracy does not necessarily go hand in hand with greater protection of employment in the public sector.

Also notable are certain more sophisticated multidimensional typologies that include both political-institutional and cultural administrative and legal features, examining typical combinations of these traits. Kuhlmann and Wollmann (2013) distinguish among five country families within which several subgroups may also be identified. These are the continental European-Napoleonic group (with a Southern subgroup), the continental European-federal group, the Scandinavian group, the Anglo-Saxon group and the Central Eastern and South-eastern European group.

Finally, recent research on performance, government efficiency and reform capacity has also identified distinct patterns of performance among various clusters of countries (e.g. OECD 2011b). In their ranking of several performance indicators, Kuhry and Pommer (2007) found six clusters of countries: Northern Europe, Western Europe, Southern Europe, Central Europe, Anglo-Saxon countries and France. In an update of that study, Jonker (2012) compared the performance of nine public services in 28 developed countries over the period 1995–2009 and also found clear country clusters, with the Nordic countries generally performing well and Mediterranean and Central European countries performing less well.

Another large comparative project attempted to compare the reform and management capacity of numerous countries, 22 of them European, by examining several dimensions of the political decision-making process and capacity not usually studied or measured in comparative studies, such as executive concentration, governmental strategic planning capacity, legislative influence and the degree of consensus-building with extra-parliamentary actors, thus proposing a so-called ‘management index’ alongside a democracy index (Wagschal and Jäckle 2009; Bertelsmann Stiftung 2011; 2014; see also Brusis 2008; Jann and Seyfried 2009). Based on the data from this project, Jahn (2012: 74) finds that the management index (capturing the above-mentioned four dimensions) does not correlate with majoritarian decision-making structures, and that there are countries able to combine consensus-seeking policy styles with efficient government structures, contradicting the commonly held belief that majoritarian systems are more efficient.
The Europeanization of national administrations and administrative convergence

Despite the manifold uses of the concept of Europeanization and its occasional conceptual and empirical fuzziness, there is now a growing conceptual consensus and a consolidated body of comparative research (see Graziano and Vink 2008; Bulmer and Lequesne 2013) that helps us to understand the impact of EU membership on national polities and governance patterns. The focus of attention varies in the literature with regard to the object of Europeanization, either as a process or as an outcome, as well as researchers’ concentration on executive institutions or policy-making processes. Some scholars have regarded Europeanization as a dependent variable, while others have employed it as an independent variable to explain other outcomes.

If we examine the adaptive reactions taking place in national executive systems as the result of growing integration and interaction, it is evident that EU membership poses a challenge for national governments and administrations in terms of their capability to absorb or assimilate European law and policy and adapt to a new logic of decision-making. The ample literature on this subject has basically revolved around three issues: the loss or gain of relative power and autonomy of certain national institutions vis-à-vis supranational and other national actors or institutions; the degree of impact and the extent of institutional mismatch with the EU found in different countries at various political and administrative levels; and the resilience of national institutional patterns to EU-related pressure versus the indication of convergence across members. In other words, the discussion has centred on the question of whether we can expect to find Europeanization as impact and also Europeanization as convergence (see Page 2003: 163; Colino and Molina 2005: 348).

In general, with respect to the effects of EU membership on patterns of governance, there are no clear conclusions to be derived from the literature. Some authors argue that membership strengthens administrative institutions at the expense of politicians (‘integration promotes bureaucratization’), but other scholars point to the growing involvement of national politicians in EU-related decision-making, with the subsequent reduction in top bureaucrats’ levels of discretion (see Goetz and Meyer-Sahling 2008: 13). Still others argue that the expansion of new policy instruments such as the Open Method of Coordination (OMC) in ministerial decision-making promotes horizontal rather than vertical cooperation.

There are clearly several ways in which EU membership can affect national administrations. According to Kassim, in addition to their individual national missions, national administrations have assumed a new role as agencies for the implementation of EU legislation; as a consequence of legislative or judicial decisions taken by the EU institutions, they may be ‘compelled to modify or abandon certain policies, to change or discard traditional policy instruments, or to reorganize structures or procedures’ (Kassim 2003b: 154). National administrations must also adapt as a consequence of their involvement in supranational decision-making (see Chapter 37). At the same time, EU membership has stimulated the creation and design of government portfolios in a form that is more consistent with supranational policies (Molina and Colino 2007). Indeed, some national ministries, such as those responsible for agriculture, fisheries, environment and finance, could be said to have become ‘the national branches of the European Commission rather than ministries of the national state’ (Yesilkagit 2012: 29). The financial crisis and the establishment of the European Financial Stability Facility (EFSF)/European Stability Mechanism (ESM) to deal with the debt crisis in countries such as Ireland, Greece and Portugal have also promoted the Europeanization of finance ministries in those countries. Finally, with regard to the bureaucrats in ministries or agencies, many of them have had to specialize in the EU machinery, often through secondment to the European Commission as experts within the comitology as a part of the standard civil service career (Geuijen et al. 2008).
The contours of a growing European administrative space

The so-called European Administrative Space (EAS) has been the object of increasing discussion and research over the last decade. The concept of an EAS gained currency in the context of the EU’s enlargement; it was introduced to identify and promote a common framework and to justify a supranational competence and EU intervention in the capacity-building of candidate member states. At the beginning, it was understood by scholars as ‘convergence on a common European model’ (Olsen 2003: 506) or as the ‘area in which increasingly integrated administrations jointly exercise powers delegated to the EU in a system of shared sovereignty’ (Hofmann 2008: 671). Later, it was increasingly viewed as the process of development of a multilevel and nested network of administrations in which institutions at different levels of government interact in the performance of European tasks. This means that both convergence in some fields and persistent diversity in other fields are to be expected in the EAS (see Trondal and Peters 2012: 3). In the absence of a single EU model towards which administrations converge or a supranational jurisdiction in administrative issues, the discussion on the EAS has revolved around the underlying principles of European administrative action distilled from the jurisprudence of the European Court of Justice (ECJ): (1) reliability and predictability (legal certainty); (2) openness and transparency; (3) accountability; and (4) efficiency and effectiveness (Cardona 2009: 4). Since the 1990s, the EU has made efforts to set certain standards with regard to the training of administrators, quality of regulation, simplification of legislative procedures, evaluation and performance measurement, and the use of benchmarking techniques and best practices; this has also entailed the building of a ‘common information area’ based on ICTs.

