

Public Administration and the Good Life.

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ABSTRACT

The processes of government have become dominated by managerialism – an ideology that demands that the focus of public servants' attention must be on achieving managerial goals of economy, efficiency and effectiveness. However, management is of at least dubious value unless it is guided by an ethical compass, because otherwise it may help governors to do bad things efficiently and effectively.. Philosophers ancient and modern, as well as religious teachers, have explored the basis for the ethical conduct of government in the light of the need for public administrators, like all involved in government, to seek to achieve the good life. Making money and profits are not sufficient guides to the good life but they have come to dominate modern government through the dominance of a neo-liberal ideology that assumes that public servants, like all human beings, can act only as selfish rational maximisers. Instead, public administrators and their political masters need to focus on the administrative virtues of accountability, legality, integrity, objectivity and responsiveness if they are to make an appropriate contribution to the good life of the community.

1. Management lacks a moral compass.

Since 1979, thinking about how to run public services has been dominated by a managerialist approach (Pollitt, 1990), which has displaced older thinking about how public services are conducted that were based largely on the classical Greek philosophers, notably Plato and Aristotle. Managerialist thinking is dominated by the “Three Es” - economy, efficiency and effectiveness, to the partial or entire exclusion of public service values including accountability, equity and probity. One consequence is that public administration has lost its distinctive ethical compass; the argument of this paper is that we need urgently to recover it.

Consider first three brief examples that demonstrate the dangers of the lack of a moral compass if the focus is entirely upon the management of an organisation or a process. First, in a book written while he was waiting to be tried at Nuremberg after the second world war Rudolf Hoess, a former commandant of the Auschwitz extermination camp who was in charge of the camp during the greatest destruction of human lives that occurred there, describes his approach to his job in purely managerialistic terms. He saw his job and those of his colleagues as being simply to find the most efficient way of killing the Jews and others sent to the camp and disposing of their bodies. Like all senior Nazis he regarded making the decisions about what should be done with the Jews of Europe and other “undesirables” such as gypsies and homosexuals was purely a matter for the Fuehrer himself; everyone else was simply obeying Hitler's orders. The Nuremberg judges did not agree and Hoess was eventually hanged for his crimes against humanity.

More recently, an American academic who had been charged with re-training Bulgarian officials after the collapse of Communism in 1989 told a conference in 1993 that it was essential to teach these officials that they had to recognise new and different ethical and legal requirements, including the need to recognise the country's new Constitution and obey its laws. If this were not done and the training was confined to management and the use of information technologies, the training would be simply teaching the officials “to be bad more efficiently”. Lastly, consider the abhorrent world created by Kasuo Ishiguro in his (2005) novel Never let me go, where children were being bred by cloning in order to provide spare parts for surgeons to use in transplant operations: the programme was driven by purely scientific requirements and utilitarian judgements with no thought being given to the morality of creating human beings to be used up for providing spare body parts. All these three instances illustrate the need for our actions to be governed by a moral compass as well as by utilitarian considerations of economy, efficiency and effectiveness. Alistair McIntyre (2007: 168) has written that “the manager treats ends as given, as outside his scope, his concern is with technique, with effectiveness” Herein lies managerialism's danger.

2. Making money is not the way to live a good life.

Another problem about present day approaches to management and government is that they focus mainly on the business objective of maximising profits. Such a preoccupation with the profit and loss account is not a sufficient guide to living the good life. For both Plato and Aristotle, the making of money through business and financial transactions was not the means to achieve the good life, although they have their proper place in the social order. Plato defined the public interest in terms of maintaining and promoting the four cardinal virtues: courage, wisdom, discipline and above all justice, none of which virtues is associated with wealth creation.. Maintaining social harmony was of crucial importance and was the true vocation of the statesman, whose essential task for Plato is to weave together the conflicting personalities and interests that make up society into a harmonious whole (Plato, 1995, see also Makridimitris, 2014))

Plato regarded business as an activity essentially subordinate to securing the good government of the community and the search for virtue and excellence – the *úperü* that is the essence of achieving the good life. RW Livingstone (1935: 112-3) sums up Plato's view of business and commerce as expressed in The Republic and elsewhere: “It is not trade or commerce that is to blame but those who carry them on...The misfortune is that their occupations are practised by

people who have forgotten the real purpose of commerce and regard it merely as a means of making money....and in general of making too much....Practised properly, that is disinterestedly and for their own sake, they become a field for the exercise of human apetù “Hence, “The aim of a journalist may either be to enlarge the circulation of a newspaper or to give readers a true and intelligent picture of the world; of a lawyer either to extend his practice or to help justice to be done; of a businessman either to grow rich or to play his part as a 'nurse' of the community” (ibid: 113).

