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**DEVELOPMENT AND NEW
PUBLIC MANAGEMENT:
PARTNERS IN THE NEW
CENTURY?**

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INTRODUCTION

Development, by definition, focuses on the way of upgrading the quality of life in the long run (Turner and Hulme 1997; Hyden 1983). The significance of quality and effectiveness of governance in increasing national prosperity has been widely recognised (OECD 1996) and consequently in the global environment that emerged in the 1980s, an effective public service with appropriate management practices has become a necessary pre-condition for development (OECD 1998).

In recent years the public sectors of a number of developed countries have experienced what has been called 'new public management' (Hughes 1998; Scott, Ball and Dale 1997; Zifcak 1994; Pollitt 1993). This movement has resulted in, within some jurisdictions, a transformation of the management of the public sector: as traditional public administration has been replaced; as former public enterprises have been privatised; as the terms and conditions for employing public servants have become more like those of the private sector and as the contracting out of services has proceeded apace.

Developing countries, where the traditional colonial administrative model has remained dominant, have long been searching for the best means of delivering public goods and services in order to adapt to the global environment in the new century. A number of developing countries such as Malaysia (Common, 1999), Ghana (Larbi, 1998), Hong Kong (Cheng, 1996) and Sri Lanka (Samaratunge, 1999) have already introduced selected elements of the new model of public management. As one might be expected, this move has been more controversial than has its introduction in developed countries.

Developing countries do have special needs, but by any measure the traditional administrative model has been a general failure in such countries. Given that, this paper examines the relationship between development and new public management in the light of the recent public sector reforms in developing countries. It is argued that the public sector can play a vital role in the process of development with appropriate managerial practices and facilitating the private sector in order to capitalise on the new opportunities in the global environment. New public management provides a better path in this regard even though the developed country model cannot be fully replicated as a radical reform in developing countries due to different environments.

NEW PUBLIC MANAGEMENT AS A UNIVERSAL PHENOMENON

Despite the fact that the new model of public management has assumed different names such as managerialism (Pollitt, 1993), market-based public administration (Lan and Rosenbloom, 1992) entrepreneurial government (Osborne and Gaebler, 1992) and new public management (Hood, 1991), their managerial agenda is remarkably similar on the *direction* of reform across nations. The initial focus of the new model has been on how to improve the efficiency and effectiveness of the public sector itself. This emphasises 'a major cultural shift as the old management paradigm, which was largely process- and rules-driven, is replaced by a new paradigm which attempts to combine modern management practices with the logic of economics, while still retaining the core public services values' (OECD, 1998, p. 5). The more visible aspects would be the general cuts to spending and privatisation of government enterprises.

Pollitt (1995, p. 134) identifies eight main elements of new public management:

- Cost cutting, capping budgets and seeking greater transparency in resource allocation;
- disaggregating traditional bureaucratic organisations into separate agencies;
- decentralisation of management authority within public agencies;
- separating the function of providing public services from that of purchasing them;
- introducing market and quasi-market type mechanisms;

- requiring staff to work to performance targets, indicators and output objectives;
- shifting the basis of public employment from permanency and standard pay and conditions towards term contracts performance-related pay and local determination of pay and conditions; and
- increasing emphasis on service quality, standard setting and customer responsiveness.

Thus, the new model emphasises a better government with less cost. The main way of doing this is to, as far as possible, replace bureaucratic approaches with market forces.

Due to a remarkable enthusiasm from both academics and practitioners for the new paradigm, a rich array of literature has appeared on the topic in its short history (Lane, 1999, 1997 and 1994; Guyomarch, 1999; Davies, 1998; Hood, 1998; Maddock and Morgan, 1998; Cohn, 1997; Boston et al., 1996; Dixon et al., 1996; Pollitt, 1995 and 1993; Self, 1993 to name a few). As the new model has received great attention, politicians and senior managers in the public sector - in developed countries - have been very interested in testing its success. As a result, 'the working lives of millions of public officials are being substantially altered by these innovations' (Pollitt, 1995, p. 134). These challenge 'several of what had previously been regarded as fundamental and almost eternal principles of public administration' (Hughes 1998, p. 11). It is quite evident that, for different reasons, most OECD countries have experimented with the new model of public management.