Political science and legal administrative research about the EAS have focused on describing and explaining the emergence of a ‘multi-level Union administration’ (Egeberg 2006) and the transformation of the ‘European executive order’ both in the process of agenda-setting and in implementation (Curtin and Egeberg 2008; Egeberg and Trondal 2009) that has primarily occurred through the establishment of networks of national independent agencies that have facilitated the implementation of EU regulations (Coen and Thatcher 2008). Recent discussion has concentrated on the process of centre formation and institutional capacity-building at the EU level, for instance through the study of emerging EU agencies and the increasing independence and capacity of the EU Commission as an executive (Trondal and Peters 2012: 4).

One useful typology for understanding the types and mechanisms of interaction and the instruments used by the EU in the development of the EAS has been suggested by Heidbreder (2011). She proposes four modes in which the supranational and domestic levels of public administration interact, each of which features different policy instruments (Heidbreder 2011: 714). The first involves administrative standards and subordinate domestic administrations. These standards take two forms: for member states, they are contained in administrative law principles substantiated by the ECJ; for candidate states, these principles have been translated into concrete minimum standards for administrative capacities through conditionality and cooperation – for example through the SIGMA (Support for Improvement in Governance and Management) programme, which operates under the auspices of the OECD and is chiefly financed by EU funds. The second mode entails voluntary coordination between independent national actors. Here, the EU has no competencies and merely encourages voluntary national exchange and communication through network-based modes of governance, as advocated by the White Paper on Governance; these instruments of coordination include the European Union Public Administration Network (EUPAN), which created the Common Assessment Framework (CAF) and meets regularly. The third mode acts through administrative ordinances for domestic
executing bodies. Here, the Commission has enforcement powers that establish direct administration through supranational bodies in the core areas of competition and internal trade. The fourth operates through compliance control of independent implementing agencies (see Heidbreder 2011).

Multilevel networks of regulatory governance (European Regulatory Networks, or ERNs) have emerged in areas including energy, telecommunications and competition; such networks have been used by the EU Commission to formulate, harmonize and enforce EU standards, taking advantage of national expertise and administrative capacity in the formulation of new EU policies (Coen and Thatcher 2008). These networks have become more institutionalized over time and have contributed to the establishment of new European agencies. The consequences of the emergence of these European networks have been debated in the literature (Yesilkagit 2012: 28). Some authors see them as potentially leading to the capture of national regulatory agencies by the EU Commission, for example in competition policy (Coen and Thatcher 2008). Others perceive the networks as allowing national regulatory agencies to gain more bureaucratic autonomy vis-à-vis both the EU Commission and their national governments, since these actors cannot maintain political control when agencies are incorporated into such transnational networks. However, from the perspective of other scholars, although agencies are ‘double-hatted’ (i.e. involved both in national governance and in European networks coordinated by the Commission), national governments are still able to control them as their principals (Egeberg and Trondal 2009).

**European trends in public-sector structures, public services and employment, and the role of the EU**

One of the most common trends in public-sector organization in Europe, as reflected by a flourishing body of comparative research, has been the emergence of semi-autonomous or independent executive agencies – that is, the disaggregation of public administrative structures into a series of smaller, single-purpose units deemed to be more flexible and closer to the policy area in question. Such agencies operate at arm’s length from their parent ministries, favouring ex-post accountability based on results rather than ex-ante controls of legalistic compliance (Pollitt et al. 2004; Verhoest et al. 2010: 6–8).

**Trends in government structures and operation: agencification in European countries**

Agencies deliver public services, implement policies and regulate markets and policy sectors; to this end, they ‘carry out inspections, issue licenses, pay benefits, run scientific research and development programs, regulate public utilities, maintain the public infrastructure, develop and operate databases, adjudicate applications, administer museums, safeguard the environment, offer information services, run prisons, collect taxes and many other functions’ (Pollitt et al. 2004: 6; see James and van Thiel 2010; Verhoest et al. 2012). In the field of market regulation, independent regulatory agencies (IRAs), also called non-majoritarian regulators (NMRs), have been defined as public organizations with regulatory powers that are neither elected by the people nor directly managed by elected officials (Gilardi 2008: 21). They hold competences to issue and enforce licences for operating in the market, authorize mergers and takeovers, prevent anti-competitive behaviour and set price limits, supervise financial institutions, impose fines, establish standards and elaborate secondary legislation such as directives. In comparison to traditional ministerial departments, semi-autonomous executive agencies or independent regulatory
agencies presumably experience less hierarchical and political influence on their daily operations and have greater managerial freedom in terms of finances and personnel. Usually, however, agencies are not totally independent, since in many cases political executives have ultimate political responsibility for their activities.

The comparative study of agencies and agencification is not an easy task, since each country exhibits national idiosyncrasies and its own types of agency, such as the non-departmental public bodies (NDPBs) and Next Steps agencies in the UK, the Zelfstandige BestuursOrganen (ZBOs) in the Netherlands, public establishments in France, Italy and Portugal, state agencies in the Nordic countries, and bureaus and boards in CEE countries (Pollitt et al. 2004; van Thiel 2011, 2012). One typology that has been developed within the Comparative Research into Current Trends in Public Sector Organization (CRIPO) network (van Thiel 2012: 20) distinguishes between several types of agencies: (1) semi-autonomous agencies without legal independence that are close to the ministry, with some managerial autonomy but with funding and personnel policies still directly linked to government bureaucracy; (2) statutory bodies with legal independence established through a law or other type of legislation, featuring more autonomy than the first type with regard to personnel and financial decisions; and (3) corporations, companies and foundations based on private law, which enjoy the highest degree of autonomy.

Some of these agencies were established under the influence of NPM, but others emerged due to the re-regulation requirements of market governance produced by liberalization, as new regulatory authorities had to be designed to ensure that competition was not distorted (Papadopoulos 2013). Independent agencies have not necessarily proliferated because of their presumed higher efficiency; rather, in many cases they seem to have spread through a process of diffusion, ‘fashion’ or a ‘contagious agency fever’ (Pollitt et al. 2004) across countries, sometimes based simply on the reputation of ‘success stories’ or on mere geographical proximity (Gilardi 2008).