Aristotle (1920) warns us that “The life of money-making is one undertaken under compulsion and wealth is obviously not the good we are seeking, for it is merely useful and for the sake of something else. And so some might take the aforementioned objects to be ends, for they are loved for themselves. But it is evident that even these are not the end, yet many arguments have been wasted in support of them” (p. 7). For Aristotle, “The good life is indeed the chief end of the state both corporately and individually but men form and continue to maintain this kind of association for the sake of life itself” (1964: 114). We may contrast the statement of Milton and Rose Friedman (1980) that the sole proper object of a business is to make a profit; for them all other goals are irrelevant to the good running of the company.

Religious teachers and philosophers likewise stipulate that making a profit and growing rich are not the objectives that lead the individual to lead a good life. Jesus Christ and his Apostles taught that we should lay up our treasure not on the Earth but in Heaven (Luke 12, 33) and that the love of money is the root of all evil (1 Timothy 6: 10) . He also taught that it is easier for a camel to pass through the eye of a needle than for a rich person to enter the Kingdom of Heaven (Mark 10, 25). Islam teaches that the hoarding of wealth without recognising the rights of the poor is threatened with the direst penalties in the hereafter., as in Jesus Christ's parable of Dives and Lazarus (Luke `5: 19-31).. It is declared to be one of the main causes of the decay of societies (see Al-Tirmidhi 1376).. Confucius taught that “Wealth and rank are what everyone desires; but if they can only be obtained in an improper way, a gentleman must not accept them. Poverty and meanness are what everyone abhors but if they are to be removed by improper ways, he cannot release from them. If a gentleman ever parts from benevolence, how can he achieve fame? Never for a moment does a gentleman go against benevolence. He is with benevolence all the time, even when he hurries and wanders about in a desecrate flight” (Analects, 33.)

However, after the election of Margaret Thatcher's Government in 1979 and Ronald Reagan's election as President of the United States in 1980, their “New Right” approach to government indicated that making money should be a primary purpose of human life. Two of the principal “New Right” theorists, Milton and Rose Friedman (1980), argued that the only proper purpose of a company is to make a profit and maximise it – there is no acknowledgement that companies might have social obligations or corporate responsibilities. Public policy was likewise increasingly driven by policies that would maximise profits and reduce government spending to the minimum necessary. Examples of this change include the destruction of much of British industry by the withdrawal of industrial subsidies under Sir Keith Joseph as Mrs. Thatcher's first Industry Secretary and then the “Big Bang” deregulation of the City of London in 1986, which liberated the Stock Exchange to engage in a wide range of profit-seeking activities that eventually led to reckless investments and the financial crash of 2007-8: The “Big Bang meant that whereas once banking had existed in a dense controlled state, it was now continually expanding – although much like an inflated balloon it was destined to pop” (Filby, 2015: 145). Margaret Thatcher wanted to create a society of independent, entrepreneurial citizens and reduce the dependency culture which she and her advisers believed was the result of the post-Second World War welfare state's care from the cradle to the grave. However, she did not anticipate the extent to which these policies would liberate individuals to indulge in the vices of greed and selfishness. Indeed, Elizabeth Filby (2015: 347). has said that Mrs. Thatcher herself disliked this tendency and railed against it in private: “It was not money, political ideology or capitalism that were to blame but man. Thatcherism may have laid the foundations for a culture in which individualism and self-reliance could thrive but ultimately it created a culture in which only selfishness and excess were rewarded”. Her Methodism and her party's free market ideology thus clashed both in her own mind and in the development of the policies her Governments followed.

