Public Management Reform in Countries in the ‘Napoleonic’ Administrative Tradition: Learning from and for

Edoardo Ongaro
Prof of International Public Services Management, Northumbria University
Chair of the EGPA Permanent Study Group on EU Administration and Multi-Level Governance
edoardo.ongaro@northumbria.ac.uk
Facing the financial and debt crisis

Cutback management: three approaches
1. Cutting where feasible
2. Cutting selectively and forward looking (trying to anticipate future needs)
There are major differences between the two; however, both have in common that experiences from other countries are not considered...

3. Reforming the public sector
Ideally, ‘savings’ (in itself a slippery concept) are just one of the results of public sector reform (Pollitt and Bouckaert 2011). To pursue this approach, looking abroad may be helpful - provided a proper method is adopted
Policy transfer in public management: Key Steps

A prescriptive model - or at least heuristics - for lesson-drawing has been outlined by Rose (2001). It is based on a list of steps (here proposed in shortened version):

- **Diagnosing your problem.** In the words of Rose, “[t]here is no point in looking abroad for a remedy if you don’t know what the problem is at home”. Not all problems require to look abroad for solutions!
- **Deciding where to look for lessons.** The decision about where to look for lessons does not happen in a vacuum, nor is it determined only by strictly technical reasons.
  - Factors that may be influential include: cultural proximity, ideological compatibility, availability of evidence (e.g.: because written in English language), interdependence
  - Maximum of similarity of the context may be one criterion: every other thing being equal, it is more likely that similar programmes will produce similar effects in similar contexts
Policy transfer in public management: Key Steps (cont’d)

• **Investigating how a programme works there.** On-the-field investigation, and especially systematic interviewing of stakeholders, is necessary.
  
  — In the words of Rose: “Paper with laws, organization chart, budgets and quantitative indicators are necessary but not sufficient. To understand how a programme works in another country it is necessary to go there in order to learn what printed documents leave out”.

• **Abstracting a cause-and-effect model for export.** What is transferred is, in a certain sense, a hypothesis about the alleged effect a given system may be the cause of (e.g.: manage personnel in a certain way, and you will get a more motivated staff...)

• **Designing a lesson.** Programmes have to be designed: they are a matter of art, a product of craftsmanship. It is only craftsmanship that enables the adaptation of the abstract cause-and-effect model to the circumstances of the importing nation.

• **Deciding whether to import.** Any lesson to be imported must pass a double check: it must be both feasible and desirable.

• **Dealing with resource requirements and constraints** in order to make transfer of the programme feasible
Deciding where to look for lessons

• A key decision is: Learning from the maximum of dissimilarity, or the maximum of similarity?
  – Looking for reform programmes to import from countries very diverse (main criterion: look for whatever seems to be the ‘best in class’, no matter if differences in context are huge)
  – Or looking for reform programmes to import from relatively similar countries (main criterion: look for what is, *ceteris paribus*, more likely to work, though the search is restricted)

• This presentation: emphasis on benefits of drawing lessons and importing programmes from most similar countries
  – Countries in the Napoleonic administrative tradition: France, Greece, Italy, Portugal and Spain
France, Greece, Italy, Portugal and Spain: Key features of politico-administrative systems

<table>
<thead>
<tr>
<th>Feature</th>
<th>Country</th>
<th>France</th>
<th>Greece</th>
<th>Italy</th>
<th>Portugal</th>
<th>Spain</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Party system and executive-legislature relationship</strong></td>
<td></td>
<td>Semipresidential; majoritarian conventions of governance; balance executive/legislature (LOLF); <em>cumul des mandats</em></td>
<td>Two-plus party system; Majoritarian; relatively centralistic parties, but powerful local notables</td>
<td>Multi-party; ‘permanent transition’ as negotiated change; ‘individually-owned’ parties, but powerful local notables</td>
<td>Two-plus party system; Majoritarian</td>
<td>Two-plus party system; Majoritarian; highly centralistic parties</td>
</tr>
<tr>
<td><strong>The civil service: conception and role of the unions</strong></td>
<td></td>
<td>High social status; Civil service as social policy; Strong sense of ‘social rights’ (defensive attitudes?); Unions as key actors in public employment policy</td>
<td>Low social status; Civil service as tool of employment policy; Significant role of trade unions</td>
<td>Low social status; Civil service as tool of employment policy; Significant role of trade unions</td>
<td>Civil service as tool of employment policy (and de-colonization/welfare state effects); Significant role of trade unions</td>
<td>Respected’ social status of the civil service Significant role of trade unions in public employment policy</td>
</tr>
<tr>
<td><strong>Interconnections of careers - politicization at the top</strong></td>
<td></td>
<td>large scope of politicization at the top - careers strictly interconnected</td>
<td>large scope of politicization at the top - careers relatively distinct</td>
<td>- trend to increased politicization - careers relatively distinct (but technical governments in the 1990s ... And 2010s?)</td>
<td>large scope of politicization at the top - careers relatively distinct</td>
<td>large scope of politicization at the top - careers interconnected</td>
</tr>
</tbody>
</table>
### Key features of politico-administrative systems (cont’d)