Recent research on agencification has described different styles or paths of the process across different countries and sectors. According to van Thiel (2012: 21), types 1 and 2 are most popular in the Scandinavian countries, CEE countries and North-western Europe. Southern European countries often use some type 2 bodies as well, but fewer type 1 agencies. Instead, they still use government organizations for many tasks. Federal countries seem to prefer either government organizations or the devolution of tasks to subnational levels of government. According to Torres (2004: 102), countries with a highly legalistic administrative tradition (Rechtsstaat model) and federal structures have preferred decentralization to subnational levels over agencification. This means that new organizational creations are ‘tamed’ by previously existing politico-administrative systems (Pollitt et al. 2004: 329), providing different ‘implementation habitats’ for agencification (Verhoest et al. 2010: 4).

Despite its alleged advantages in terms of flexibility and service quality, agencification has also been found to create several difficulties, including problems related to control over agencies’ operation, fragmentation and lack of coordination. Comparative empirical research does not lend much support to the theory that agencies are set up by politicians to enhance their credible commitments, since it may be rational for politicians to delegate and restrict their own power – for instance to shift blame for policy failures (Thatcher 2005). In other cases, politicians may undertake a symbolic or formal delegation while informally or de facto retaining control over the operation of agencies (Maggetti 2012). Agencification and governance by unelected expert bodies also pose major problems for democratic accountability, as has been repeatedly pointed out in relation to central banks and other regulatory agencies; in such cases, ministerial accountability is reduced, leading to a democratic deficit (Vibert 2007; Papadopoulos 2013).
Finally, the role of the EU in promoting agencification in member states and its own agencification should be noted (Kelemen 2011). As we have seen above, in many sectors EU legislation requires member states to create independent regulatory agencies, and EU institutions promote networks of national agencies.

**Trends in public service provision and regulatory governance and the role of the EU**

The provision of public services in Europe has undergone major changes. The privatization, marketization and commercialization of public services have constituted general trends in European administrative systems and public management over the past 20 years (Höpner et al. 2011). This has meant the privatization of nationalized and municipal industrial, service and infrastructure companies, limiting the role of governments to a ‘guarantee function’. This has been accompanied in all countries by purchaser–provider separation and the involvement of private providers through performance contracts. As a result of these developments, the size of the public sector has been reduced, and central and subnational governments have withdrawn as the direct producers of public goods in many European countries. The public sector has also been fragmented, with numerous external agents becoming involved in public service delivery (Wollmann and Marcou 2010; Kuhlmann and Wollmann 2013: 200).

This development refers in particular to services for people and families, such as childcare, long-term care and health services, as well as to economic public services and public utilities, such as water supply, waste management and energy provision, termed ‘services of general economic interest’ by EU law (Wollmann and Marcou 2010: 1; Wollmann 2013). In large-network sectors and public infrastructure (such as telecommunications, electrical utilities, postal systems and railways), far-reaching reforms were initiated under the auspices of the European Commission, opening these formerly protected monopoly markets in order to make them more competitive and promoting the sale of the companies to private owners.

In a large research project comparing five sectors (telecommunications, postal services, rail transport, and energy and water services) across ten European member states, Bieling and Deckwirth (2008) sought to explain the causes of different pathways of privatization across Europe. The authors identified the main factors driving privatization as, first, the attempts of transnational corporations to access new spheres of investment opportunities; second, rising levels of public debt, which induced governments to sell parts of the public infrastructure; third, the poor standard of the infrastructure, which fostered the public perception that public organization was generally inefficient; and, fourth, the ‘partially hegemonic neoliberal view that privatization would both trigger necessary investments and bring about a more cost efficient provision of services’ (Bieling and Deckwirth 2008: 240).

However, an additional significant factor in the liberalization and privatization of services affecting all EU member states has been the role and policy goals of the EU. Bieling and Deckwirth (2008) also show how the role of the EU has become increasingly relevant in the processes of service reorganization. The Treaty indirectly provided the European Commission with tools to promote the privatization of public infrastructure as part of the revised goals of European integration, as defined by the Single Market, the EMU and the so-called Lisbon Strategy. However, as Lippert (2005) has argued on the basis of an analysis of the cases of Britain, Sweden and Germany, there was some degree of room for manoeuvre for national governments, and they have differed in their privatization strategies and scope. In the context of these EU projects, economic policy competencies were transferred to the supranational level and were redefined in a generally market-liberal and monetarist orientation.
The European Commission, in collaboration with the ECJ, national governments and business associations, initiated a far-reaching liberalization and deregulation programme to foster cross-border competition. One method of accomplishing this goal was through the extension of EU competition law (e.g. restricting state aid and public subsidies and redefining public procurement requirements). In parallel, governments seeking to meet the EMU requirements were often inclined to increase revenues by privatizing public assets and responsibilities. The EU attempted to promote liberalization, competition and free choice of suppliers or operators for consumers through three main measures (Lippert 2005: 19–23): (1) the vertical unbundling of integrated services monopolies; (2) the definition of regulatory measures to promote competition and organize price mechanisms in the new markets; and (3) the requirement that EU member states set up regulatory authorities to monitor pricing and control the quality of services.

Despite this EU intervention, generally convergent trends and similar debates across countries, there has also been variation in the scope, intensity and mode of the implementation of privatization within public utilities and network infrastructures. As in other public management reforms, the UK can be seen as the most radical example of privatization, and its efforts were complemented by the disempowerment of local governments as service providers. In Sweden and France, moderate privatization was adapted to the countries’ administrative and welfare state traditions. In Sweden, the modernization of welfare services was accomplished through the opening of competition and the pluralization of providers, sometimes accompanied by social regulations and elements of users’ democracy (Kuhlmann and Wollmann 2013: 200).

Several tendencies have suggested European convergence in social welfare programmes, and discussion now centres on speculations about a European social model or a general race to the bottom in European social policies. Factors such as increasing economic competition, intensified interaction across states and international actors, and the inclusion of the post-communist countries of the CEE in the EU, in addition to similar demographic pressures across the continent, have suggested convergence of welfare policies in the enlarged EU. To examine this convergence, Kuitto et al. (2012) have studied 26 European countries from 1995 to 2007, focusing on the generosity and eligibility criteria of welfare benefits in three areas of income maintenance (unemployment, sickness benefits and minimum pensions). While they find some convergence in these areas, there is no evidence of a race to the bottom. They also see a trend towards retrenchment of social rights by either tightening eligibility criteria or cutting replacement rates, but a general preservation of unemployment generosity (Kuitto et al. 2012).

