# Contents

*Figures, Tables and Boxes* xii  
*Preface* xiv  
*Acknowledgements* xix

## 1 Administration, Management, Governance and Development  
Development: a contested concept 4  
From development administration to development management 15  
The rise of good governance 25

## 2 Organizational Environments: Comparisons, Contrasts and Significance  
Making sense of the environment 31  
Elements of the environment 34  
   - Economic factors 34  
   - Cultural factors 46  
   - Ethnicity 47  
   - Demographic factors 52  
   - Population growth 53  
   - Political factors 59  
   - The natural environment 69  
The public sector and its environment 73  
   - Distinctiveness 73  
   - Diversity 74  
   - Turbulence 74  
   - Opportunities and constraints 75  
   - Competing perceptions 75  
   - Cause and effect 76  
Foreign models and Third World realities 76

## 3 Law and Order: Insecurity, Crime, Conflict and Violence  
The rule of law and development 78  
The rule of law 79  
Property rights 80
<table>
<thead>
<tr>
<th>Contents</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Policing and internal security 82</td>
<td></td>
</tr>
<tr>
<td>Shadow economies 84</td>
<td></td>
</tr>
<tr>
<td>Fragile states: concepts and experiences 85</td>
<td></td>
</tr>
<tr>
<td>Violent conflict and peace 88</td>
<td></td>
</tr>
<tr>
<td>Conclusion 94</td>
<td></td>
</tr>
<tr>
<td>4 The Policy Process: How and Who 97</td>
<td></td>
</tr>
<tr>
<td>Models of the policy process 98</td>
<td></td>
</tr>
<tr>
<td>What is policy? 98</td>
<td></td>
</tr>
<tr>
<td>A rational or political model of the policy process? 100</td>
<td></td>
</tr>
<tr>
<td>Policy initiation: policy windows and political opportunity structures 102</td>
<td></td>
</tr>
<tr>
<td>Information and consideration: policy analysis 104</td>
<td></td>
</tr>
<tr>
<td>Features of successful policy 104</td>
<td></td>
</tr>
<tr>
<td>Strengthening policy analysis 106</td>
<td></td>
</tr>
<tr>
<td>Implementation 109</td>
<td></td>
</tr>
<tr>
<td>Coping with complexity: feedback and policy learning 109</td>
<td></td>
</tr>
<tr>
<td>Political factors in policy implementation 109</td>
<td></td>
</tr>
<tr>
<td>Monitoring and evaluation 111</td>
<td></td>
</tr>
<tr>
<td>Policy actors 113</td>
<td></td>
</tr>
<tr>
<td>Policy ‘drivers’ and the role of the state 113</td>
<td></td>
</tr>
<tr>
<td>From ‘how’ to ‘who’: political commitment 114</td>
<td></td>
</tr>
<tr>
<td>Stakeholder maps and policy networks 116</td>
<td></td>
</tr>
<tr>
<td>Policy actors as stakeholders 117</td>
<td></td>
</tr>
<tr>
<td>Policy networks 118</td>
<td></td>
</tr>
<tr>
<td>Assessing policy characteristics 121</td>
<td></td>
</tr>
<tr>
<td>Conclusion 121</td>
<td></td>
</tr>
<tr>
<td>5 Structuring and Managing Government Organizations for Developmental Success 124</td>
<td></td>
</tr>
<tr>
<td>The bureaucracy model and its consequences 124</td>
<td></td>
</tr>
<tr>
<td>State expansion and bureaucratization 126</td>
<td></td>
</tr>
<tr>
<td>Bureaucracy as ‘anti-poor’ 127</td>
<td></td>
</tr>
<tr>
<td>Bureaucracy as ‘anti-politics’ 128</td>
<td></td>
</tr>
<tr>
<td>Managerial devolution and executive agencies 130</td>
<td></td>
</tr>
<tr>
<td>Ideal types and messy contexts 131</td>
<td></td>
</tr>
<tr>
<td>Strategic management 133</td>
<td></td>
</tr>
<tr>
<td>Improving public services: restructuring or management? 133</td>
<td></td>
</tr>
<tr>
<td>The strategic management model 133</td>
<td></td>
</tr>
<tr>
<td>The ‘logical framework’: a tool for strategy implementation 135</td>
<td></td>
</tr>
<tr>
<td>Limitations of strategic management 138</td>
<td></td>
</tr>
</tbody>
</table>
Contents

Human resource management (HRM) 140
   Strategic HRM and the governance effectiveness studies 140
   HRM in developing country governments:
      the ‘human factor’ study 143
Conclusion 146

6 Administrative and Civil Service Reform 147
   Civil service reform as administrative problem-solving 147
   ‘Weberian’ public administration and capacity-building 150
      Capacity-building 151
Pay and employment reform 152
   Measures to avoid redundancies 154
   Identifying ghost workers 154
   Book transfers 154
   Deleting empty posts 155
   Enforcing retirement ages 155
   Voluntary redundancy 155
   Compulsory redundancy 155
   Privatization and contracting out 156
Pay reform 156
   Across the board pay rises 156
   Consolidation of remuneration 157
   Linking pay and responsibilities 158
   Linking pay and performance 158
   Decompressing and differentiating pay 159
New Public Management (NPM) 161
   Improving performance 162
   Providing responsive service 163
   The appropriateness of NPM 167
Bottom-up reforms 168
Moving beyond failure: evidence and explanations 172
   The meta-level: politics 173
   The macro-level: institutions 176
Conclusion: from failure to success? 177

7 Planning for Development: From Writing National Plans to Tackling ‘Wicked Problems’ 179
   Planning in developing countries: a short history 180
   National development planning 183
      Promise and performance 185
      The fall and return of development planning 187
   Project planning 191
      Alternative approaches to project planning in developing countries 194
## Contents

Adaptive administration 195  
Participatory learning and action (PLA) 196  
Process approaches 198  
Planning in a post-modernist world: place-shaping and collaborative rationality 199  
Project planning revisited 202  
Conclusion: planning in the real world 202  

8 **Decentralization within the State:**  
  Good Theory but Poor Practice? 204  
  What is decentralization? 205  
  The types of decentralization 207  
    Political decentralization 207  
    Administrative decentralization 207  
    Market decentralization 211  
  Why do governments choose to decentralize? 212  
  Accounting for success in decentralization 216  
  Conclusion: taking stock and looking forward 224  

9 **Economic Development and the Public Sector:**  
  From State Ownership to Enabling Environment 227  
  The public enterprise solution 227  
  The turning tide on public enterprise performance 230  
  Rethinking the state 233  
  Corporatization 239  
  Public private partnerships 241  
  Creating enabling environments for business 245  
  Conclusion 248  

10 **Beyond the State, Beyond the Market?**  
  Civil Society and NGOs 250  
  Civil society and development 251  
  The rise and rise of NGOs in development 253  
  NGO roles and relationships with the state 255  
    NGOs as service providers 256  
    NGOs as advocates for the poor 256  
    ‘Big-D’ and ‘little-d’ development and civil society 258  
  Mounting concerns about NGOs 259  
    Losing a grassroots orientation 259  
    Weak accountability and autonomy 261
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do NGOs innovate?</td>
<td>263</td>
</tr>
<tr>
<td>Can NGOs return to the grassroots?</td>
<td>263</td>
</tr>
<tr>
<td>Conclusion</td>
<td>265</td>
</tr>
<tr>
<td>11 Conclusion: What Future for the Public Sector?</td>
<td>268</td>
</tr>
<tr>
<td>Bibliography</td>
<td>273</td>
</tr>
<tr>
<td>Index</td>
<td>312</td>
</tr>
</tbody>
</table>
Chapter 1

Administration, Management, Governance and Development

The decades since the end of World War Two have witnessed an unprecedented drive for economic and social development by the majority of the world’s nations. The leaders of these countries (often referred to as developing countries, the Third World or South) have exhorted their citizens to strive for development and have formulated policies and implemented programmes towards this end. However, the rapid achievement of development goals in the late twentieth century proved elusive for the majority of countries except a small number of ‘tigers’ in East Asia. More recently, however, a number of emerging powers have made significant progress – China, India and Brazil – and a group of emerging ‘middle powers’, sometimes called the Next 11, are achieving economic growth and improved welfare for many of their citizens. Many processes and factors have been identified as contributing to the differing levels of achievement, and prominent amongst these has been the argument that public sector organizations have often performed poorly. They have failed to provide politicians with sound advice on policy, have not delivered services effectively, have taken on inappropriate roles and have been both inefficient and corrupt. Less commonly heard but of equal significance is the argument that countries that have experienced rapid sustained development – for example, South Korea, Taiwan, Singapore, China, Chile, Brazil and Malaysia – have had effective public sector organizations.

Among contemporary development practitioners and academics there is widespread agreement on the proposition that the nature and performance of public sector organizations are critical elements in determining developmental success. It is this topic that is the focus of our present work. In this book we seek to:

• explore the complex and diverse contexts of development and public sector organizations both in terms of intellectual history
and practice and through environmental factors that provide opportunities for and constraints on what public sector managers and organizations can do and achieve;

- analyse the ways in which public sector organizations influence development policies and programmes and the effects this has on results achieved;
- identify and discuss the appropriateness of approaches for improving the contribution that the public sector makes to development; and
- argue the case for a vital and prominent role for public sector organizations in development.

We do not claim that public sector organizations are the only influences or necessarily the most significant ones. We do, however, argue that they are important and, in many cases, in need of innovation and reform. Unfortunately, there is ample evidence of dysfunctional bureaucracies avidly devouring scarce resources but failing to produce anticipated outcomes. It is not difficult to find policies that serve to keep ineffective and/or illegitimate governments in office rather than attending to strengthening the economy and improving welfare for the poor. There has been considerable criticism of official aid agencies that give or lend money for projects that bring limited gains to target populations. There are many instances where development achievements have proved unsustainable due to lack of budgetary foresight, excessive reliance on footloose foreign experts and preoccupation with prestige rather than with solid but unspectacular gains. Many initiatives have foundered on poor management, inappropriate planning, weak implementation and an unwillingness to involve the beneficiaries in the organization of changes that will affect their lives.