<table>
<thead>
<tr>
<th>Feature</th>
<th>France</th>
<th>Greece</th>
<th>Italy</th>
<th>Portugal</th>
<th>Spain</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Clientelism and politicization at the bottom</strong></td>
<td>Limited politicization at the bottom (public competition as main recruiting practice)</td>
<td>Extensive clientelism</td>
<td>Extensive clientelism, especially (though not exclusively) in the South of Italy</td>
<td>Diffusion of clientelistic practices</td>
<td>Diffusion of clientelistic practices</td>
</tr>
<tr>
<td><strong>Legalism</strong></td>
<td>Centrality of administrative law (administrative law as cultural paradigm?)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Corps and grands corps</strong></td>
<td>A highly structured system of corps and grands corps de l’État</td>
<td>A relatively structured system of corps</td>
<td>A relatively structured system of corps</td>
<td>A relatively structured system of corps</td>
<td>A structured system of corps</td>
</tr>
<tr>
<td><strong>Civil society</strong></td>
<td>no specific issue</td>
<td>issue of weak civic society</td>
<td>issue of weak civic society - amoral familism in the South</td>
<td>issue of weak civic society</td>
<td>low level of group membership among citizens</td>
</tr>
<tr>
<td><strong>Sources of policy advice concerning administrative reform</strong></td>
<td>Mainly internal (bureaucracy remains a central source of policy advice), though increased openness</td>
<td>Historically mainly internal, increased openness to international think tanks and the academia</td>
<td>Historically mainly internal, increased openness to international think tanks and the academia</td>
<td>Historically mainly internal, increased openness to international think tanks and the academia</td>
<td>Historically mainly internal, increased openness to international think tanks and the academia</td>
</tr>
</tbody>
</table>
Summing up:
although with substantive differences, these countries may be treated as a cluster

Then, what can we learn?
Case one: Financial management reforms in France (LOLF and RGPP)

- Two (concatenated?) reform interventions:
  - LOLF (Loi Organique relative aux Lois des Finances)
  - RGPP (Révision générale des politiques publiques)
- Based on ‘Management by objectives’ and (in a certain sense) ‘Zero-Based Budgeting’ logic
- LOLF as major change (‘path-breaking’, Bezes 2010)
- It changes the ‘nature of the game’ with regard to current expenditures in the financial management cycle
Case Two: (a composite) reform of personnel management in Italy

Italy underwent a series of reforms in personnel management:

- **1993:** ‘separation’ of political and managerial sphere (authorising decision powers to managers); ‘performance evaluation’ of managers; public employment (partly) shifted under general labour law; two-tier labour contract system (national contract becomes major source of regulation)
- **1998:** appointment of top executives by new government (‘spoils system’); managerial appointments become all temporary, subject to performance evaluation (in principle); appointments from the outside (with ceiling); single role and repeal of distinction between general managers and managers
- **2002/05:** abolition of single role and reintroduction of distinction general managers/managers; expansion of ‘spoils system’; higher ceiling for external appointments, abolition then reintroduction of minimum length of appointment;
- **2009/10:** reduction in scope for labour contract as source of regulation; disclosure on web (managers’ personal income, etc.); performance-related pay and ‘forced ranking’ in personnel evaluation (so far not implemented)
The composite reform of personnel management in Italy (cont’d)

- Assessment of overall transformations in personnel management controversial (also because of layering of reforms, and reversals)
- Suggested approach: pick and choose (not the overall menu, but certain ingredients)

To be possibly picked:
- ‘Single role’ and in general repeal of any distinction amongst categories may be useful to enhance flexibility and having fungible resources (as a minimum, they may be a necessity in a period of cutback management)
- Labour contract as main source of personnel regulation may be very useful, but requires much responsibility on all sides
- ‘Separation’ of political and managerial sphere is to some extent a ‘useful myth’, but enhanced managerial responsibility may actually be useful (‘letting managers manage’)
- Performance (of managers) evaluation may be useful (‘making managers manage’), however, systems like performance-related pay may be detrimental to the ‘ultimate’ motivations of personnel in public services. Instead, unit- and organisation-level goals may be much more useful (and they may be very challenging)
Conclusion

• In drawing lessons from abroad, adaptation to local context is of central importance

• But ‘local peculiarities’ is no excuse: reforming is crucial, and looking to other countries’ experiences may be highly valuable

• Transferring programmes from ‘similar’ countries may be easier, adds to feasibility as well as to ‘acceptability’... and there may be much to learn from (and for)

• A missing theme: interaction between national public sector reform and EU governance (public sector reform is no more ‘an almost exclusive national competence’, in substantive if not in legal terms)

• ‘From reluctant to compelled reformers?’ – trying to make the most out of hard times
Selected References