With regard to social services, another study investigating the 27 EU member states, the EFTA countries and the EU accession states Croatia and Iceland, has examined how states cope with the organization of social services of general interest in the areas of education, long-term care or childcare, health care, the labour market, social housing and social transfer schemes (Rauhut et al. 2013). The authors looked at how governments organize and share responsibility for the delivery, financing and territorial organization of various services, finding that European states differ greatly in production and financing through different combinations of politico-territorial organization, public–private governance and investment arrangements. These similarities and differences lead the authors to propose a new typology of social services organization for Europe (see Humer et al. 2013).

In recent years, privatization has slowed down, due in part to the fact that large segments of the public sector have already been privatized, although austerity policies may lead to renewed privatization in some countries. Some researchers identify a return to public ownership and re-municipalization in certain services and public utilities (Wollmann 2013). In the wake of the financial crisis and its obvious market failures, increased criticism, scepticism and even resistance
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from employees and users in some countries have arisen (Kuhlmann and Wollmann 2013: 200). Some research on the outcomes of privatization has found that its often vaunted advantages (such as increased competition and lower prices) have by and large not been realized, as state monopolies have simply been transformed into private monopolies (Bieling and Deckwirth 2008: 240). Although evaluations of the privatization and functioning of public services have usually focused on prices and efficiency, recent work has also devoted attention to the consequences of privatization and liberalization for citizens and employment, labour relations and working conditions (see Clifton et al. 2011; Hermann and Flecker 2012).

Public employment systems: trends and changes in personnel policies

One of the basic structural elements of administrative systems is the public employment system, an area that has also experienced major changes over the last three decades and has constituted a key object of scholarly attention in the field of comparative public administration. The public employment model reflecting the Weberian ideal-type – consisting of civil servants appointed by a public authority representing the state, selected by meritocratic criteria and supplied with a job for life – had been in existence in most Western countries since the late nineteenth century. However, at present other types of public workers can be found in most countries (see Raadschelders et al. 2007; Derlien and Peters 2009; Van der Meer and Dijkstra 2011; Parrado 2013). Along with public servants and other public employees selected by criteria of merit, there are also political appointees with executive functions and staff personnel with advisory functions appointed discretionally. In some countries, personnel may be removed from office.

In the case of public servants, removal is very limited in practice, restricted by law to cases of inadequate performance and disciplinary reasons, although some countries also include economic or structural reasons (Bossaert 2005; Parrado 2013). In the case of discretionally appointed staff – where access may be more or less open to those coming from outside the public sector, and selection may be more or less meritocratic – the occupation of the positions is time limited.

In the study of civil services and employment systems, one important distinction differentiates three main models of public employment (van Thiel et al. 2007; Parrado 2013). First, in career-based systems staff have access to a constellation of ordered positions that form the administrative career; this is the case in Austria, Belgium, Cyprus, the European Commission, France, Germany, Greece, Hungary, Ireland, Luxembourg, Portugal, Romania and Spain, whereas none of the Scandinavian countries features a career-based system. In promotion to higher positions, internal staff and only exceptionally candidates from outside can participate. Second, in position-based employment systems candidates enter in a unique position; to advance their career, they must compete with other internal or external candidates (Bulgaria, Italy, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia). Finally, there is also a hybrid model combining elements of the other two (the Czech Republic, Denmark, Estonia, Finland, the Netherlands, Sweden and the United Kingdom).

In the last two decades, classifying European countries into clear civil service clusters has become increasingly problematic, not only because of their differing administrative traditions but also due to the mode in which and the speed at which each country has been implementing reforms (Demmke and Moilanen 2010). While certain similarities can be found within some groups of countries, such as Mediterranean, Scandinavian or Anglo-Saxon countries, other groups (such as the Eastern European states) seem internally diverse. The latter, with hybrid systems featuring fragile career structures and low job security, are also very different from the more established bureaucracies found in Western European systems.
Since the 1980s, government initiatives to reform civil services have been driven by various structural pressures. However, these pressures have intensified as a result of the recent financial and fiscal crisis and the implementation of fiscal consolidation policies. In general, governments have pursued a smaller and more efficient civil service equipped with new skills and knowledge in order to better adapt to the changing demands of citizens and businesses, the needs of an aging and more diverse population, and a model of governance that involves working with non-state actors and incorporating new developments in ICTs (OECD 2011a). Along these lines, most European civil service systems have tried to introduce greater flexibility with regard to labour arrangements, showing trends towards de-bureaucratization (Demmke and Moilanen 2010) and the ‘deprivileging’ of public servants (Thompson 2012: 131).

Most EU member countries have implemented policies inspired by NPM reforms; in the field of human resources, this has entailed four implications (Demmke and Moilanen 2010; OECD 2011a; Thompson 2012: 131). (1) There has been a partial shift in control over labour management relations from politicians to managers. (2) Some human resources policies and employment conditions are now developed at the level of ministries or semi-autonomous agencies. (3) There has been a reduction in the number of public employees, often in combination with freezes on salaries, through early retirement measures or freezes on recruitment. Some countries have applied such freezes across the board or with limited exceptions in the cases of education, health care or police services. Other countries have imposed ceilings on numbers of staff set by the budget laws. (4) There has been greater flexibility in hiring and rewards schemes, including alignment of the government employment framework with general labour law, even in countries with career-based systems.

Finally, measures intended to promote a more open recruitment system have been also implemented. Jobs in the career-type model that were previously reserved for internal promotion are now open to external competition, introducing competency-based recruitment (Demmke and Moilanen 2010). In addition, several EU member countries have moved towards compulsory performance evaluations in some organizations; in some countries, this is utilized to determine some part of employees’ compensation (OECD 2011a).

NPM reforms in human resources seem to have played only a limited role in France, Germany and Spain due to these countries’ administrative traditions and corporatist mode of governance (Thompson 2012: 137). In these three countries, pay setting is highly centralized. However, certain ideas from NPM, such as the application of management techniques from the private sector, have penetrated personnel management through the privatization of state-owned enterprises in areas including telecommunications, postal services, railways and air transport, and in the creation of public agencies – for example in Spain in 2006. In any case, changes in public personnel policies, although inspired by a common rationale, often differ due to the national and sector-specific factors that influence particular trajectories (Christensen and Gregory 2008; Kroos, Streb and Hils 2011).