In the field of public administration the “New Right” had a series of major impacts. Its economist neo-liberal scholars have argued that human beings, including public administrators, cannot act other than as selfish rational maximisers. Hence politicians in office will provide excessive levels of public services in order to maximise their votes at the next election (Downs, 1957). Similarly, officials will constantly seek to expand their bureaux in order to improve both their status and their salaries (Niskanen, 1973). Both of these arguments run directly counter to the long standing view dating back to Plato and Aristotle that the public servant or the politician in government must govern in the public interest and specifically they must not take account of their own personal interest. If the “New Right” economists are right that Man cannot act otherwise than as a selfish rational maximiser, then to meet the demands of Plato's Republic or Aristotle's Politics, let alone those of Jesus Christ, become simply impossible.

In terms of practice, first there was continual stress laid on the need to promote and inculcate the business values of economy, efficiency and effectiveness. This was reinforced by a series of initiatives directed at improving the performance of the Civil Service by enabling senior civil servants to become more entrepreneurial. These began with the Efficiency Scrutinies overseen by the former Marks and Spencer's chief executive Sir Mark Rayner from 1979 onwards, followed by the application of the Financial Management Initiative, under which resources were entrusted to

senior civil servants to make the most efficient and effective use thereof. Most radical of these reforms was the “Next Steps” project introduced in 1988, under which executive agencies were created to carry on most government functions through a series of “businesses” each headed by a Chief Executive who were to manage their agencies entrepreneurially, seeking the most economical, efficient and effective ways to manage their agencies and deliver the plans agreed with the Secretary of State and the Department's Permanent Secretary (See Greenwood and Wilson, 1989, Chapter 7). Furthermore, a considerable effort was made to recruit senior civil service executives from the private sector, including Sir Mark Rayner from Marks and Spencer and Sir Roy Griffiths from Sainsbury's, who was charged to introduce new ways of managing health and social care.

Greenwood and Wilson (1989: 141) concluded their study of these innovations by arguing that “private sector attitudes and techniques cannot easily be transplanted into central administration”. They warn that “policy implications of resource management and the administrative culture of Whitehall, departmental policy orientations and the political orientations of Ministers, concerns about equity and accountability and the technical difficulties of effective performance management, all stand as obstacles to progress” (ibid). Their final conclusion is interesting 27 years later in the light of today's managerialist Civil Service: “Perhaps civil service culture can only be truly changed by changing the civil service itself, not through retraining and re-educating existing officials but by wholesale, - albeit inevitably long term – changes in personnel through new recruitment practices and procedures” (ibid). Now, 27 years later, this switch to a civil service dominated by managerialism has been achieved, with the loss of the moral compass that formerly governed Civil Service conduct. Significantly Richard Chapman (1988a) argued that the three main factors influencing administrative change were recruitment, training and the weakening of the defences against corruption.

At this time the formerly strict rules governing the salaries of senior civil servants and local authority officers were relaxed or abolished in order to allow government departments and local authorities to recruit supposedly more entrepreneurial and efficient senior managers from the private sector. The result has been a considerable inflation of senior salaries, especially in local government. All this was done against a continuous Treasury demand for expenditure cuts and general public sector pay restraint. The result was the eclipse of long standing administrative values by business management ethics and values, together with the weakening of the rules that provided a defence against corruption and malpractice.

3 But what is the public interest anyway?

The ancient Greek disdain for money-making would not be accepted by modern economists who argue that people can act only as selfish rational maximisers; that they will pursue their own interests regardless of those of others or those of the wider community. For such thinkers the public interest can, following Jeremy Bentham, consist of nothing more than the sum of the interests of individuals. Yet the individual's ability to pursue wealth and his self-interest is dependent upon his or her living in a stable community in which the law and ethics guarantee that promises will be kept and where breaches of the law are deterred and when committed, suitably punished. As Pericles told the citizens of Athens when they were beset by plague and war,

If the state is secure, individuals have a much greater chance of recovering from their private misfortunes. Therefore since a state can support individuals in their suffering but no one person by himself can bear the load that rests on the state, it is right for us all to rally to her defence (Thucydides, 1954: 159.)

A central issue for the public administrator is whether he or she is there to promote and protect a collective public interest or purely to regulate the commercial transactions carried out by individuals. The Greeks certainly believed that there existed a collective interest in maintaining the stability of the state and securing the just treatment of the citizens within it. Much more recently Michael Sandel has argued that “the better kind of politics we need is a politics orientated less to the individual self-interest and more to the pursuit of the common good” (2009: Lecture 1, pp. 3-4). Otherwise the pursuit of purely market values results in “greed and irresponsible risk-taking. If this is right, the challenge is to rein in greed and to shore up values of responsibility and trust, integrity and fair dealing (ibid: 4). Otherwise there is a danger that the alternative is to rethink the reach of markets into spheres of life where they don't belong” (ibid: 5).