Despite the fact that the literature supports new public management extensively, it is not too difficult to find critics of the new model. The core of the criticisms has focused on the undue emphasis on what is termed 'economic rationalism' in some jurisdictions, in the new model (Cohn, 1997; Considine and Painter, 1997; Kernaghan and Charih, 1997; Rees, 1995; Buchanan, 1995; Davis, 1995; Marceau, 1995). According to some of these critics, new public management is nothing new, but another version of Taylorism which emerged in the early 1890s. Considine and Painter (1997, p. 7) argue 'public administration as a field of critical study and reflection has been inextricably linked with democratic theory and practice', and also intrudes into the field of social policy. Davis (1995) and Marceau (1995) argue that services like health care and education are the hardest hit by the new model. As one might be expected, a fear of the eradication of existing social democratic norms and practices is evident. It creates conflicts between the best management practices in the public sector and the prime aim of any ruling party, which is to win the next election and ultimately 'suffer[s] the most serious consequence of all - electoral failure' (Hughes and O'Neill, 2000, p. 9). There may be serious problems for any democratic government introducing such reforms unless a sufficient safety net is provided for groups adversely affected by the new model.

Despite these criticisms and the negative consequences of some reforms, a close examination of the limitations of the new managerial model leads to the conclusion that it is likely to push even further towards managerial direction (possibly with some changes) rather than going back to the earlier traditional public administration. As Lane (1994, p. 139) points out, 'the transition from a public administration approach to a public management approach [in developed countries] appears to be the proper move in relation to increasing demands for efficiency in the public sector'.

In OECD countries, new public management is now dominant regardless of the criticisms and regardless of the argument that there is no such thing as a universal phenomenon of new public management. It follows that variants of it are to be found in developing countries and this trend is likely to continue.

NEW PUBLIC MANAGEMENT IN DEVELOPING COUNTRIES

Development demands appropriate managerial techniques for managing human and physical resources especially in the public sector, as well as allowing participation by the people. The challenge is to better integrate mechanisms for accountability and while fulfilling the people's expectations for economic and social development.

In the absence of an effective public service, economic, political and social changes will not be sustainable. More importantly, 'democratic stability is unlikely to be achieved unless there is economic growth' (Smith, 1996, p. 360). Structural problems in developing countries further emphasise the need for a relatively

efficient public sector in order to face the challenge of a new dynamic environment. As Turner and Hulme (1997, p. 239) point out, 'most public sector organisations [in developing countries] clearly have substantial opportunities to improve their performance and deploy their resources more effectively'. The public service is more than an instrument to implement government policy. It should provide more choice to the citizenry, with a better process of policy development and strategy. Therefore, an effective public service with appropriate management techniques has become a necessary pre-condition for development in these countries.

In addition, globalisation and international competition place more emphasis on increased productivity and quality from the goods and services produced in developing countries. Further, many international organisations, in particular the World Bank and IMF who are the main providers of financial resources to developing countries, set conditions on these countries, such as privatising public enterprises, cutting subsidies and streamlining public sector activities (Turner and Hulme, 1997, p. 224). Both of these forces require better management of the public sector.

Part of the managerial reform process in OECD countries has been a re-examination of the role of government. Government may become limited to such minimal roles as the provision of public goods, maintenance of law and order, safety of marginalised groups, and protection of the environment. Such a re-examination is also needed in developing countries. Governments in developing countries should play a more effective but different role in managing economic activities. Except in some specific circumstances it is hard to see much benefit in governments running corporations selling private goods and services to the public. It is clear that developing countries need an efficient and facilitative role of government rather than merely a small public sector. Finding the appropriate level of government services is also important. Decentralisation of decision making would open-up new opportunities for the local community thereby bringing the government closer to them and improving the efficiency of the public sector through 'subsidiarity principle' (OECD 1998, p. 56).

Public servants need better conditions of employment. As Polidano points out, 'a huge gap has opened up between public and private sector pay levels, making it very difficult for the public sector ... to recruit and retain skilled people' (1999, p.7). This certainly encourages corruption and bribes amongst public officials in these countries. There must be some way of reducing this gap and, in return, more skilled people with appropriate ethical practices may be seen in the public sector. Salaries and increments based on individual performance may be a possible alternative in this regard.