The expansion of digital governance and the role of the EU in e-government

The adoption of e-government or web-based technologies (i.e. the creation and management of official government websites at all levels of government to communicate with citizens and deliver government services) has also become a global trend in public administration across Europe. For some authors, e-government signifies a new generation of administrative reforms replacing those of previous decades inspired by NPM theories. The goal of this approach is to
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use technology to transform the relationships between the public sector and society and to explore new modes of service delivery (Torres et al. 2005; Margetts 2012). The EU has defined e-government as the use of ICTs in public administrations combined with organizational change and new skills in order to improve public services and democratic processes and strengthen support for public policies. E-government is thus conceived of as a way to increase responsiveness to citizens and generate greater public trust in governments.

As suggested by Dunleavy et al. (2006) in a comparative project examining seven countries, ICTs have challenged conventional approaches to understanding public administration and have resulted in significant changes in all public management systems studied, implying a sustained period of cognitive, behavioural, organizational, political and cultural changes that are linked to information systems. Governments have seen the potential for transformation in their interactions with citizens, businesses and other governments, meaning that ICTs are no longer just ‘peripheral or routine aspects of contemporary public management and public policy changes, but increasingly important and determinant of what is feasible’ (Dunleavy et al. 2006: 5).

With respect to the role and policies of the EU in e-government, Amoretti and Musella (2011) have shown how e-government has been a typical example of the formation of a European Administrative Space, creating shared and integrated digital administrative architectures across levels in Europe. Since the late 1990s, ICTs have been a key element in important EU programmes. For example, according to the ‘White Paper on European Governance’ ICTs play an important role in supporting the implementation of the rules, processes and behaviours that define good governance in Europe. The Lisbon Strategy also identified e-government as one of its central components. In 2005, the so-called ‘i2010 initiative’ was launched by the Commission to ensure the uniformity of new technology policies across Europe, and one of the flagships of the 2020 Strategy is the Digital Agenda for Europe, which was translated into specific actions agendas for governments in the European eGovernment Action Plan 2011–15 (see European Commission 2013).

Official studies and research have identified some problems and variation among European countries with regard to the use of e-government by citizens and firms. Although the adoption of online channels is generally growing, some gaps and disparities remain in many European countries in the usage of online services. For both citizens and firms, one-way interactions with administration (e.g. obtaining information) are still more frequent than more advanced, transactional interactions (e.g. fully electronic management of cases or submission of completed forms). According to a report (OECD 2013), Nordic countries lead in terms of their citizens’ use of the Internet to interact with the government in general, as well as in more advanced actions. France, Ireland and the Netherlands also exhibit high rates of citizen use of the Internet for the submission of completed forms to government units. Comparisons of the use of e-government by citizens also reveal significant disparities in terms of age, educational attainment and income levels (OECD 2013; see also United Nations 2012).

National trajectories of public management modernization and responses to the financial crisis

 Administrative reform has been an ongoing process in public sectors all across Europe over the last three decades. It has also increasingly been the subject of a great deal of nationally focused and comparative research. The various analyses of administrative reform in Europe have primarily been interested in describing and explaining the extent to which reforms have occurred and exploring whether these reforms have been dominated by a common model (such
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as the model proposed by NPM doctrines and measures) or whether there has been continuous divergence. Investigation of national approaches to the main tenets of NPM and its application across countries has thus become an academic growth industry whose output by now is difficult to summarize (Pollitt and Bouckaert 2011; Christensen and Lægreid 2012; Toonen 2012; Kuhlmann and Wollmann 2013).

**Driving forces behind reforms and main elements**

Beginning in the 1970s, the ‘classic public administration paradigm’ began to be questioned, especially but not exclusively by the New Right. This development made room for the so-called New Public Management, apparently with some degree of acceptance (at least at the discursive level) in countries from very different administrative traditions (Pollitt 2007). The enormous influence of Anglo-Saxon ideas and the context of scarcity in Western states after the economic crisis of the 1970s, combined with the general dissatisfaction with public service deployment in previous decades and the interventionist model, led to a growing concern about the effectiveness, efficiency and productivity of the public sector.

Ideas related to managerialism and goals such as efficiency and effectiveness, a results orientation, a focus on customer choice and satisfaction, value for money and market-based governance, decentralization, contracting out, an emphasis on output control, corporatization, one-stop shopping, the separation of politics and administration, and the greater use of information technology and personnel management to enhance productivity were at the heart of the debate over what seemed to be the new paradigm that would ultimately aim to improve the capacity of governments (Torres 2004: 100; Pollitt 2007).

Additionally, the economic context of integration processes, globalization, Europeanization and technological changes have affected governments. In the case of Europe, ‘today, it would be difficult to contest that European integration . . . has been one of the forces to bring about more administrative reform at the legal, financial, political, and operational levels of government in its region than could possibly be attributed to any managerial or other administrative revolution’ (Toonen 2012: 566).

From most of the existing research, we obtain the impression that there has been some kind of **divergent convergence** with regard to the NPM reforms. We may find what Pollitt (2007: 14) has called a ‘discursive convergence, in which everybody has the same vocabulary and the same apparent agenda’ and even a ‘decisional convergence’, probably from the result of reforms that have attempted to respond to a number of similar pressures. However, studies with a focus on reform implementation and results are less abundant and detailed (Toonen 2012). As a result, so-called ‘operational convergence’ and ‘results convergence’ are very difficult to estimate. Although some countries have undertaken certain measures that characterize NPM, the chief similarity across countries is perhaps that all reforms have entailed some degree of movement away from the traditional bureaucratic model.

With respect to divergence, NPM has penetrated into the field of discourse more than it has in actual practice (Torres 2004; Ongaro 2009; Pollitt and Bouckaert 2011; Christensen and Lægreid 2012; Kuhlmann and Wollmann 2013). Moreover, reforms have emerged in different ways and have followed different routes, largely due to local idiosyncrasies but also due to administrative traditions and the political and constitutional frameworks in place. These differences occur not only across countries but also across sectors of public policy. Furthermore, apart from differences in the scope of NPM reforms, various waves of reform appear to be currently overlapping with each other (Christensen and Lægreid 2012). NPM was
the main inspiration for reforms in the 1990s, but new ideas have challenged its dominance, leading some authors to speak of a ‘post-NPM’ era. Greve (2013: 2) has described various currently existing alternatives to NPM: New Public Governance (NPG), Digital-Era Governance (DEG), the Neo-Weberian State (NWS) and Public Value Management (PVM).