These negative views of development and its administration remain common but there are positive experiences that give cause for optimism in some contexts. The widespread progress towards achieving the Millennium Development Goals (MDGs) in all regions of the world is the clearest demonstration. The last 25 years have seen the most rapid economic growth and the biggest increases in life expectancy in human history. Still, between 1.5 billion and 3.0 billion people live in poverty and at least one third of the world’s countries are classed as fragile or very badly governed (Hulme, 2015).

These contrasting positions can be best appreciated with reference to several of this book’s underlying assumptions and themes. First,
the organizational aspects of development cannot be reduced to a technical fix. Metaphors which liken organizations to machines can be extremely misleading as they suggest that changing a spark plug or adding a transformer are somehow equivalent to adopting a new management strategy or re-orienting staff development and training. Management systems, administrative techniques and organizational designs are not neutral value-free phenomena. Thus, administrative reform and innovation are not simply a matter of installing some piece of managerial technology which has proved effective elsewhere. There are no universal principles of management and no universal management tool kits.

The second theme concerns the importance of organizational environments, that envelope of factors and forces in which organizations operate. Although the air-conditioned, high-rise accommodation of public service agencies in some developing countries may appear to divorce them from society, organizations are not closed technical systems. They are necessarily involved in multiple relationships with other organizations and individuals. Complex webs of relationships are thus woven between these actors and have profound effects on the operation of organizations. There are also social and economic forces which impact on organizational activity. For example, declining exchange rates and falling commodity prices will mean reduced government income and will exert severe pressure on public service budgets. National culture may be a key determinant of the way in which activities are conducted and may influence operational norms and practices as much as the public service manual of procedures. And the influence is unlikely to be one way. Organizations are not simply acted upon but can also influence their environments. The whole purpose of development, and organizations that are there to promote it, is in fact to alter environments in ways that are beneficial to citizens and/or target populations.

The third theme emphasizes one aspect of the administrative environment, that is the importance of political considerations in administrative analysis and practice. Organizational action takes place in political contexts. Power and authority permeate relationships between organizational members and between these persons and those in the external environment. The range of patterns and possibilities is enormous and is reflected in a wide diversity of practice. Technical rationality will frequently be a poor guide to decisions and behaviour. The explanations of particular policy choices, planning decisions, implementation successes and failures, and
unlearned lessons of evaluation will be found in political analysis. If, for example, we wish to comprehend why rural organizations for the poor have often failed we need to understand the political landscape in which those organizations attempt to operate. Society, state and business are enmeshed in political relationships. Competition over resource control and allocation is ubiquitous and for the analyst, practitioner and potential beneficiary alike the map of power and authority is an essential guide, more useful than the latest scientific planning tool.

The fourth theme flows from the environmental issues. It is that organizational improvement is not a panacea for development. Development is multi-faceted and success or failure are based on more than organizational design, administrative reform or human resource management. Such items have a strong bearing on whether developmental progress will occur but they are never the sole determinants. As Schaffer (1969: 202) observed more than four decades ago, ‘The whole lesson is that development administration works only in conjunction with other factors of change’. Furthermore, public sector organizations can be utilized to oppress or to defend the privileges of certain classes and groups in society. They are not innately benign but must be directed towards the attainment of developmental goals. But what is development?

**Development: a contested concept**

Since the Second World War, development has been synonymous with economic, social and political changes in the countries of Africa, Asia, Latin America, the Caribbean and the South Pacific (and later some former Soviet republics). These countries have been variously labelled as underdeveloped, less-developed, developing, the Third World and the South. They are a diverse group – indeed some think they are so diverse they can no longer be called a group – but united in their commonly declared commitment to development. But there is no consensus about the meaning of development. It is a contested concept and there have been a number of battles to capture its meaning. In this section we review these ideological engagements (see Box 1.1 for a range of meanings – can you identify which meaning in the box belongs to which theoretical perspective outlined below?).

Until the end of the 1960s, the modernization perspective on development held sway. Development was seen as an evolutionary process in which countries progressed through an identified
Box 1.1 Competing meanings of development

‘Modernization is a “total” transformation of a traditional or pre-modern society into the types of technology and associated social organization that characterize the “advanced” economically prosperous and politically stable nations of the Western World.’ (Moore, 1963: 89)

‘[T]hese capitalist contradictions and the historical development of the capitalist system have generated underdevelopment in the peripheral satellites whose economic surplus was expropriated, while generating economic development in the metropolitan centres which appropriate that surplus – and, further, that this process still continues.’ (Frank, 1971: 27)

‘We in Africa, have no more need of being “converted” to socialism than we have of being “taught” democracy. Both are rooted in our past – in the traditional society which produced us. Modern African socialism can draw from its traditional heritage, the recognition of “society” as an extension of the basic family unit.’ (Nyerere, 1966: 170)

‘What happened [i.e. economic development] was in very large measure the result of the individual voluntary responses of millions of people to emerging or expanding opportunities created largely by external contacts and brought to their notice in a variety of ways, primarily through the operation of the market. These developments were made possible by firm but limited government, without large expenditures of public funds and without the receipt of large external subventions.’ (Bauer, 1984: 31)

‘Rural development is a strategy to enable a specific group of people, poor rural women and men, to gain for themselves and their children more of what they want and need. It involves helping the poorest among those who seek a livelihood in the rural areas to demand and control more of the benefits of development.’ (Chambers, 1983: 147)

‘Development always entails looking at other worlds in terms of what they lack, and obstructs the wealth of indigenous alternatives.’ (Sachs, 1992: 6)

‘[E]nhancement of human freedom is both the main object and the primary means of development …. The people have seen, in this perspective, as being actively involved – given the opportunity – in shaping their own destiny, and not just as passive recipients of the fruits of cunning development programs.’ (Sen, 1999: 53)

series of stages to become modern. The form of the future did not require the imagination and speculation evident in earlier evolutionary theorists such as Marx, Durkheim and Weber. The future for the developing countries was already in existence and could be seen in the form of the advanced Western societies, most especially the USA (for example, Moore, 1963). The means of getting there was also clearly delineated. The tools of scientific planning would enable
the ‘underdeveloped’ nations to escape from this undesirable status and become fully modern in a few decades. This faith in rational planning was exported to newly independent nations and eagerly absorbed and broadcast by elites and dominant classes.

This ideology of development was at once optimistic and ethnocentric. It was optimistic in assuming that the ‘problems’ of underdevelopment such as poverty, inadequate social services and low levels of industrial production were amenable to straightforward solution by the application of rational management techniques. It was ethnocentric in that modernity was perceived as being purely Western and that Western technology, institutions, modes of production and values were both superior and desirable.

The approach was also heavily oriented to economic growth as the driving force. Changes in social and political institutions would simultaneously contribute to economic growth and be inevitable companions to and outcomes of such growth. Results did not match expectations. By the late 1960s, there was increased poverty, growing indebtedness, political repression, economic stagnation and a host of other ills. Development needed rethinking, and it came both in liberal reformulations and in more dramatic form through various neo-Marxist interpretations.

The liberal reformulations questioned the meaning attached to development and proposed new definitions which lessened the role of economic growth. Authentic development was seen as progress towards a set of welfare goals such as the elimination of poverty, the provision of employment, the reduction of inequality and the guarantee of human rights. The changed definition had practical implications summed up in slogans such as ‘redistribution with growth’, in policies such as ‘the basic needs approach’, and in planning packages such as ‘integrated rural development’. As the biggest provider of developmental aid and as a leading think-tank on development practice, the World Bank was often viewed as the prime agency promoting such liberal reformulation. Its critics alleged it paid lip-service to the new objectives or that they were unattainable in the prevailing global context.

The neo-Marxists did not dispute the changed emphasis in the meaning of development. They disputed whether improvements in human welfare could be achieved under the prevailing political economy. Why had countries in the Third World largely failed to make the transition to fully developed capitalist economies? The neo-Marxists rejected the modernization school’s explanations concerning
the tenacity of tradition and institutional shortcomings and looked to historically grounded analysis of political economy.

One group, called the dependency school, argued that the global economic structure was an exploitative system which generated and maintained ‘the development of underdevelopment’ in nations of the periphery (for example, Frank, 1971; Wallerstein, 1979). The nations of the core had since the advent of a world economy in the late fifteenth and early sixteenth centuries enforced a system of inequitable domination on the periphery through such techniques as conquest, threat, market restriction and industrial protection. These tactics enabled strong states to perpetuate the weakness of the peripheral states. Development could only occur through radical solutions which altered relationships in the world economy. Suggested actions included development programmes which emphasized self-sufficiency, substantial even total de-linking from the world economy and socialist revolution.

Other neo-Marxists, while accepting the usefulness of the concept of the world capitalist system, were concerned about ‘simple reductionism [that] can remove from history all its ambiguities, conjectures and surprises’ (Cardoso, 1977: 21). They looked at the variety of experience – the rise of the newly industrializing countries such as Singapore and South Korea compared with stagnant GNIs (gross national income), political instability and immiseration in many African, Asian and Latin American nations. Could one overarching theory explain such massive differences? Diversity demanded closer attention to detail, in-depth studies on a smaller scale with less theoretical ambition. In order to achieve this, many authors employed the notions of mode of production and social class as their major analytical tools. They selected particular countries or regions and looked at the specific ways in which different modes of production (for example, pre-capitalist and capitalist) were ‘articulated’ to make distinctive social formations. They traced the historical development of social classes. These more fine-grained analyses found that some development was possible in peripheral societies but the benefits were restricted to dominant classes and their allies. Nobody suggested any possibility for autonomous development in the prevailing world economy. The metropolitan bourgeoisie was always lurking in the background able to determine the structural constraints within which any development would take place and to whom the benefits would flow.