Development needs to be achieved through a collaborative approach with all partners: the public sector, the private sector and civil society. As Turner and Hulme (1997, p. 241) argue 'development is too important simply to be left entirely at the discretion of the state functionaries'. This new trend should be seen as an opportunity for developing countries to cater for target groups with minimum bureaucratic red tape. As Root (1995, p. 18) argues, 'non-government organisations can help to foster patterns of social cooperation while being a focal point for the generation of norms of active citizen participation' which is indispensable for development in these countries as the majority of the people live in rural areas.

In meeting these various challenges needed to facilitate development, the traditional administrative model seems to be out-dated in different aspects. Its lack of flexibility, the absence of evidence-based performance evaluation methods, promotions based on seniority rather than merit and its tendency to centralisation encouraged bureaucrats to serve themselves rather than to focus on the demands of citizenry. The failure or success of domestic economic policies was in the hands of bureaucrats, and with pre-set rules and regulations, they could not move very quickly. Osborne and Gaebler (1992, p. xviii) point out that the problem of the old model was not with bureaucrats but the systems which they work. To overcome these endemic problems, it is argued that a more considered role of government, combined with new public management approach, which facilitates an environment conducive to development, is the way to proceed.

There may be some danger in adopting new managerialist approaches, on the other hand, the traditional bureaucratic model cannot be regarded as having been a success in developing countries. Features that worked in the West, notably political neutrality and incorruptibility, were not followed in developing countries and the bureaucracy, while maintaining the appearance and institutions of traditional bureaucracy,

served particular elite, ethnic, or religious interests. It could be argued that what was happening was not the problem of the model, but was due to its precepts not being followed, as exemplified by the problem of corruption. While this is possible, it is more the case that the flaws in the model were exacerbated in developing countries.

NEW PUBLIC MANAGEMENT REFORMS

Many developing countries failed to thrive under the traditional model of administration and the failures were more often than not failures of governance. In part due to the apparent failures of the traditional model of administration, developing countries began to experiment with other forms. If the key characteristic of the traditional model is bureaucracy and the key characteristic of new public management is the use of markets, it was clear that developing countries began to ditch the traditional model at the same time as they began to adopt market approaches more generally.

In recent years, many developing countries have adopted principles of market liberalisation, including cutting the public sector and restructuring to follow the principles of new public management. As mentioned earlier, the adoption of new public management reforms has already taken place in developing countries. In Malaysia, for instance, 'the shift (from development administration) to NPM [New Public Management] began in 1989 with the introduction of the 'Excellent Work Culture Movement'. Once the 1990s got underway, other NPM type reforms quickly followed not just in Malaysia, but elsewhere in the region' (Common, 1999, p. 33).

In Sri Lanka, most of the government-owned corporations have been privatised. The President of Sri Lanka emphasised the importance of the private sector in development and the role of the government as a facilitator:

Before the open economy was introduced, the government was responsible for creating a greater number of jobs than the private sector. But the equation has changed now. Some state-owned ventures have been privatised, though this process left much to be desired under the previous regime. We have put that on the correct track. In this context, the private sector will have to take over the responsibility of providing a bigger number of jobs in the future. We will provide all necessary facilities to them (*Daily News* [Sri Lanka] 1 August 1997).

She complained that the biggest problem now is the stagnation of the public service, which has been accused of being lethargic, inefficient and corrupt. She assured the private sector that most of the problems in the public sector would be solved through the on-going reforms in the public service (*Daily News* 1 August 1997). The Minister of Public Administration, Home Affairs and Plantation Industries in the same country emphasised that the main reason for inefficiency in the public sector was too much emphasis on seniority without giving due consideration to merit-based performance. He further emphasised that the government has decided to act on merit before seniority in the process of future promotions (*Daily News* 3 November 1998).

Developing countries absorbed the lessons well, indeed as well as their counterparts in the West. For example, the government of Malaysia adopted Total Quality Management (TQM), a Client's Charter and sophisticated forms of information technology. A report in 1995 would argue:

A shift must occur from the old paradigm of paying too much attention to inputs to a stronger emphasis on resource utilisation to meet organisational objectives. A results-oriented approach requires agencies to be more focussed in terms of the level of efficiency and effectiveness to be achieved by the programmes and activities implemented. Objective setting and the formulation of organisational strategies must become part of the organisational culture whereby the establishment of a performance measurement system backed by performance indicators forms and essential feature of the results-oriented approach (Malaysia, 1995, p. 15).