Sandel also argued (2012: 203) that “In the end the question of markets is really a question about how we want to live together. Do we want a society where everything is up for sale? Or are there certain moral and civic goods that markets do not honour and money cannot buy?” The events leading up to the 2007-8 financial crisis amply demonstrated both the danger of greedy individuals making decisions that put both their own careers and the organisations for which they work in jeopardy as well as the failure of state regulators adequately to control market recklessness (see Cable, 2009; Elliott and Atkinson. 2010). The Greeks were right: the collective public interest must supervise and control the conduct of individuals in their market activities. To ensure that the state adequately exercises its responsibilities it must be governed by politicians accountable to the citizenry, aided by administrators whose essential role is to protect the collective public interest and ensure that that interest is recognised in all spheres of life. These are the higher goals that must form the moral compass within which the managerial responsibilities of politicians and public administrators must be exercised.

3. The proper estate of public administration.

There have been numerous attempts to define the ethical parameters within which the public administrator is required to operate; what constitutes apertú for the public servant. Antonis Makridimitris has suggested four cardinal virtues summarised by the acronym "ALIR": The first is accountability to elected representatives and ultimately to the citizenry. Accountability is three-dimensional: upwards through hierarchies headed by elected politicians; outwards to colleagues for the honest and diligent performance of one's duties and downwards to citizens through Ombudsmen, complaints procedures and the courts (Elcock, 1998), Legality is the requirement that public servants, more than all other citizens, must conform to the laws of the land and not, for example, engage in illegal abuses of their powers. Integrity requires objectivity, honesty and diligence in the conduct of government business. Lastly, responsiveness requires the public servant to pay heed to the wishes, interests and demands of the citizens who he serves as customers, clients, passengers or patients but who as citizens have the right and the duty to participate in the government of their community (see Aristotle, 1962):

The Nolan Committee (1995) defined seven Principles of Public Service: selflessness, integrity, objectivity, accountability, openness, honesty and leadership – principles that require the same observances as Makridimitris's four "ALIR" requirements. The problem is that these values come into competition, even conflict with the managerialist values, as Christopher Hood (1991) recognised. The displacement of the established values of public administration by business oriented values of competition, profit, economy, efficiency and effectiveness has resulted in serious distortion of both the teaching and the practice of public administration. I have argued elsewhere (Elcock, various) that the result has been the development of at least five distortions of public service ethics. They are:

- An attenuated view of citizenship, exemplified in the identification of citizenship with the passive roles of customer or client in the Citizen's Charter, (1991 and see Chandler (ed), 1996), which must be contrasted with the active role prescribed for the citizen by both Plato and Aristotle.
- A limited, Utilitarian view of the public interest as the sum of individuals' interests, rather than as the common good in enabling citizens to seek and protect the good life.
- A diluted public service ethic in which the "Three Es" have displaced accountability, probity and equity as the values to be sought by those administering the affairs of government.
- The loss of public service education and training in favour of business methods and ethics.
- The neglect of the need to seek the good life, rather than just to improve the figures on the bottom line.

The Business School movement has done grave damage to the proper education and training of public servants and there has been something of a trahison des cleres in the extent to which the business school ethos has been allowed to dominate what education and training is now provided for public servants. Martin Parker (2002: 93) argued that "the very words that might be used to sponsor radical change are appropriated and domesticated by managerialism and placed at the service of a globally rapacious capitalism. Politics disappears and the casuistical ethics of the bottom line claims its place. Ethics become something to be fitted in to the corporate strategy document". For public servants this entails an erosion of their ethical obligations that at its worst leads to corruption, as well as inconsiderate or even inhumane treatment of the clients or customers of public services...Related to this point is the fact that the so-called generic theories of management are dangerous fallacies: management is highly context specific and its content is defined by the area of human activity in which it is to be exercised. Thus financial management, personnel management, public service management and yacht race management have nothing in common except the ethical requirements that all four be conducted honestly, legally and competently. (Elcock, 1995)

So what is to be done?