While obviously different in many respects, the modernization and neo-Marxist approaches to development do share some fundamental
similarities. Harrison (1988) observes that both derive from European experience and have been formulated by intellectuals, planners and politicians who have been socialized into this tradition. Both have visions of before (traditional or pre-capitalist society) and after (the modern capitalist society or the idealized socialist society) with an intermediate stage which is what exists now. Finally, neither perspective has ascribed much importance to the ‘views, wants, ambitions and wishes of those about to be developed’ (Harrison, 1988: 151–2).

Such views are allegedly incorporated into neo-populist types of thinking although even here one can find evidence of populist ideology being imposed from above or from outside on people who are passively mobilized or who actively oppose their own mobilization. Neo-populists are the creators of ‘alternative development strategies’ which Kitching (1982: 98) characterizes as focusing on ‘small-scale enterprises, on the retention of a peasant agriculture and of non-agricultural petty commodity production and on a world of villages and small towns rather than industrial cities’. Equity considerations are always prominent. The neo-populists thus perceive a different meaning to development than both modernization and neo-Marxist theorists, and in the new populist forms means and ends frequently overlap and are sometimes identical.

Julius Nyerere’s attempt to establish a revitalized and improved authentic African socialism in Tanzania in the 1960s and 1970s is a classic example of neo-populism in action. Unfortunately, the results were not as predicted by the theory. Economic growth was disappointing; the public sector expanded but gave poor service; and there was peasant opposition to forced ‘villagization’ and communal agriculture.

Other neo-populists could include E.F. Schumacher (1973) and his famous advocacy of ‘small is beautiful’; Michael Lipton (1977) and his critique of the urban bias in development; or Bernard Narokobi (1983) and his rejection of Westernization and promotion of indigenous cultural values, ‘the Melanesian Way’, as the guide to true development for Papua New Guinea and other Pacific island peoples. There were ecodevelopers, so-called because of their belief in ‘an ecologically sound development’ (Glaeser and Vyasulu, 1984: 23) necessary to save the planet and its people from impending, self-induced, environmental doom.

Much of today’s attack on developmental orthodoxy derives from the neo-populist tradition. But it has been boosted by voices
associated with post-development and post-modernism. The assault on dominant development paradigms is forcefully articulated by NGOs, communities, students, intellectuals and others disenchanted with what they regard as the mixed record of development and particularly rising global inequality and the environmental unsustainability of contemporary economic growth. They make direct links between the negative effects of so-called development and crises affecting the world, notably arms proliferation and violence, the oppression of women, environmental degradation and disasters, climate change, the persistence of poverty and the repression of human rights. They see previous explanations of both modernization and neo-Marxist variety as deficient and identify a variety of leading villains – the state, dominant social classes, multinational corporations and banks, and the World Bank. Aided by allies in the economically prosperous countries, these villains are accused of peddling developmentalism, an ideology which ‘defines the principal social objectives of all countries as consumption and accumulation’ (Ekins, 1992: 205). They have created ‘a domain of thought and action’ that is development which is imposed on others, notably the poor and weak (Escobar, 1995: 10). Thus, ‘the forms of knowledge’ in which development appears are put into practice through ‘systems of power’ that create ‘forms of subjectivity’ through which people self-classify as developed and underdeveloped. For such critics development as it is currently framed does more harm than good. For post-developmentists, true development seems to involve some combination of grassroots action instigated and directed by the marginalized preferably at the local level and which is ecologically sound. They have absorbed from post-modernism the rejection of ‘grand narratives’ about history and progress that characterize both modernization and neo-Marxist interpretations of the world. They are ‘interested not in development alternatives but in alternatives to development’ (Escobar, 1995: 215).

The post-developmentists have emerged from the neo-populist tradition and incorporate aspects of post-modernism, and as such have become a diverse church under whose roof we find community movements, ecofeminists, the homeless, indigenous peoples, environmentalists and many others. While retaining their specific identities and goals they have partially coalesced into an anti-globalization movement – somewhat paradoxically a global phenomenon – that came to the world’s attention in 1999 with the ‘Battle for Seattle’ where a ‘kaleidoscopic crowd’ attempted to disrupt the meeting of
the World Trade Organization (WTO) (Greig et al., 2007: 215). Since then, civil society organizations opposed to imperialism and capitalist development have networked to form the World Social Forum that facilitates a ‘world process of building alternatives to neo-liberal policies’ (FSM, 2013) and have taken to the streets with the Occupy movement.

Like the neo-populists, neo-liberalism emerged as a critique of modernization and neo-Marxism. But the proponents of neo-liberalism have been much more successful: seizing control of the development agenda by imposing new meaning and practice on the concept of development, poles apart from those proposed by the neo-populists and their descendants. While the neo-classical economists who championed neo-liberalism are hardly ideological bedfellows with the neo-populists they do share a strong dislike of government intervention and of past development strategies. Collectively identified as the ‘counter-revolutionaries’ by Toye (1987) the neo-classicists advocated policies restricting state intervention in the economy and society. They pointed to inefficiency and ineffectiveness in planned development and celebrated the optimal resource allocation which reliance on the market allegedly provided. They successfully competed to define development theory and practice over the 1980s and 1990s and found champions in Western governments, notably USA and UK, in official multilateral and bilateral aid agencies, and in the ministries of finance and central banks of developing countries. Their policy prescriptions for development were summarized by Williamson (1990) and labelled the Washington Consensus to reflect the convergence of economic thinking among the influential institutional residents of that city (see Box 1.2). Although strongly rejected by Williamson (2004: 7) as ‘a thoroughly objectionable perversion of its original meaning’, the Washington Consensus was nevertheless widely interpreted as an attempt to impose privatization, liberalization and macro-economic stability measures on developing countries through a ‘strong faith – stronger than warranted – in unfettered markets’ and a concerted effort to weaken, if not minimize, the role of the state in development (Stiglitz, 2004: 1).

The failure of the Washington Consensus to produce the predicted outcomes has led to a rethink and toning down of neo-liberal prescriptions. This became evident in the late 1990s in the run up to the UN General Assembly’s Millennium Meeting. A series of global summits identified poverty eradication as the primary goal of development (Hulme, 2015). These built up into the Millennium Declaration and in
Box 1.2 The elements of the Washington Consensus

- Fiscal discipline – strict criteria for limiting budget deficits
- Public expenditure priorities – moving them away from subsidies and administration towards previously neglected fields with high economic returns
- Tax reform – broadening the tax base and cutting marginal tax rates
- Financial liberalization – interest rates should ideally be market-determined
- Exchange rates – should be managed to induce rapid growth in non-traditional exports
- Trade liberalization
- Increasing foreign direct investment (FDI) – by reducing barriers
- Privatization – state enterprises should be privatized
- Deregulation – abolition of regulations that impede the entry of new firms or restrict competition (except in the areas of safety, environment and finance)
- Secure intellectual property rights (IPR) – without excessive costs and available to the informal sector
- Reduced role for the state

2001 to the MDGs (see Box 1.3) to halve poverty by 2015 with a major focus on publicly financed social policies. The Goals, and their implementation, were a compromise between the Washington Consensus’ neo-liberalism and the UN’s human development agenda. The MDGs were to be achieved by innovative public-private partnerships (such as the Global Alliance on HIV/AIDS and the Global Fund) but they also accorded a central role for the state in poverty eradication. There are other versions of this Post-Washington Consensus. For example, the World Health Organization (WHO) sees it in terms of:

- Managing liberalized trade, finance and monetary systems
- Including the creation of enforceable codes and standards, and concessions to social welfare through targeted social safety nets
- Creating vertical and horizontal policy coherence

The Global Financial Crisis of 2008 gave the process a further boost as the crisis hit very hard in the USA, the very epicentre of neo-liberal policy transmission to the Third World. Birdsall and Fukuyama (2011) note that in the post-Global Financial Crisis
world, while capitalism in its various forms is still dominant and a global capitalist system is still adhered to, there are changes in the nature of development. Firstly, the era of ‘foreign finance fetish’ involving the unimpeded flow of capital around the world has weakened. Second, countries are recognizing the benefits of ‘a sensible social policy’ and receive support for this from the World Bank and IMF (International Monetary Fund). Third, the visible hand of government, rather than the invisible hand of the market, is making a comeback in terms of intervention in industry policy. Fourthly, there is a clear imperative for ‘making bureaucracy work’ so that it manages and coordinates policies more effectively. Finally, the world is moving towards multi-polarity with the emergence of new and significant players like China, India and Brazil, and a set of new ‘middle powers’ including Mexico, Indonesia, Nigeria and Turkey.

The clearest and most concrete manifestation of a successor to the Washington Consensus are the Sustainable Development Goals (SDGs) which follow the MDGs’. They build on the MDGs human development and capabilities approach. Its intellectual foundation derives from Amartya Sen (1999) and his notion of ‘development as freedom’. It was about giving people the freedoms to enable the expansion of the “capabilities” of persons to lead the kinds of life they value’ (Sen, 1999: 18). Freedom is simultaneously a ‘primary means’ and a ‘principal end’ of development. The goals of human development are interlinked and involve the freedom to develop capabilities by those most in need, ideally assisted by those who are not. The SDGs, under negotiation at the time of writing, are more ambitious than the MDGs. They highlight environmental sustainability alongside poverty eradication.
and include proposed goals for reducing inequality, implementing human rights and improving governance. The specification of governance goals is, however, politically contested and technically very challenging (Hulme, Savoia and Sen, 2014).