These comments could well come from Britain's *Next Steps* as could the claim in the Client's Charter that 'the citizen need not play the role of supplicant but is instead viewed as a client who can demand a recognised level of service' (Root, 1996, p. 161). The Prime Minister of Malaysia recently stressed the importance of competent civil service in the process of development. He pointed out that:

Malaysia's success did not come easy. But it came about, among others, due to the efficient and professional civil service, the proper use of financial resources, good management and continuous improvement in the government's implementation agencies (*New Straits Times*, 25 February 2000).

He further stressed that civil servants should stay clear of corruption and keep abreast of technological advancements.

Privatisation is now a common practice in developing countries (Rondinelli 1991); attempts at decentralisation have been a priority on the government policy agenda of some countries (Larbi, 1998), as well as such innovations as client charters (Ng, 1997). Features such as performance indicators, performance pay, program budgeting, lateral recruitment, contracting and so on can be found in any number of developing countries. In the same way as they adopted the traditional bureaucratic model from colonial masters, the new model is becoming adopted more widely.

PROBLEMS OF INTRODUCING NPM IN DEVELOPING COUNTRIES

The issues related to the appropriateness of the new model for developing countries have not been given due attention in the literature, even though the introduction of some elements of the new model has already taken place. However, the experience of the new public management in developed countries provides valuable insights into the issues involved in introducing the new model to developing countries.

Countries are, quite obviously, fundamentally different from each other. Public sector organisations operate in environments which have different economic, political, and social conditions and are influenced by different interest groups. Given that, many have argued that Western management models are not suitable for developing and transition economies because of different existing environments in these countries (Schick, 1998; Bale and Dale, 1998; Jaeger and Kanungo, 1990; Singha and Kao, 1988). This might encourage the development of indigenous management models, which are more appropriate for such social and cultural differences.

Little empirical evidence, however, supports this view. For instance, after fifty years of independence developing countries in Asia still use their inherited colonial administrative model. The common feature of the reforms, if any, in the public sector is its ad hoc manner of introduction without a long-term vision. The vital relationships between planning and budgeting, and targets and performance are missing. Many other developing countries have had the same experience (for details see Turner and Hulme, 1997; Khan, 1987).

Some observers argue that the first step of introducing the new model to developing countries should be with robust markets and rule-based government (Bale and Dale 1998; Schick, 1998). Bale and Dale (1998, 103) further argue that public sector reforms in New Zealand had the preconditions of a politically neutral, competent civil service, well-developed private sector, minimum level of corruption, and good legal practices for private contracts. And without a similar environment, 'the applicability of these practices may be limited'. Schick (1998) argues the same line and points out that informality is the major problem in the public sector in developing countries. He states that when the economy is regulated according to informal norms and property rights, it is hard to introduce a formal rule-based public sector.

These are obvious problems in moving to contractual arrangements for the delivery of services if the rule of law and the enforcement of contracts are not well established. Contracting works best where its outcomes are easy to specify; where goals are vague and not able to be clearly set down in writing, or where corruption is endemic, using contracts is not likely to be successful. On the other hand, it could be argued that many people in the developing world are natural traders with a history of commerce lasting for many centuries and

that these instincts were stifled during the period of command economies. In countries where a high achievement in human development can be found, the introduction of new methods, of course with care, is not such a difficult task. Low-income Sri Lanka provides a classic example here. As a welfare state for more than forty years, the country has achieved a remarkably good record in human development despite relatively low incomes. As the population is generally well-educated, it might be better able to handle fundamental reforms.

Another key issue in new public management has been the changing roles of politicians and top civil servants (Aberbach and Rockman, 1997). It has been argued that the traditional dichotomy between policy formulation and implementation is changing, thus leading to a potentially different minister-bureaucrat relationship (Laffin, 1997; Zimmerman, 1997). With new employment contracts, politicisation of bureaucracy becomes inevitable in new public management. The lack of developed political institutions coupled with a corrupted political culture may cause serious problems in developing countries.

Not only do institutional settings need to be in place, managers need to be competent. In the earlier structural adjustment period in developing countries, there was a real problem of administrative competence in implementing international assistance programs and this inadequacy by itself was a reason for the failure of many of them. How the institutions of government were organised and, importantly, how the managerial competence of public managers should be developed were to be looked at instead of the usual programs of privatisation and cutting spending by themselves. No longer, it seemed was government merely to be minimised as part of a program of structural adjustment; it was to be improved as well. The theoretical framework used is largely that of new public management.