Essentially what is needed is a redefinition of what constitutes the good life for the public administrator: a recovery of recognition of the distinctive values that must motivate the public servant as he or she administers the affairs of government. Makridimitris's ALIR requirements as well as the Nolan Committee's Principles of Public Service are very much to the point here. To this end, academics concerned with public administration must seek to recover their contacts with the practitioners of public administration in the Civil Service, local government and other government bodies, with a view to re-establishing their ability to provide guidance and teaching in the effort to equip them to seek the good life of the public administrator..

The Government should initiate a drive to encourage active citizenship so that citizens exercise the right and duty prescribed by Aristotle to participate in the government of their communities. This has never been easier given the growth of social media and as a result, new means for citizens to influence government, through online petitions and opinion surveys. Citizenship education in schools should be restored and extended. The importance of voting and taking part in Government consultations needs to be encouraged, as well as persuading citizens to make the best and most appropriate use of their rights to complain to the MPs and councillors, or when appropriate seeking the services of an Ombudsman, a tribunal or the Courts of Law.

The restoration of strict rules governing the recruitment and promotion of public servants, which have been whittled away in recent years, especially in the partly but not entirely mistaken intention to import entrepreneurial business executives into the public services in order to improve their performance. The consequence has been a weakening of the

previously strong British defences against corruption and malpractice (see Chapman, 1988a). The “revolving door” which allows former Ministers and retired civil servants to accept board memberships and advisory roles in private businesses with which they previously dealt in government needs to be at least partially closed in order to reduce the dangers it threatens of enabling or at least neglecting the dangers of malpractice or corruption. The case of David Hartnett is in point here: he retired as Head of Her Majesty’s Revenue and Customs and almost immediately accepted a part time appointment with the accountancy firm Deloitte, one of whose functions is advising clients on tax evasion and avoidance. The way the Permanent Secretary to the Air Ministry, Sir Christopher Bullock was treated in 1936, being summarily dismissed from the Civil Service and losing his pension rights because he had sought a post-retirement seat on the board of Imperial Airways, may be too draconian for modern tastes but it contrasts severely with modern practice to the detriment of the latter (Chapman, 1988b chapter 4). Parliament needs to enhance processes of accountability, by strengthening the role of the National Audit Office and the Public Accounts Committee. Also, the scrutiny of standards of conduct in local government should be re-established and strengthened. Also there is an urgent need to create clear and well audited systems for the payment of accounts and expenses to individuals working for government at all levels.

All these reforms could be introduced in the form of a Good Government Bill (See appendix), with a view to encouraging and enabling the public servant to seek the good life and not just engage in minimal compliance with the requirements of his or her job. However, in the end the adoption of legislation is only a prelude to securing changed attitudes among public servants and a renewed commitment to the distinctive ethical requirements of public service. For this, a fundamental review of the education, recruitment and training of public services is an essential requirement.

Appendix. THE GOOD GOVERNMENT BILL

These are practical proposals arising from studies of public service ethics and the defects of managerialism. They could be means of restoring public confidence as well as securing better behaviour from politicians and officials.

1. The three year ban on ex-Ministers and retired senior civil servants sitting on the boards of private companies with which they dealt when they were in office should be wholly or partially restored. Attempts to secure a Board seat while in office should once again become a “sackable” offence.
2. “Outside” recruitment to the Civil Service should not cease but it should be regarded as exceptional and be carried out for specific reasons or to gain specified specialist expertise. If and when such recruits return to the private or voluntary sector, they should be banned from any dealings with their former Government employers for up to 3 years.
3. Initial and in-service education and training in public service ethics and the processes of democracy and government must be restored and attendance by prospective and serving public officials should be made mandatory as part of their initial and in-service training programmes.
4. The letting of contracts to the private sector must be thoroughly audited and scrutinised by the Public Accounts Committee or another Select Committee, for example the Public Administration and Constitutional Affairs Select Committee, or by a departmental Select Committee..
5. Citizen participation in policy-making and scrutiny of government should be brought into decision-making and implementation processes and encouraged wherever possible. Maximum transparency must be offered wherever possible, especially under the Freedom of Information Act.
- 6, Expenses systems must be robust and thoroughly audited, in Parliament and government alike. MPs' salaries should be fixed to a Civil Service grade (perhaps Under-Secretary) and the expenses system must not again be used to augment their salaries.

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