As our brief and selective survey of ‘what is development?’ has shown, there has been and is considerable contestation over the definition, explanation and practice of development. This struggle over meaning is intense today. It is not a discrete semantic debate conducted by academics but has a direct impact on the lives of billions of people. The struggle over meaning relates to critical policy matters such as what actions will be taken to alleviate poverty or promote economic growth, who will have access to what resources, and who will be empowered? It is perhaps clearest in contemporary negotiations over the post-2015 development goals. The intensity of the debate reflects a widespread disappointment with the results of development after seven decades of practice and can be seen as a political battle to determine the nature of future practice.

We agree with Goulet (1992: 470) that development is ‘a two-edged sword which brings benefits, but also produces losses and generates value conflicts’. In the benefit column Goulet lists clear improvements in material well-being as Charles Kenny (2011) has also more recently argued in Getting Better. Examination of the statistics for income, health and education in the World Bank’s annual World Development Report and the UNDP’s Human Development Report bears out this assertion. Goulet (1992) also notes technological gains which relieve people from burdensome physical tasks, institutional specialization, increased freedom of choice, a higher degree of tolerance and greater worldwide interdependence. Such gains will be felt differentially according to who you are and where you live, and according to the values one places on the meaning of development you may not feel they are gains at all.

There have been severe losses, misguided interventions and poor results in development practice – and one does not have to be a neo-classicist or radical post-developmentalist to appreciate this. It is unfortunately easy to identify the persistence of extreme poverty (still at least 1.2 billion in 2013 according to the United Nations), deepening environmental crises, war and social dislocation, increasingly unequal relations within countries and continuing unequal relations between nations. Differential developmental success between nations (compare the records of Singapore and China with those of Malawi and Nepal) can hardly escape attention, and even
Governance, Management and Development

within nations micro success may contrast with macro failure and vice versa. Goulet’s list of losses includes some less conventional but equally important items. He focuses on the destruction of culture and community and the rise of acquisitive personal orientations. There is pervasive social alienation produced in the turmoil of development and ‘the meaning systems of numerous cultural communities are evacuated’ (Goulet, 1992: 471).

Development requires rethinking and renewal and should be a constant process. As critics point out, development has often degenerated into mere rhetoric in which admirable official goals, such as the satisfaction of basic needs, job provision and better social services, are supplanted by operational goals which focus on debt-servicing, crisis-management and the defence of privilege. But this does not mean that the concept of development should be discarded, rather that it should be rejuvenated. It should be subject to critique and there should be efforts to make official and operational goals

---

**Box 1.4 Gross National Happiness in Bhutan**

The small Himalayan kingdom of Bhutan has grabbed global attention for its innovative approach to national development through its philosophy of Gross National Happiness (GNH). First articulated by the Fourth King, GNH is a values-driven approach to development that explicitly avoids excessive concern with GNP. It is based on a longstanding legacy in the 1729 legal code where it states that ‘if the government cannot create happiness for its people, there is no purpose for the government to exist’. These sentiments are echoed in the 2008 constitution that directs the government to ‘promote those conditions that will enable the pursuit of GNH’. But what is GNH? It takes place when material and spiritual development of society occur side by side to complement each other. It is holistic, balanced, collective, sustainable and equitable, and pays high regard to living in harmony in nature. In practical terms it is comprised of four pillars:

- Sustainable and equitable socio-economic development
- Environmental conservation
- The preservation and promotion of culture
- Good governance

It is not simply subjective well-being but is multidimensional and can be measured on the GNH Index which, in 2010, also included health, education, culture, time-use, good governance, community vitality, ecological diversity and resilience, and living standards. The results show consistent progress but there is still a way to go before all Bhutanese can be classified as ‘happy’.
coincide. There should also be a clear appreciation that any definition will be value-laden, a product of personal preferences and that there will never be universal agreement on a single meaning and policy package. However, we believe that approaches such as the case of Bhutan do hold out hope for the future and capture the multidimensional nature of development and the importance of ethics and wisdom in determining what it should be (see Box 1.4).

**From development administration to development management**

With the invention of development by the Western nations in the immediate post-war period and its adoption as state ideology by the governments and emerging elites of the former colonial nations, the question arose as to how the promised social transformation was to be achieved. ‘The primary obstacles to development are administrative rather than economic’, declared Donald Stone (1965: 53). Others agreed and the discipline and practice of development administration was created to play a major role in facilitating development.

Development administration represented the practical application of modernization theory. Its promoters saw it as ‘a midwife for Western development – creating stable and orderly change’ (Dwivedi and Nef, 1982: 62). It was a form of social engineering imported from the West and embodying faith in the application of rational scientific principles and the efficacy of Keynesian welfare economics. In its early days at least, it reflected the naive optimism and ethnocentricity of modernization theory, that there were straightforward technical solutions for underdevelopment and the West possessed them. It was also perceived by the US government, its allies and some of its practitioners as an integral element of the Cold War. Development administration would wage an unarmed managerial struggle against communism in the underdeveloped nations by engineering the transformation to capitalist modernity, economic growth and mass consumption.

Development administration was a US-led movement with funds and personnel for its study and practice coming largely from US sources. In Britain, some academics and administrators saw it as an attack on the colonial record or believed that it was something already familiar. But an international orthodoxy emerged that there were important differences between public administration in poor
countries and in high-income countries. The distinguishing element was that in the developing countries there was ‘that inconvenient combination: extensive needs, low capacities, severe obstacles’, many of which are still evident today (Schaffer, 1969: 184).

While the modernization perspective did not entail a monolithic approach to development administration several generalizations can be made. First, it was based on the notion of big government ‘as the beneficent instrument of an expanding economy and an increasingly just society’ (Esman, 1988: 125). Development administration was synonymous with public administration which itself was synonymous with bureaucracy. Second, there was an élitist bias. An enlightened minority, such as democratic politicians, engineers, economists and planners, would be committed to transforming their societies into replicas of the modern Western nation-state. They would establish themselves in urban centres and using bureaucracy as their principal instrumentality would spread the benefits to the rural areas. Third, development administration would tackle head on the ‘lack [of] administrative capability for implementing plans and programmes [through] the transfer of administrative techniques to improve the central machinery of national government’ (Stone, 1965: 53). Development administration was thus perceived as the transfer and application of a bag of tools. Fourth, foreign aid was the mechanism by which the missing tools of public administration would be transferred from the West to the developing countries. Fifth, traditional culture was early recognized as an impediment to the smooth functioning of Western tools and dominant Weberian models of bureaucracy. Development administration had to overcome such cultural obstacles which were seen as the sources of bureaucratic dysfunctions.

The management theory which supported this approach was drawn from the Classical School (see Box 1.5 for a brief chronology of major approaches to management). This was the world of the ‘scientific manager’ (Taylor, 1911), of ‘principles’ of administration (Fayol, 1949) and Weber’s ‘ideal-type’ bureaucratic form of organization (Gerth and Mills, 1948). This approach to organizing public services retained its dominance in developing countries while being usurped or at least supplemented by newer theories in the West. For example, in the 1960s and 1970s the revitalization of the Human Relations school which stressed motivation, leadership and non-hierarchical forms had little effect on the bureaucratic model in developing countries (for example, Argyris, 1957; Bennis, 1966). Even participatory development initiatives, such as the community
The attacks on modernization theory in the late 1960s and 1970s were paralleled by challenges to development administration. On the financial front, US funding for public administration projects declined rapidly and sharply after 1967 as did academic spending. The blame for poor developmental performance was in large part attributed to a failure of development administration, and development experts and institutions looked for new solutions. According to Siffin (1976: 66) there was a shift towards ‘more complex and more economically oriented problem perspectives’. Also, people began to question the assumption that big government was the route to development, a theme which gathered great momentum and power in the 1980s. In the West, this was the period which saw open systems and contingency theories of management become the dominant paradigm (for example, Lawrence and Lorsch, 1967). These theories argued that there were multiple ways of organizing and that the chosen option depended on the situation. The organizational environment was elevated to an extremely important position in these theories and the principal task of managers was to fit organizational sub-systems to those of the environment. Despite these profound shifts in Western management theory, the closed systems of Classical Management theory still maintained strong practical support in developing countries and, to this day, Indian civil servants talk proudly of having a ‘British’ administrative system without realizing this indicates its lack of fit with India’s contemporary needs.

Academics had entered a period of self-criticism, reflection and uncertainty about development administration. Schaffer (1969) pointed to a ‘deadlock’ in development administration and raised questions about whether bureaucracy could bring about societal transformation. Bureaucracy was, after all, dedicated to incrementalism and the status quo and was characteristically inefficient. A seminal symposium in Public Administration Review (1976) featured much criticism of previous ideas. Evolutionary models were discarded; the Western values imported with the administrative tools were exposed and judged inappropriate; and the nature of culture and its relation to administration was questioned. Siffin (1976), in reviewing development administration in the period 1955–75, wrote of a ‘costly learning’ experience both for recipients and disseminators. Among other things he noted that the administrative technology transfer had aimed more at ‘maintenance’ needs rather
Box 1.5 A brief chronology of management thought

In contemporary development management are found strands from many schools of management thought. Most approaches originated in the private sector and have been absorbed only slowly into the mainstream of development management. All are still evident to a greater or lesser degree and in various combinations.