The NWS consists of a combination of some core elements of the classic model of administration with modernizing elements. While maintaining the central role of the state, representative democracy and *ex-ante* control mechanisms, and still considering public managers to have a distinct ethos. Several instruments of consultation, certain relationships with citizens and the use of control tools are thus advocated (Pollitt and Bouckaert 2011). NPG suggests that governmental *ex-post* challenges require cooperation and collaboration among different levels of government and with other individuals, groups and profit or non-profit organizations, working through partnerships, networks and joined-up services or even in co-production initiatives. Under this model, governments should be ‘facilitators’ and maintain a central role as pillars of governance (Greve 2013). DEG consists of three elements, as identified by Dunleavy *et al.* (2006): (1) reintegration, which includes the ‘roll back of agencies, joined-up governance, re-governmentalization, reinstating central processes, radically squeezing production costs, re-engineering back office functions, procurement concentration and specialization and network simplification’; (2) needs-based holism (client-based or needs-based reorganization, one-stop provision, interactive and ask-one information, data warehousing, end-to-end service re-engineering, agile government processes); and (3) the digitalization of electronic service delivery and open government.

Finally, PVM defines the public interest as collective preferences (rather than as NPM’s sum of individual preferences) and includes trust and legitimacy as performance objectives in order to establish a multiple accountability system instead of a system based only on the market (Greve 2013).

Of the various post-NPM paths identified by Greve (2013), NWS has been found by Pollitt and Bouckaert in France and Germany in practice. Similarly, some countries have launched initiatives that could be classified within DEG (in particular, digitalization and e-government programmes); in many of them, some elements from the NPG can be identified, such as cooperation and collaboration mechanisms (see Hammerschmid *et al.* 2013; OECD 2013). Finally, Greve points out that certain dimensions from PVM could be found in the UK under New Labour.

**Differences in modernization pathways and their determinants**

Despite some common environmental pressures, important contextual factors such as polity features, historical-institutional context and even the current level of administrative capacity and the complexity of the reform tasks themselves have influenced the scope and efficacy of reforms (Pollitt and Bouckaert 2011). For example, Kickert (2011a: 111) has suggested that a predominant collectivistic culture (as opposed to a more individualistic culture) or specific economic situations could explain the scope of some reforms. Christensen and Lægreid (2011: 5) consider the existing constitutional framework and the degree of homogeneity of the administrative structure as influencing a leader’s ability to propose and implement reforms. What they call the ‘cultural compatibility’ between the values of an administrative system and reform ideas is decisive in this regard. For Kickert (2011a: 111), juridified and politicized administrations are generally less equipped to handle economic managerial reforms. Moreover, the national-institutional context is important (i.e. centralization versus decentralization). Most studies seem to find that ideas from outside have been adapted to the local idiosyncrasies, especially the institutional configuration and type of bureaucracy (Knill 1999; Painter and Peters 2010; Bezes
and Parrado 2013). In addition, in some countries, the process has started from within, with the national interpretation of NPM placing more or less emphasis on different proposals (Pollitt 2007; Christensen and Lægreid 2012).

Pollitt and Bouckaert (2004) famously identify four groups of NPM reformers: the marketizers (or core NPM group), the modernizers, the maintainers and the minimal state reformers. Among the marketizers, in countries such as the UK, strong pressures and limited institutional and administrative obstacles might explain the low resistance to change. In particular, majoritarian political systems, centralized administrative systems and a prevailing ideology combining a public-interest view of government with an individualist and pro-business set of cultural norms and values are present in countries pursuing strategies of marketization and in those privatizing faster and further than other states.

In the case of the modernizers, Continental and Scandinavian countries have been portrayed as laggards with regard to NPM due to their Rechtsstaat tradition and more collectivistic culture. However, a more positive interpretation suggests that these administrations have simply followed a Neo-Weberian State trajectory (Pollitt and Bouckaert 2004, 2011; Kickert 2011a). In these countries, the state is the central and coordinating element of society; the idea of it being managed like a private organization is still an alien notion. However, in some of these countries (for example Germany) measures that correspond to NPM precepts have been found in subnational governments (Kickert 2011a). Hansen (2013) finds similarities but also some differences with regard to large-scale competition in the Nordic countries. Within the frame of the extensive COCOPS Project, Hammerschmid et al. (2013) find clear country differences between the so-called management champions (such as the UK, Estonia, Norway and the Netherlands) and more traditional public administrations (such as Spain, France, Austria and Hungary).

With respect to the Napoleonic countries, some authors have portrayed France, Italy, Spain, Greece and Portugal as latecomers to NPM reforms, where ‘the particular mix of institutional forces allowed for the adoption of some components of the NPM only’ (Gualmini 2008: 93; see also Ongaro 2009; Kickert 2011b; Bezes and Parrado 2013). For Ongaro (2009: 272), however some of these administrations, such as Portugal, Greece and the south of Italy, have never been entirely Weberian, nor can they be classified as Neo-Weberian States.

In the microcosm of post-communist states, the indifference towards reforms on the part of politicians, the fact that some reformers have underestimated the profound nature of the problems faced by public administration and the inadequate content and implementation of changes, together with the legacies of the communist past, explain the failures of the first decade of reform. Although some recent innovations in e-government, structures and management systems have been introduced, others (such as the comprehensive reform of the civil service) are still insufficient (Nemec 2009; Meyer-Sahling and Yesilkagit 2011; Verheijen 2012: 600).

Evaluating the effects of NPM reforms

Overall, the empirical evidence on the effects of NPM reforms (for example, privatization and agencification) is limited and sometimes contradictory (OECD 2010; Dan et al. 2012). According to Pollitt (2013: 3), only 8.7 per cent of the most relevant studies reviewed under the EU COCOPS research programme (which maintains a database of 518 studies of the impacts of NPM from almost all the European member states plus Norway) refer to outcomes – that is to say, the final impacts of reforms on citizens and society.

As is well known, effectiveness, efficiency and increased quality of public services were among the main aims of NPM. However, there is not much knowledge about the impact of this commitment to efficiency and effectiveness on the capacity of the public sector, the ability to
create and maintain the legitimacy of systems or the quality of democratic governance. Furthermore, as scholars such as Christensen and Lægreid (2012) have pointed out, politicians seem more interested in proposing reforms than in assessing their performance. There have been several studies evaluating the effects of decentralization on efficacy and efficiency and the impact of agencification, performance pay and other changes in HR systems and privatization, some of them in specific policy sectors or countries (Van de Walle and Hammerschmid 2011); however, as Pollitt and Bouckaert (2011) have reported, the effects of reforms are difficult to isolate and often results only provide empirical evidence on a micro level.