In its 1997 Development Report the World Bank argued (1997, pp. 79-80):

Many lower income countries have been unable to provide even the most rudimentary underpinnings of a rule-based civil service. Their formal systems often resemble those of industrial countries on paper. But in practice informality remains the norm. Merit-based personnel rules are circumvented, and staff are recruited or promoted on the basis of patronage and clientelism; budgets are unrealistic and often set aside in any case by ad hoc decisions during implementation. At bottom, all these problems can be traced back to weaknesses in the underlying institutions; poor enforceability of the rule of law both within and beyond the public sector; a lack of built-in mechanisms for listening to, and forming partnerships with, firms and civil society; and a complete absence of competitive pressure in policymaking, the delivery of services and personnel practices.

The World Bank report called for three essential building blocks. First, 'strong central capacity for formulating and coordinating policy', including visions goals and strategic priorities on the place of politicians and the public service alike; secondly, 'efficient and effective delivery system', setting the balance between flexibility and accountability, including contracts for contestable services, better performance and client feedback; and thirdly, 'motivated and capable staff', with incentive structures to motivate them to perform well, including 'merit-based recruitment and promotion, adequate pay, and a strong esprit de corps' (1997, p. 81). All these elements are to be found in the new public management model compared to that of the traditional model of administration.

It is argued that the traditional approach to social policy has been problematic when it provides too much of assistance undermining self-reliance and incentives to self-help and thereby creating a culture of dependency amongst the recipients (OECD 1998, pp. 9-10). In this context, the recipients made, so far, very little effort to enhance their self-reliance both individually and collectively. They could be, as a result, effectively marginalised from society. It seems that the field of social welfare is at least two decades, if not more, out of date and rationalising these welfare programs has become a long over due reform in most of the developing countries. No economic policy plan is viable in the present context without due cognisance of the social aspects.

Despite the problems there seems to be a lack of good reasons to deny developing countries access to new public management reforms. According to Polidano:

Limited though it is, the evidence on reform outcomes is much less clear-cut than might be supposed. It is hard to arrive at a blanket conclusion either for or against the transferability of NPM to developing countries (Polidano, 1999, p. 3)

Any kind of blanket ban against the use of new public management has two main problems. First, it is patronising in that developing countries are somehow presumed to not be 'advanced' enough to be able to handle these reforms. Secondly, it saddles developing countries with the traditional bureaucratic model of public administration which manifestly failed in that setting. What needs to be done instead is to compare the positive and negative features of traditional bureaucracy with new public management even if new public management might not work as well as in developed countries, it still might be better than the traditional model of public administration.

PRECONDITIONS FOR NEW PUBLIC MANAGEMENT TO WORK

Instead of arguing that new public management is not suitable for developing countries it would be more useful to specify the preconditions for such reforms to work.

1. A suitable role for government

There needs to be increased attention paid to what governments do in developing countries. The role of government was seen by the World Bank (1997) as: (i) establishing a foundation of law; (ii) maintaining a non-distortionary policy environment, including macroeconomic stability; (iii) investing in basic social services and infrastructure; (iv) protecting the vulnerable and (v) protecting the environment. The role of government was to change from that of the post-independence period in the developing world, but was also quite different from the small government approach that was supposed to be tried in the 1970s and 1980s. One thing that the managerial reforms showed was that governments are good at doing some things - such as the provision of a safety net - and not so good at running businesses.

2. Facilitative institutions

It is difficult to make a strict separation between government and institutions given that most institutions are provided by government. However, even if institutions are created by governments in the main, in order to work over a long period of time they need to have a life and a standing of their own. If the courts are merely an arm of the executive government and without any independence, the impartial arbiter may not exist. This will mean, over time, that the market-facilitating role of courts - the enforcement of contract impartially - may be lost and the market itself not thrive to the fullest extent. Aggregate economic outcomes will then not be achieved.

A foundation of law is required for markets to work at all. This includes establishment of property rights, protection of property rights from criminals and a fair and reasonable judiciary. Markets can only work if there is enforcement of contracts through the legal system. Some certainty is needed in economic policy to encourage investment, the absence of which makes it hard for any country to engage in growth. Infrastructure is needed as well and may have to be government provided.