<table>
<thead>
<tr>
<th>Approach</th>
<th>Date</th>
<th>Selected features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Classical</td>
<td>1900</td>
<td>Organizations perceived as closed systems; stress on efficiency and the bureaucratic form</td>
</tr>
<tr>
<td>Behavioural/Human</td>
<td>1930</td>
<td>Emphasis on people rather than machines; close attention to factors such as group dynamics, communication, motivation, leadership and participation</td>
</tr>
<tr>
<td>Relations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quantitative</td>
<td>1940</td>
<td>Quantitative tools to support managerial decision-making; found in management science, operational management, management information systems and business process re-engineering</td>
</tr>
<tr>
<td>Quality Movement</td>
<td>1955</td>
<td>Strongly pursued in post-war Japanese industrial development and much later elsewhere; continuous improvement by working together and client focus; seen in total quality management, benchmarking, performance measurement and ISO 9000</td>
</tr>
<tr>
<td>Open Systems/Contingency</td>
<td>1965</td>
<td>Organizations seen as systems of interrelated parts linked to the environment; emphasis on ‘fitting’ organizational structure to the specific environment of the organization</td>
</tr>
</tbody>
</table>

than ‘developmental’ needs; that mechanistic views of organizations focusing on technical expertise and ‘purposive objectivity’, although instrumentally important, were not the ‘crucial creative levers of development’; and that public administration training and scholarship in developing countries had been emulative of the West rather than innovative.

Meanwhile the neo-Marxist assault on modernization theory identified development administration as a device to legitimate and
promote the interests of the bureaucratic bourgeoisie (that is, top bureaucrats) and other dominant classes and/or elites. It was both an ideological prop and practical tool in perpetuating inequitable relations between classes. The technology of administration could not unilaterally promote the beneficial changes delineated in the meaning of development. Radical alterations in power structure were necessary before administration could be employed to such a purpose. There was an obvious impasse for development administration in
this thinking. Administration was not an independent variable. It could only be a facilitator of development under a radically different political order.

Class interests were an important explanatory variable for Hirschmann (1981) in his commentary on the disappointing results of more than two decades of development administration in Africa. Like Schaffer, he also described a ‘deadlock’ but Hirschmann’s deadlock moved beyond the inward-looking reflections of an intellectually unsure sub-discipline. He acknowledged that there had been many innovative and imaginative ideas in development administration but that they had been frequently ignored by leading African administrators. Why? The answer, said Hirschmann, was that bureaucrats focused on defending their class interests which put them in conflict with the majority of the population. Common development administration ideas such as less-stratified organizations with strong client orientation could be seen as revolutionary threats by the bureaucratic defenders of the status quo. Hirschmann was providing a social class version of the power-politics theories of management which had been advocated from the late 1960s onwards but surprisingly little used in development administration. These theories explained managerial decision-making in terms of the power of the ‘dominant coalition’ within organizations (Thompson, 1967) and argued that while organizational contingencies may constrain management decisions they did not determine them. In fact, managers had some latitude to make ‘strategic choices’ (Child, 1972).

Dwivedi and Nef (1982) went beyond ‘deadlock’ and asserted that development administration was in ‘crisis’. Using a dependency-style framework they argued that development administration had been a ‘dismal failure’ responsible for ‘anti-development’, bureaucratic authoritarianism and seemingly everything that was wrong with development. They pointed to the ‘incompatibility between bureaucracy, as a form of institutionalized social control, and development defined as quality of life for the population’ (p. 65).

The environment in which administration is practised and the origins and maintenance of its ideological support are always in evidence in Dwivedi and Nef’s (1982) article. These considerations had, by necessity, been creeping into work on development administration as the ‘administration as neutral technology’ paradigm had become increasingly discredited and the importance of politics in administrative analysis and action had become ever more obvious. The most important difference between administration in developing countries
and in the West was being increasingly identified as that envelope of factors and forces which we collectively call the organizational environment. Whether it was the social class context, the influence of the World Bank, the type of political regime, the nature of the policymaking process or simply the prevailing culture, the centrality of the environment for understanding administrative action and paralysis was becoming firmly established. There was, however, an obvious lag in development administration between the generation and dissemination of environmentally oriented management theories and their widespread acceptance and application.

A second development forcefully advocated by Dwivedi and Nef (1982) was the search for alternative forms of organizational approach to development. Instead of simply criticizing the failures, people began to look at the successes and innovations. What had the experience of indigenous experiments in China, Tanzania and Brazil taught us? What had populist approaches to offer? Why had some organizations in Thailand, India, Sri Lanka and Bangladesh produced excellent development outcomes and considerable organizational growth (Korten, 1980) while others had not? Were these experiences replicable or were there principles of organizational design that could be easily modified according to changes in organizational environment? Rondinelli (1983) was keen to identify lessons from past experience that could enhance development administration in the future. His analysis indicated that the main reason for poor past performance in the public sector was the failure to cope with the complexity and uncertainty of organizational environments in developing countries. The remedy lay in changing structures and procedures so that experimentation and learning occurred. This creative hybrid comprises a human-relations type of management theory coupled with a contingency-style acknowledgement of highly variable environmental conditions, including the political environment.

By the 1990s, the neo-classical economists had gained considerable influence in policy circles and were also pointing to inefficiency and ineffectiveness in the public sectors of developing countries. While they agreed with Rondinelli’s notion of experimentation they also recommended that the state should be ‘rolled back’. Big government had not been effective government and it was time the principles of the market were allowed to operate. Reducing the size of the state and restricting the operations of the state would bring considerable savings. Programmes to raise bureaucratic capacity and
efficiency and to encourage private sector growth through market mechanisms would then ensure that development would take place.

This radical and highly influential approach to administration and governance in developing countries was already in full swing in countries like the UK, Australia and the USA. Its intellectual origins lay in public choice theory (for example, Ostrom and Ostrom, 1971; Baker, 1976). In practical terms it encouraged ‘managerialism’ or the ‘New Public Management’ (NPM) which drew heavily on the innovations and trends in private sector management (Pollitt, 1993; Zifcak, 1994). The old distinction between public sector and private sector management became blurred. The dissemination of this model to developing countries was undertaken by enthusiastic Western advocates and influential multilateral financial institutions such as the World Bank and IMF. It was seen as a reform model which could move easily across international boundaries at last bringing about the elusive institutional convergence predicted decades before in modernization theory (Minogue, 2001). Its adoption would promote efficiency and effectiveness in public sector management in developing countries and support the quest for economic development.

But once again, the environment in developing countries did not necessarily prove accommodating to NPM. Some countries selected particular items from the long menu of NPM-style initiatives. No country embraced NPM in its entirety. In some places there is little evidence of any NPM-inspired reforms (Turner, 2002a). The results of NPM have been described as ‘perplexingly equivocal’ featuring both successes and failures (Polidano, 2001: 60). Whether NPM was ever a dominant paradigm for developing countries has also been questioned (Manning, 2001). Public sector reform programmes often continued to incorporate items drawn from sources other than NPM. But a terminological change had taken place. Development ‘administration’ had become development ‘management’. The proponents of this relabelling said that it acknowledged the dynamism of the sub-discipline and its practice in realizing the potentialities of the public sector. Some critics believed that nothing had happened and that the relabelling was simply an effort to legitimize existing and longstanding practice (Cooke, 2001).

So how do we characterize the contemporary practice of development management? It has split into two opposed camps, the reformers and the radicals (Gulrajani, 2010). The reformers comprise the majority as they include not only academics but also numerous
practitioners. They acknowledge the failures and disappointments of earlier management interventions but maintain faith in the possibility of such interventions to produce desired changes. They show diversity in their approaches. For example, they may accept certain approaches drawn from the NPM menu in particular circumstances. They may strongly favour participatory approaches or award ethical concerns high priority. They are always on the search for new or modified methods for engineering social change but they demonstrate different degrees of trust in the rationality of the technology of management. All have come to accept the importance of politics in development policy and its management but vary in the importance they attach to it and the ways to deal with it. The reformers exhibit different degrees of support for the state but acknowledge its important role in promoting development whether directly through its own officials or indirectly through the private sector, civil society organizations and communities.

The radical camp depicts reformist development management as a smokescreen hiding the ‘inequality, violence and power of development management over subalterns in the Global South’ (Gulrajani, 2010: 144). They see development management as claiming technical neutrality while facilitating domination of the change process through leaders and managers (Mowles, 2010). Development management, they say, is inescapably managerialist, ‘in the sense that the means of management inevitably supplant the ends of policy’ in a context where managers’ interests are most often not aligned with the interests of the poor and marginalized (McCourt and Gulrajani, 2010: 83). For Cooke (2001; 2003), the roots of contemporary practice extend way back into colonial administration but have survived and been replicated in modified form in the contemporary era. The exploitative nature of colonial administration is still pre-eminent in development management making the latter incapable of generating true development for the poor and marginalized.

While the radical analysis forcefully reminds us that management is not a neutral technology and that power is the key element in determining development trajectories, there is vagueness about what they see as the way forward. Mowles (2010) talks of ‘complexity and emergence’ while others seem to tread the post-developmentalist path but with little advice on what policies and practices should be introduced for empowerment and development. For example, what should Indonesia’s grand bureaucracy reform programme look like?
How should local governments be organized and oriented in sub-Saharan Africa? And are the MDG achievements despite or because of development management?

There are several possibilities for future directions. Gulrajani (2010) has suggested drawing on the Romantic tradition to bridge the gap between reformers and radicals. This involves seeing that ‘administrative modernisation is inherently pluralistic and political’ (Gulrajani, 2010: 142). It must also embrace ‘practical reason’ and the valuing of experiential knowledge with practice that is ‘flexible, contingent, intuitive and sensitive’ (Gulrajani, 2010: 143). The practice will be necessarily disorderly and be characterized by ‘improvised political steering rather than planned social engineering’ (Gulrajani, 2010: 143). Finally, ‘professional reflexivity’ is also essential to enable practitioners to fully understand their positions in the development process and as a basis for ‘emergent ethics’.