In some cases, the findings of evaluations are inconclusive, e.g. the research led by Verhoest et al. (2012) on the performance of agencies in 30 countries. Other findings have shown that reforms produce both intended and unintended effects (Van de Walle and Hammerschmid 2011). For example, there have been a few evaluations of the impact of changes in human resources policies. While some reforms (such as those related to diversity policies or transparency) appear to produce improvements, others create new challenges, such as the need to develop new coordination mechanisms when personnel management has been decentralized (Demmke and Moilanen 2010).

As mentioned above, the post-NPM constellation has reacted to some of the unintended effects of NPM, such as the lack of political control; the fragmentation, duplication, overlap and deficient coordination among levels of governments, organizations and even public policy sectors; the excessive horizontal specialization and the proliferation of organizations; the negative consequences on the ethos and motivation of public-sector employees; the tendency to focus on short-term production rather than strategic long-term planning; and the unequal treatment of citizens and the erosion of social cohesion and general interests as a consequence of the introduction of free-choice services or privatization (Van de Walle and Hammerschmid 2011; Christensen and Lægreid 2012). Many recent reforms – for example those by the British and Swedish governments – have sought to respond to these criticisms; these reactions have generally consisted of the implementation of reintegration mechanisms and ‘joined-up’ government or the ‘whole-of-government’ approach, which includes new instruments of coordination and vertical, horizontal and intersectoral collaboration (Hansen 2013). In some of the countries more severely affected by the recent crisis, we can also find the suppression or merger of public bodies.

**Patterns of response to the financial and fiscal crisis**

As seen with the economic and fiscal crisis at the end of the 1970s, the current crisis that began in 2008 is bound to have major consequences in terms of governance and the reform of public administration. Three phases are usually identified with regard to the management of the recent crisis in most countries: the financial crisis, the subsequent economic crisis and the ensuing fiscal crisis of rising public debts and budget deficits. In each of these phases, but especially in the last, many of the problems and tensions typical in governance are exacerbated by the demands of crisis management. In the final stage, all governments have had to cope with the concurrent problems of lower revenues and higher levels of public deficit and debt and the simultaneous need to respond to citizens’ demands in order to avoid electoral defeat (Peters 2011; Lodge and Hood 2012).

Despite common problems and difficulties, countries have exhibited different vulnerabilities to the various phases of the crisis, displaying different sets of responses or reform initiates; these may indicate either path-dependent reactions or entirely radical departures from the usual policies. These responses vary along several dimensions that have been identified by Peters.
et al. (2011: 15). For example, responses may increase or decrease the degree of centralization, the degree of politicization or the degree of coordination and coherence. A growing body of work has begun to describe and explain similarities and differences between governmental responses in Europe, exploring the effects of the crisis on the traditional elements of public administration and management (Peters 2011; Kickert 2012; Lodge and Hood 2012; Kickert et al. 2013).

Recent research in the fields of comparative politics and administration, first as single-country studies and increasingly from a comparative perspective, has examined the different approaches of various governments in their decision-making processes as they dealt with fiscal consolidation between 2008 and 2013, implementing austerity measures and managing cutbacks. As Kickert (2012) has argued, both economic-financial and politico-administrative factors may explain the differences among countries. Cutback decision-making processes have been compared along several dimensions, such as fundamental priority-setting versus incrementalism, swift versus slow decisions, centralized versus decentralized decision-making, coherent systematic versus fragmented patchwork decisions and long-term sustainable solutions versus short-term quick fixes (Peters et al. 2011; Kickert 2012).

In the frame of the COCOPS project, in a comparative study of fiscal consolidation in several European countries based on a common research methodology, Kickert et al. (2013) has shown that government responses to the crisis have been diverse (see also Lodge and Hood 2012). The authors also describe some of the most commonly employed measures across all countries. According to their findings, public-sector hiring freezes were the most widely applied measure in Europe. The duration of this measure varied by country; in some cases it was fixed, while in others it was more flexible. Most governments cancelled or postponed new policy programmes and cut expenditures on existing programmes, particularly in the health sector and social security. Another typical measure was pay freezes, most often applied in the UK, Spain and Estonia, but seldom in Norway and Germany. Real pay cuts were only implemented in Estonia, Lithuania and Spain. Pay cuts were also demanded from countries that received financial assistance from the IMF and the EU, such as Hungary, Ireland, Italy and Spain (Kickert et al. 2013). With regard to other cutback strategies, the results of this project showed that most cuts in Spain and the UK were targeted measures, whereas cuts were generally across the board in Estonia and Italy. In other countries (such as Germany, the Netherlands and Hungary), a relatively large share of targeted cuts was combined with a considerable share of proportional cuts. Most governments employed a combination of different cutback strategies.

With respect to the consequences of the responses to the fiscal crisis in public management, the cited studies have shown that the power of finance ministries has increased in all countries during the era of austerity. Most of the countries also witnessed a centralization of decision-making. Budgetary decision-making was also affected, and performance indicators received increasing attention during the crisis. The role of budgetary units also increased. In terms of reform initiatives, the country studies show that the impact of the fiscal crisis primarily led to reforms in the bailout countries or those countries most severely hit by the crisis that were forced to request foreign financial assistance, such as Iceland and Ireland. These states were required to make cutbacks and implement administrative reforms as a condition of assistance (Kickert et al. 2013).

However, as Di Mascio and Natalini (2013) have shown, the Southern European countries most severely affected by the Eurozone crisis implemented strategies of retrenchment but largely failed to link cutback management to more ambitious administrative modernization programmes. The management of the crisis constituted ‘a burden rather than an opportunity for politicians’ and was entangled with the failure of the EMU and national politico-administrative systems;
politicians were therefore unable to launch innovative and legitimate solutions, demonstrating a lack of reform capacity and political leadership. According to the authors, one key explanation for this reluctance or inability to reform has been the implementation gap of previous NPM reforms (Di Mascio and Natalini 2013).

Developments in politico-administrative relations and the role and influence of bureaucracy

The degree of politicization in the relationship between bureaucracies and politics is one of the classic issues in comparative public administration and management, and it is now increasingly being conceptualized and studied in several regions (Page and Wright 1999, 2007; Peters and Pierre 2004; Hood and Lodge 2006; Rouban 2007, 2012; Carboni 2010; Mair et al. 2012; Meyer-Sahling and Veen 2012).