3. Competent management

Not only do institutional settings need to be in place, managers need to be competent. In the earlier structural adjustment period in developing countries, there was a real problem of administrative competence in implementing international assistance programs and this inadequacy by itself was a reason for the failure of many of them. There were some signs that the international institutions recognised the problem and this led them to put forward programs of improving governmental performance, with the World Bank, the United Nations and the OECD offering various programs aimed at improving the management of the public sector as part of their attempts to foster economic development. How the institutions of government were organised and, importantly, how the managerial competence of public

managers should be developed were to be looked at instead of the usual programs of privatisation and cutting spending by themselves.

4. Effective ways of dealing with corruption

There is a lot said about corruption especially in the developing world and to some point given the history. However, corruption is not confined to developing countries, rather its incidence anywhere depends on the structure of incentives to individuals in a system and the management systems set up to deal with it. Corruption is above all else the result of management failure; the corollary is that it can be dealt with as a management problem. Changing from bureaucracy to markets might seem to risk making corruption endemic, although it could be argued that corruption might be reduced by great transparency.

5. Rethinking the link between politics and the administration

There would seem to be some chances for politicisation of the public services, the awarding of contracts to cronies and the like. However, the old model was rife with this as well, so to expect a reduction may be asking too much. Where there might be some chance of reducing politicisation would be in the smaller scale of government and the recognition that the public service is a political instrument, so that perhaps as in the United States, that particular civil service positions could be expressly political appointments.

It is possible that, as part of the replacement of bureaucracy with markets that any economic liberalisation 'may be accompanied by very limited political liberalisation' (Smith, 1996, p. 362). On the other hand economic advancement through a market system may enhance the prospects for democratic participation. It depends on the particular society and the implementation of new public management. It will be a fine line between the advantages of new public management by replacing bureaucracy with markets while minimising the disadvantages and dislocations caused by the bureaucracy vacating parts of the societal structure.

6. Allowing local adaptation

New public management does offer much to developing countries, at least by comparison to the bureaucratic model which failed. However, by itself it is unlikely to be able to overcome the manifest problems of developing countries. Any kind of management can be expected to do too much and this expectation can lead to failure by itself. Certainly if developing countries are forced to adopt a single unvarying model of new public management the result is unlikely to be successful. There are problems of institutions, the rule of law, inadequate capital and retail markets, insufficient educated staff and so on. Moreover, developing countries have different histories, capabilities and are not homogeneous. New public management may offer an opportunity to develop some kind of management that suits particular societies, that may be owned by the citizens, especially if combined with greater participation in choosing governments than has been all too often the case before.

Instead of ruling out the use of new public management in developing countries a better approach is to specify the circumstances in which it can be used anywhere. There is a relative measurement needed of how well the system worked under the traditional model and how well it works under the new public management. There are obvious problems with most but for developing countries the traditional model of public administration was such a signal failure that any other approach might well be an improvement.

CONCLUSION

Developing countries do seem intent on following new public management as an organising principle for their societies. This is an effort to overcome their endemic problems of development and the failure of earlier models of development economics and development administration.

If as part of the change to a market economy, institutional arrangements to enforce contracts, provide for competition and the like can be adopted prior to new kinds of public management, there is little reason to argue that the only kind of management suitable for developing countries is that of the old bureaucratic kind. It would be patronising in its own way to argue that traditional bureaucracy is the only way that developing countries are capable of managing, particularly when the administrative model failed so signally in the past.

The proposed changes in the new model are, however, very crucial and politically sensitive. A large proportion of the population of developing countries lives below the poverty line. The approaches of the new model require a significant change in government's role in economic activities. A drastic change in social policies will result in a political backlash in these countries. However, welfare programs in most of the developing countries, such as Sri Lanka, need to be rationalised even though any approach without a satisfactory safety net will not be practical.

Whatever the difficulties, the new model provides a sound *direction* to developing countries, emphasising their missing links in planning, such as the relationship between actual and projected targets. These are vital reforms where available resources are relatively restricted. It is evident that interests for change, commitments for change and necessity have all appeared in these countries, due to different reasons. Even if new public management might not work as well as in developed countries, it certainly offers some valuable guidance to these countries and might be better than the traditional model of public administration. A more productive approach is that, instead of ruling out new public management in developing countries, compare the positive and negative features of traditional bureaucracy with new public management. Various factors can be identified for new public management reforms to work in any country, developed or developing.

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