Other critical reformists have identified the way forward as refocusing attention on institutions and their vital role in managing development. Rodrik (2008) believes that the move has already started with a transition from ‘getting prices right’ to ‘getting institutions right’. He notes that there are many options for creating ‘appropriate institutions’ and warns against the misguided attempts in the 1980s and 1990s to impose ‘best practice’ in contexts where failure was inevitable. He advocates a ‘second-best mindset’ that can identify, design and deliver institutions that fit the context.

Acemoglu and Robinson (2012) utilize a broad canvas in their quest to explain ‘why nations fail’. Their answer is because of the application of normative theories that don’t work and the consequent transfer of inappropriate institutions. What developing countries need are inclusive institutions in the political sphere that distribute political power while still maintaining some amount of centralization, and in the economic sphere that ‘enforce property rights, create a level playing-field, and encourage investments in new technologies and skills’ (Acemoglu and Robinson, 2012: 429). While there may be a moral agenda behind such processes, progressive institutions are commonly far from ideal. They are usually achieving the selfish goals of elites more than of the wider citizenry but, they are incrementally including more people and groups in benefit flows and influencing decisions. What must be avoided are extractive institutions that suck resources from the many for the few and where power is highly concentrated.

Another innovative and very applied proposal for improved development management is problem-driven iterative adaptation (PDIA).
Andrews (2013) argues that reforms often fail because they don’t fit the diverse conditions of developing countries – a message that we stress in this book. The reformers end up putting ‘square pegs in round holes’ (Andrews, 2013: 2). Inappropriate best practice interventions with limited domestic support have ‘poor functionality’ and simply make governments look better rather than perform better. In PDIA, the process is as important as the product and involves problem identification and analysis followed by the gradual crafting of solutions through experimentation that is ‘politically acceptable and practically possible’ (Andrews, 2013: 3). Furthermore, successful solutions arise from the involvement of many actors and the distribution of leadership and ownership throughout networks of organizations rather than relying on individual champions. Some of Andrews’ ideas can be found in the World Bank’s (2012a) latest ‘Approach’ to public sector management reform including:

- Emphasis on diagnostic approaches in designing and implementing reform
- Emphasis on explicitly formulating and empirically testing theory about what works in public sector management reform
- Emphasis on flexible problem-solving

The Bank claims to have been moving from ‘best practice’ to ‘best fit’ and to understand what works and why with the explicit acknowledgement of solutions as being ‘context-contingent’. It remains to be seen whether the Bank’s declared intentions are manifested in practice (Grindle, 2013; Polidano, 2013).

**The rise of good governance**

While development administration was being rethought and relabelled by some and chastised by others, a more significant intellectual innovation was taking place and gaining ascendancy in the political sphere. This was the emergence of the concept of good governance (often referred to as good government in the early 1990s). It burst onto the scene in 1990, months after the end of the Cold War, and quickly established ascendancy among multilateral and bilateral donors who promoted it vigorously in developing countries. No sooner had the dust settled over the collapsed Berlin Wall than donors began to revisit Western notions of political and economic
liberalization, often forgotten when propping up authoritarian regimes and dictators as bulwarks against communism. It also coincided with donor unhappiness over the results of foreign aid. The culprit was identified as unaccountable recipient governments which lacked authority, suffered from incompetence and were riddled with corruption. Development needed good governance to overcome such disabilities and to satisfy rich country aid constituencies which scrutinized aid budgets more closely as part of the new managerialism in public sector management. Good governance was the framework for reshaping the Third World state.

Although some authors regard good governance as having ‘too many meanings to be useful’ (Rhodes, 1997: 52–3), the competing definitions do contain ‘similar ideas and similar terminologies’ (Minogue, 2002: 118). These include the traditional focus of development administration – efficient and effective public sector management. But they go much further to encompass the legitimacy of government; legal frameworks and the rule of law; accountable public officials; transparency in government and freedom of information; participation of citizens in governance; and a major role for civil society (UNDP, 1995; 1998; World Bank, 1992; ADB, 1999; ODA, 1993). Good governance is not supposed to be about government controlling development: Governance is not something the state does to society, but the way society itself, and the individuals who compose it, regulate all the different aspects of their collective life. Theoretically it involves partnership between government and the many different constituencies in society, from the rich and powerful to the poor and vulnerable people. Government may be the leader but it should also be an enabler and facilitator in creating the institutional environment necessary for effective development. Policies alone are not enough. They require the framework for good governance if they are to be successful in bringing about improvements in human development, private sector growth and popular participation. In this sense, good governance becomes a synonym for ‘sound development management’ (ADB, 1999).

But the idea and promotion of good governance have raised a number of critical issues. Firstly, the wide scope of good governance involving multiple interactions between state, market and society means that vagueness attends the notion, and interpretations can differ markedly in practice. This is at once a strength and a weakness: a strength in that it allows good governance to be designed to suit different circumstances and a weakness in that it is so diffuse that it becomes a convenient catch-all and justification for all sorts of
initiatives. Whether the decision of the UN High Level Panel on the post-2015 development agenda to recommend that good governance become a development goal after 2015 will lead to clarification, and indeed measurement, of the concept remains to be seen (UN High Level Panel, 2013). It could even be a synonym for development. Secondly, there is the allegation that good governance strategies often oversimplify the relationship between economic and political change. Minogue (2002) argues that good governance carries assumptions that political reforms must precede and will produce economic reforms yet much evidence points to the contrary or reveals complex interrelationships rarely captured in donor statements about good governance.

A third criticism is that good governance may be old modernization theory dressed up in new clothing. It is a normative concept that defines ‘good’ in terms of Western democratic and capitalist institutions. Good governance promotes Western-style democracy and capitalism, just like modernization theory, and does not take account of the different political and economic development trajectories found in the Third World. Furthermore, the political conditionalities which accompany foreign aid and which focus on good governance agendas are interpreted by some as a reassertion of Western domination. Whether Western-style democracy produces improved development outcomes is difficult to determine. Empirical reviews of development results under different political regimes are inconclusive with few demonstrated correlations let alone causal connections so neither critics nor defenders can claim a cast-iron case (World Bank, 1991; Moore, 1995). For example, the advocates of good governance often seem to avoid confronting the rapid developmental gains made by industrializing East Asian states under authoritarian or semi-democratic rule. China doesn’t conform to the good governance ideal with its democratic deficits. But it has made huge advances in improving citizens’ welfare. However, critics must surely admit that standard items on the good governance menu such as improved government accountability, reduced corruption and better services are generally what people want from development.

A fourth criticism concerns the prominent position often given to human rights in the good governance discourse. This has been challenged for promoting a Western consensus under the umbrella of universality. It is ethnocentric in ‘its overriding preoccupation with political rights, to the neglect of economic and social rights’ (Minogue, 2002: 128). Alternative perceptions from other societies are overridden and undervalued. Thus, Cheung (2013) takes issue with those who discard the ‘Asian values’ discourse too quickly and
reduce it to an elite device simply intended to maintain power, privilege and inequity. He contends that ‘Traditions give a nation its moral strength and cultural identity that are equally important to its “governance” as modernity and modernization achievements’ (Cheung, 2013: 253). Thus, after the demise of Chairman Mao’s brand of communism in the 1970s, Chinese leaders combined a market economy with the restoration of Confucian values of social harmony to create ‘a sustainable political and social realm’ (Cheung, 2013: 254).

When examining the results of good governance initiatives it is difficult to come to firm conclusions because of their diversity, the difficulty of measurement and the highly varied environments in which they take place. There is an assumption that everybody is in favour of them when in practice some powerholders may feel extremely threatened by proposed changes to the status quo. There can also be surprisingly little attention to the underlying causes of bad governance. Moore (2001) argues that only by understanding the roots of political underdevelopment can we find the way to encourage good governance. He acknowledges the diversity of states of the South but identifies a set of international factors which, in different combinations, have strongly influenced the political underdevelopment of current state configurations (see Box 1.6). This has led to bad governance which aid agencies have attempted to overcome by ‘institutional transfer for its own sake’ rather than, as Moore (2001: 410) suggests, exerting increased effort in creating ‘the environmental conditions that will encourage the emergence of more productive state-society relations within poor countries’. In the next chapter we examine these environmental conditions which prevail in developing countries.

It has been realized by many that adopting and implementing all the tenets of good governance is an impossible task for poor developing countries even if they were inclined to do so. The broad definitions of good governance read like ‘ideal types’, far removed from Third World realities. Good governance has also been expanding – for example, from 45 aspects in the World Bank’s 1997 World Development Report to 116 in 2002 (Grindle, 2004: 527). It is thus extremely difficult for governments in developing countries to decide on priorities from the long list presented to them. Grindle (2004) has suggested a compromise in the form of ‘good enough governance’ in which we think strategically about the priorities in governance reforms. In doing this it is necessary to consider such things as which actions will most benefit the poor; which actions are easier to undertake; what conditions are most conducive to obtaining the desired results; and what capacity
Box 1.6 The causes of political underdevelopment

- Unnatural birth: states created by rapid European conquest, especially in the nineteenth century in Africa with artificial borders.
- Incomplete state formation: poor states with areas never brought under bureaucratic control which are ruled by local elites often relying on coercion. The areas sometimes become havens for illegal activities.
- History of external control: many states in the South have a history of direct or indirect control.
- The declining cost of military superiority: rulers of poor countries have the opportunity to use state income to purchase military hardware that constitutes overwhelming force in relation to their civilian populations. Previous reliance on large numbers of their populations for such military superiority has been lost.
- International criminal networks: state elites in poor countries are often involved in relationships with international criminal operations concerned with activities such as smuggling narcotics, timber and precious stones or money laundering.
- Unearned state income: many poor states rely on mineral revenues or foreign aid (unearned income) and have limited incentives to negotiate with their citizens over resources or ‘to institute or respect democratic processes around public revenue and expenditure’.
- Competitiveness of aid donors: in aid-dependent state the organization of foreign aid often involves competition between donors and leads to a loss of central control over expenditure and diminished state accountability.