The changing relationships between politicians and bureaucrats: towards increasing politicization?

As Rouban (2012) points out, ‘politicization’ involves three interrelated dimensions of the political-administrative relationship: the participation and influence of civil servants in policymaking in a more or less legitimate manner; partisanship and political activism, which can be restrained by norms; and the political affiliation of the senior civil servants appointed to top positions. Hood and Lodge (2006) have proposed the concept of a ‘public service bargain’ to describe the relationship between politicians and bureaucrats. In these bargains, politicians obtain the political loyalty of bureaucrats in exchange for benefits such as status or a generous pension. These bargains include issues such as what skills and competencies are required from public servants, how public servants are to be rewarded and what kinds of responsibility or political stance is expected of them. These bargains may change with the context (for example in times of crisis) and over time (Lodge and Hood 2012).

Although politicization varies across countries and over time, some researchers have demonstrated an increasing trend towards politicization through the increase in ‘special advisers’, which is well documented in Westminster systems but also in Germany, France and the European Commission (Peters and Pierre 2004; OECD 2007; Rouban 2007). The introduction of a managerial logic and the theoretical division of labour between politicians (in policy formulation) and bureaucrats (in implementation) that rest at the core of NPM reforms in the public sector have transformed the relationship between politicians and administrators.

Some authors have investigated the extent to which the greater autonomy granted to managers in semi-autonomous organizations has changed the balance of power between politicians and bureaucrats (Peters and Pierre 2004; Rouban 2007: 276; van Thiel et al. 2007; Carboni 2010: 91; Page 2012). Paradoxically, in some countries that have carried out radical NPM reforms, politicization has been a way to maintain political control over senior civil servants. However, in examining the case of Sweden, Niklasson (2013: 22) does not find support for this hypothesis: she finds that politically recruited directors-general are not more common in agencies that enjoy high degrees of financial or human resources management autonomy. For her part, Carboni (2010: 91) has identified a neo-spoils system in Italy in which ‘politicians now look for more trustworthy bureaucrats than in the past in choosing who to appoint to the top levels of government bureaucracies’.

Much of this research is thus preoccupied with the scope and negative consequences of politicization. A politicized administration is expected to produce patronage and corruption.
Some recent research has established empirical evidence demonstrating a relationship between a more professional civil service and higher economic growth and more universal welfare systems, as well as a clear relationship between meritocratic recruitment and smaller levels of corruption, even when controlling for a large set of alternative explanations, such as public employees’ competitive salaries, career stability and internal promotion, none of which seem to have a significant impact (Dahlström et al. 2012).

Of course, other scholars have emphasized the importance of political control of the administration, insisting on the relevance of democratic control over the public administration and the dangers of a seemingly technocratic administration, since new managers may have their own agenda and strategies to influence policies.

The role and influence of top officials in policy-making

Other lines of research have examined the transformation of the role of top bureaucrats and new managers and the emergence of a senior civil service in certain countries. Van Thiel et al. (2007: 105) distinguish between two types of ‘new public managers’ that have emerged in the context of NPM reforms: senior public officials within central departments and the top executives of semi-autonomous agencies. The differences between these groups show that top executives from agencies differ in terms of their appointment (less often by a minister), their more frequent prior experience in the private sector, their legal position (lacking civil servant status), their higher salary and their lower degree of politicization (that is, membership in a political party). These differences seem to grow stronger as the distance between the executive agency and the parent department increases (for example in the case of the French Autorités administratives indépendantes [AAIs] and the aforementioned Dutch ZBOs).

The introduction of a separate senior civil service in several countries over the last 30 years (the UK, Italy and the Netherlands) has represented a response to country-specific challenges and institutional starting points. This movement, which has sought to instil a more corporate culture, reflects the need to clarify politico-administrative boundaries and the emphasis on obtaining improvements in performance from senior civil servants (Parrado 2012).

Finally, another traditional research issue has been the potential and practical influence of ministerial bureaucracies on policy-making processes and the role of middle-level bureaucrats in policy-making (Page 2007, 2012). Here, one should mention the study by Schnapp (2004), which examined the ministerial organizational structures and decision-making institutions in 21 industrialized countries in an attempt to explain how the structural arrangements of ministerial bureaucracies affect the chances of administrative actors to influence policy-making processes. The study concludes that the action scope of bureaucracies is determined in part by their formal administrative structures, but in each case it depends on the number and the specific preference constellations of political veto players (Schnapp 2004: 311). Recently, Page (2012) compared bureaucratic influence in policy-making in four EU countries, the EU and the US; the author investigated bureaucratic involvement in everyday policy-making through an examination of items of secondary legislation, analysing 52 decrees in order to identify different patterns of bureaucratic involvement in the various countries.

Conclusion

This chapter has presented an overview of the key work in European comparative public administration and politics focusing on a series of common trends affecting governance and public administration patterns across Europe over the last three decades. Several general
tendencies have been described both in the ideational sphere and in the structural and institutional dimensions of national governance, such as public-sector structures, public-service provision, employment systems, regulatory governance, e-government and the role of the EU in all these aspects of national governance and administrative systems.

Despite the existence of these general trends affecting all European countries, and despite the international diffusion of common programmes of reform (such as the NPM paradigm and European Union policies and initiatives), the chapter has also demonstrated how, due to the weight of history and administrative traditions, this overall evolution has not necessarily led to administrative convergence across countries. European countries have often adapted differently to these trends, forming distinguishable politico-cultural patterns or clusters of countries with distinct features that mediate their adaptation to global changes and are reflected in their functioning and performance. At the same time, we have described the emergence of a new and distinct European governance and administrative model.

All these idiosyncrasies are also reflected in the distinct trajectories of the modernization of governance and public management exhibited by European countries, where despite growing convergence in discourses there is a marked divergence in practices.

Notes


2 See, for example, the Sustainable Governance Indicators (SGI) project by the Bertelsmann Foundation (Bertelsmann Stiftung 2011; 2014), the extensive CRIPRO–COBRA (Comparative Public Organization Data Base for Research and Analysis) project network on agencies across 30 countries, the EU-funded COCOPS project (Coordinating for Cohesion in the Public Sector of the Future) assessing the impact of NPM reforms and responses to the crisis in ten European countries and the comparative projects developed by the European Institute of Public Administration (EIPA) in Maastricht, for example, on public employment systems (see Demmke and Moilanen 2010).

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