does the government have to design, implement and embed reforms. Such strategic priority setting is highly political as it will involve conflicts among different actors with different interests. But coalition-building, finding common ground, compromise and trade-offs can be used to determine what is politically feasible. From such political processes, governance priorities appropriate to the circumstances can be selected and implemented by governments in the knowledge that there is strong domestic support rather than simply paying lip-service to foreign donors. As a government official once confided to one of the authors in a conversation of metaphors about an internationally financed governance project, ‘you don’t nurture somebody else’s child like your own’.
Index

Note: Page numbers followed by “b” indicate contents found in boxes; and those followed by “f” and “t” indicate figures and tables, respectively.

accountability
  decentralization and, 214, 216–24
  local governments, 222b
  logical framework, 138
  NGO, 261–2
Acemoglu, D., 24, 77, 80
administrative decentralization, 205, 206, 209–11
deconcentration, 207, 209, 210f
defined, 207
delegation, 209, 210–11
Africa
civil servants in, 183
decentralization, 221–2
ethnic diversity in, 47
executive agencies of, 131
land rights in, 80
policing in, 83b
poverty in, 45
public agencies in, 142
revenue authorities, 131
urban population, 56
age structure, 55
agriculture, GDP and, 37
Ahluwalia, Montek Singh, 185b
aid agencies, 210
aid-dependent countries, 182, 183
air pollution, 72
Alexandria Water Company (AWCO), 239
Allmendinger, P., 199
ANC liberation movement, in South Africa, 152
Andrews, M., 25
anti-globalization movement, 9–10
anti-planning arguments, 182
Arab Spring, 252
Argentina
  financial crises, 40
  urbanization in, 56
ASA, see Association for Social Advancement (ASA)
Asia
civil servants in, 183
ethnic diversity in, 47
middle class in, 60
NGO in, 257b
values and norms, 49
Assessing Aid report (World Bank), 175
Association for Social Advancement (ASA), 258–9
asymmetrical decentralization, 215
authoritarian rule, 26, 27, 80, 116
Arab Spring, 252
citizen protests, 252
economic success and, 65
NGOs, 252, 257b
Philippines, 61–2, 214, 257b
weak states and, 65
authority, transfer of, see decentralization
AWCO, see Alexandria Water Company (AWCO)
Bangladesh, 254
ASA, 258–9
decentralization and, 221
Grameen Bank, 101
independence, 101
microfinance movement in, 101
public enterprises in, 229b
tax-to-GDP ratio, 41
Index 313

Banks, N., 264
Battle for Seattle, 9–10
BBC World Service, 152
BDS, see Business Development Services (BDS)
Bebbington, A., 101–2, 116
Bengaluru (Bangalore), Karnataka, India, 171b
Bhartiya Janata Party, India, 49
Bhutan, GNH in, 14b
biodiversity, 71
Birdsall, N., 11
blindness, 58
Bolívar, Simón, 62
Bolivia, 214–15
Bond, R., 140, 198
book transfers
employment reform, 154
in Uganda, 154
bottom-up model, of civil service reform, 168–71
brain drain, 57
Brazil
conditional cash transfers (CCTs), 103, 103b
economic inequalities in, 45
National Health System, 101
non-state policy network, 121
participatory budget planning, 170, 171b
Worker’s Party (PT), 103b
Britain, see UK
Brundtland Report of 1987, 70
bureaucracy
as anti-politics, 128–30
as anti-poor, 127–8
colonial, 126
governance index, 142
model and its consequences, 124–30
neo-patrimonialism, 65–7, 151
patrimonialism and, 151
post-colonial states and, 126
in Sri Lanka, 129–30, 129b
state expansion and, 126–7
Weberian model of, 16, 65–6,
125, 126, 132, 142, 150–1
bureaucratization, 150
Business Development Services (BDS), 248
business regulations/environment, 245–8
investment climate, 247
neoclassical perspectives, 246–7
neo-structuralist perspectives, 247–8
regulatory environments, 246–7
see also private sectors
Caiden, N., 179, 186, 188
Camargo, José Márcio, 103b
Cambodia, 68
Canadian International Development Agency (CIDA), 128
capacity-building, 151–2
at individual level, 152
performance and, 152
capital, 39–40
Carriño, L., 221
carte blanche, 220
cash-on-delivery approach, 183
centralization, 204
see also decentralization
central planning, 181
Chambers, Robert, 127–8, 196
Chavez, Hugo, 62
Cheung, A., 27–8
children, mortality rate, 58
Chiluba, Frederick, 106–7
China
air pollution in, 72b
diabetes in, 58
famine in, 139
Great Leap Forward, 139
income inequalities in, 45
sustained economic growth in, 45
CIDA, see Canadian International Development Agency (CIDA)
citizen report cards, India, 170, 171b
citizen’s charters, 164–6
in India, 165, 166b
principles, 164
Civil Service Act of 1989, Tanzania, 177
Civil Service Board, Swaziland, 116
Civil Service Commission, Tanzania, 177
Civil Service Ministry, Mauritius, 144
civil service reform
as administrative problem-solving, 147–50
approaches, 149t
bottom-up model of, 168–71
institutions and, 176–7
model of governance and, 172–3, 173t
overview, 147
political economy, 173–6
poor communities, empowerment of, 169
problems, 149t
World Bank project on, 172, 174–6, 174t
see also bureaucracy; public administration
civil society
actors, 252
bottom-up accountability, 171b
imperialism and, 10
NGO, see NGO
overview, 250–1
civil society organizations (CSO), 251, 252–3
see also NGO
civil wars, 89
cost of, 89
ethnic conflict and, 47
Classical Management theory, 17
class structures, 59–60
climate change, 71–3
Club of Rome, 69
Cohen, J., 209
collaborative policy dialogue, 200
collaborative rationality, 201–2
collapsed state, 85–6
central authority in, 86
characteristics, 86
law and order, 86
see also fragile states
Collier, Paul, 91
Colombia, violent conflict in, 91–2
colonial rule
bureaucracy, 126
economic structures in, 52
public enterprises and, 228
commitment, decentralization and, 223–4
community, PLA and, 196–8
Comprehensive Development Framework, 189
compression ratio, 160–1
compulsory redundancy, 155–6
conditional cash transfers (CCTs), in Brazil, 103, 103b
conflicts
ethnic, 47
violent, see violence and conflict
contracting out
employment reform, 156
legal restrictions, 156
Cooke, B., 23, 198
Cordell, K., 47
corporate governance, 240–1
defined, 240
OECD guidelines on, 240b
corporatization, 239–41
corporate governance and, 240–1
Egyptian example, 239
problems/issues with, 239, 240
corruption, and decentralization, 144, 221
criminal justice, in India, 82b
CSO, see civil society organizations (CSO)
culture, and organizational environment, 46–52
ethnicity, 47–8
family and kinship, 47
gender, 50–2
history, 52
values and norms, 48–50
Czech Republic, 157
DAC, see Development Assistance Committee (DAC)

DDR (disarmament, demobilization and reintegration) process, 94
decentralization, 204–26
administrative, 205, 206, 207, 209–11
benefits of, 210
concept of, 205–6
corruption and, 144
fiscal, 219b
justification for, 212–16
market, 211–12
overview, 204–5
political, 205, 207
political benefits of, 212, 213t
service delivery and, 216
types of, 205–12, 206t
deconcentration, 207
authority in, 209
benefits of, 210
defined, 209
see also administrative decentralization
deforestation, 70–1, 121
see also degradation, of natural environment
degradation, of natural environment, 70–1
delegation, 209, 210–11
aid agencies, 210
PMUs, 210
see also administrative decentralization
Delhi, India, ghost-workers in, 154
democratization, 67–9
demographic factors, 52–9
age structure, 55
health, 54t, 57–9
population growth, 53, 55
urbanization and migration, 55–7
denationalization, 234
see also privatization
Deng Xiaoping, 139
Denmark, 162
tax-to-GDP ratio, 41
developing countries, 1
air pollution in, 72b
bureaucracy, see bureaucracy
civil service reform, see civil service reform
decentralization, 204–26
economic development and, 243–5
infrastructure, 243–4
law and order, see rule of law
neopatrimonialism in, 151
NGO, see NGO
organizational environment, see organizational environments
planning, see national development planning; planning policy process, see policy
poverty alleviation, 244–5
PPPs in, 241–5
see also specific countries
development
competing meanings of, 5b
as contested concept, 4–15
dependency school on, 7
economic growth and, 6
as evolutionary process, 4, 5
imposed on others, 9
liberal reformulations, 6
neo-liberalism, 10–13
neo-Marxists on, 6–7
neo-populist on, 8–10
post-developmentalist on, 9–10
social classes and, 7
welfare goals, 6
development administration, 15–25
big government and, 21–2
challenges to, 17
class interests, 20
management theory, 16–17
modernization theory, 15–17, 18b, 19b
monolithic approach to, 16
neo-classical economists on, 21–2
neo-Marxist on, 18, 19–20
organizational environment, 21
public choice theory, 22
see also public administration
developmentalism, 9
Development Assistance Committee (DAC), 135
development management
colonial administration and, 23
PDIA, 24–5
radicals, 23–4
reformers, 22–3, 24, 25
DFID, strategic management use of, 135, 136b
diabetes, 58
DIAD (diversity, interdependence, authentic dialogue) theory, 192f, 201–2
see also collaborative rationality
diarrhoeal diseases, 58
dictators, 65
disciplinary dismissals, 155–6
see also compulsory redundancy
disjointed incrementalism, 139
diversity, in organizational environments, 74
Dwivedi, O., 20, 21

East Asia, 1
ecodevelopers, 8
economic decentralization, see market decentralization
economic factors, and organizational environment, 34–46
capital, 39–40
gross national income (GNI), 34–7
informal sector, 46
infrastructure, 42–3
labour, 37–9
poverty and inequality, 44–6
production structure, 37
technology, 43–4
ecosystems, 71
see also natural environment
education, gender gap in, 51
Eisenhower, D., 140
elite capture, decentralization and, 221–2
El Salvador

bottom-up reforms, 170
peace agreement, 90
*Embedded Autonomy* (Evans), 168
employee relations, 142
employment reform
book transfers, 154
compulsory redundancy, 155–6
contracting out, 156
disciplinary dismissal, 155–6
enforcing retirement ages, 155
ghost workers, identification of, 154
measures to avoid redundancies, 154
privatization, 156
removing posts, 155
steps to, 153b
voluntary redundancy (VR), 155
empowerment
NGO and, 257
of poor communities, 169
encounters, in India, 82b
England, see UK
environment, see natural environment; organizational environments
Ernst Young, 152
Ethiopia, 58
education sector, 166
ethnic conflicts, 47
ethnicity, 47–8
European Union, contracting out in, 156
evaluation, 111–12
see also monitoring and evaluation (M&E)
Evans, Peter, 168
evidence-based policy initiatives, 183
executive agencies, 130–2
creation of, 131
defined, 130
government ministry and, 130–1
ideal types, 131–2
operational autonomy, 130, 131
organizational structures, 131
task-specific factors and, 132
Index 317

expenditure responsibilities, and fiscal decentralization, 219b
experimental projects, 195
experimentation, and NGO, 263

family and kinship, 48
famine, in China, 139
FDI, see foreign direct investment (FDI)
fertility rates, 53
financial autonomy, NGO, 262–3
fiscal decentralization, 219b
fishermen, 71
Five-Year Plans, India, 185b
flexibility, decentralization and, 220
foreign aid, 41–2
foreign debt, 41–2
foreign direct investment (FDI), 39
fragile states, 85–8
concept of, 85–6
indicators, 88
Somalia, 87b
taxonomies, 86, 88
see also collapsed state
good governance, see good governance
government effectiveness, and HRM, 140–3
Grameen Bank, Bangladesh, 101
Grand Design for Bureaucratic Reform, Indonesia, 149
Great Leap Forward, of China, 139
Gross National Happiness (GNH), 14
Gross National Income (GNI), 34–7
Harrison, D., 8
Hayek, F., 180

expenditure responsibilities, and fiscal decentralization, 219b
experimental projects, 195
experimentation, and NGO, 263

family and kinship, 48
famine, in China, 139
FDI, see foreign direct investment (FDI)
fertility rates, 53
financial autonomy, NGO, 262–3
fiscal decentralization, 219b
fishermen, 71
Five-Year Plans, India, 185b
flexibility, decentralization and, 220
foreign aid, 41–2
foreign debt, 41–2
foreign direct investment (FDI), 39
fragile states, 85–8
concept of, 85–6
indicators, 88
Somalia, 87b
taxonomies, 86, 88
see also collapsed state
good governance, see good governance
government effectiveness, and HRM, 140–3
Grameen Bank, Bangladesh, 101
Grand Design for Bureaucratic Reform, Indonesia, 149
Great Leap Forward, of China, 139
greed theory, to violent conflict, 91–2
grievance theory, to violent conflict, 90–1
Grindle, M., 28, 67, 110, 114, 123, 176, 223
gross domestic product (GDP), 34–5
agriculture, 37
informal sector in, 46
R&D expenditure, 44
Gross National Happiness (GNH), 14
gross national income (GNI), 34–7
informal sector in, 46
GSS, 259
Gulrajani, N., 24

GAD, see Gender and Development (GAD) agenda
Galing Pook awards, 222
Galtung, Johan, 92
gender, 50–2
Gender and Development (GAD) agenda, 50
gender gap, in education, 51
Getting Better (Kenny), 13

Ghana
decompression ratio in, 160
ghost-workers identification in, 154
government effectiveness, and HRM, 140–3
Gross National Happiness (GNH), 14
Gross National Income (GNI), 34–7
Healey, P., 199, 200
health, 53, 54t, 57–9
Hickey, S., 198
HIPC (highly indebted poor
countries) initiative, 41, 182
Hirschmann, D., 20
Hispanic colonialism in Latin
America, 52
history, 52
HIV/AIDS, 58–9
health-related expenditures, 38
in Namibia, 144
in Sub-Saharan Africa, 38
Hofstede, Gert, 49
Honduras, 90
Hopper, P., 70
Hulme, D., 140, 199, 221, 259, 264
Human Development Report
(UNDP), 13
human resource management
(HRM), 140–5, 232
activities, 141, 145
Commonwealth model, 144, 145t
governance effectiveness studies,
140–3
horizontal integration, 141
line manager ownership, 141, 144
strategic integration, 141–2, 143–4
strategic management, 143
two-stage normative model
of, 145
vertical integration, 141
Human Resources (HR) practice,
160–1
human resources profile, 37–8
human rights, and Indian police
force, 82b
Huntington, 64
Hutchcroft, P., 217

identity, ethnic, 47
see also ethnicity
IIED, see International Institute
for the Environment and
Development (IIED)
IKEA, 134

IMF, see International Monetary
Fund (IMF)
imperialism
civil society and, 10
Western powers against, 52
Independent Evaluation Group
(IEG), 172

India
bureaucratization in, 126–7
citizen report cards, 170, 171b
citizen’s charters in, 165, 166b
criminal justice in, 82b
effectiveness studies, 176–7
Five-Year Plans, 185b
government effectiveness studies,
176–7
national development plan,
184, 185b
Panchayats, 221
Planning Commission, 185b
democratic, 68
Grand Design for Bureaucratic
Reform, 149
indirect violence, 92
Indonesia, 49, 230
democratic, 68
vandalism, 92
Grand Design for Bureaucratic
Reform, 149
India Country Plan 2008– 2015,
136b
inequality
gender, 50–2, 51b
and poverty, 44–6
informal sector, 46
information and communications
technologies (ICTs), 43
infrastructure, 42–3
PPPs for, 243–4
innovation, and NGO, 263
institutions, and civil service reform,
176–7
Intergovernmental Panel on Climate
Change, 71
inter-governmental transfer, and
fiscal decentralization, 219b
international development agencies, 182
International Institute for the Environment and Development (IIED), 197
International Monetary Fund (IMF), 12
European bail-out, 42
Islam, 49
Janatha Vimukthi Peramuna, Sri Lanka, 129
Jenkins, W., 100, 101, 102, 111
job evaluation, 158
pay and responsibilities, 158
technical nature, 158
job reduction programme, Uganda, 109
Johnson, S., 24, 77, 80
judiciary, 81
in India, 82
issues affecting, 81
justifications, for territorial decentralization, 212–16
Kaufmann, Daniel, 142
Kenny, Charles, 13
Kenya, 192
crime in, 84
informal sector in, 46
policing in, 84
urbanization in, 56
Kingdon, J., 102–3, 104, 114
kinship relationship, 48
see also family and kinship
Kitching, G., 8
kleptocracy, 151
Korten, David, 139
Kothari, U., 198
labour force, 37
in informal sector, 46
women in, 51
labour unions, 60
landowners, 60
land rights, in Africa, 80
latifundistas, 60
Latin America
decentralization in, 214
environmental issues, 74
ethnic diversity in, 47
executive agencies, 131
Hispanic colonialism in, 52
judicial reform, 81
latifundistas, 60
NGO in, 257
organized crime, 90
policy analysis, 107
urbanization in, 56
women in, 50
law and order, see rule of law leadership, decentralization and, 222, 223
Leftwich, A., 69
legitimacy, 61–2
Lesotho
apartheid government, 128
decentralization initiative in, 128
dependence on South Africa, 128
TTDP in, 128
liberal development theory, 181
liberal peace, 93–4, 93
life expectancy, 58
lifestyles, and health problems, 58–9
Lindblom, Charles, 139
Lipton, Michael, 8
literacy rates, 37
Local Government Act of 1991, Philippines, 214
logical framework, of strategic management
accountability, 138
advantages of, 138
for PSC, 137–8, 137
transparency, 138
Macmillan, Harold, 97
Major, John, 165, 173
malaria, 58
Malawi
ghost-hunting in, 154
Malaysia
   civil servants’ union in, 159
   government effectiveness
   score, 135
   National Key Result Areas, 163,
   164t, 165t, 168
   performance management in, 163
   performance-related pay (PRP)
   in, 159b
   racial conflicts in, 230
   strategic integration of HRM
   activities, 143–4
   strategic management in,
   134–5, 143
   TQM in, 144
   Vision 2020, 134–5, 143
managerial devolution, 130–2, 141
   see also executive agencies
Manila, water privatization in, 235b
Mao, 28
Marcos, Ferdinand, 61–2, 214, 257b
market decentralization, 211–12
   defined, 211
   deregulation, 211
   justification for, 214
   privatization, 211
market failure, 227–8
Marshall Plan, 181
maternal deaths, 58
Mauritius
   Civil Service Ministry, 144
   HR initiatives, 144
   McCourt, W., 101–2, 115, 116,
   125–6, 130, 143, 144, 145
   MDRI, see Multilateral Debt Relief
   Initiative (MDRI)
   M&E, see monitoring and
   evaluation (M&E)
   Medium Term Expenditure
   Framework, 190
megacities, 56
   governance of, 215
Mexican drug cartels, 90
microfinance institutions, 39
middle class, 60
middle powers, 1
midwife role, 168
Migdal, J. S., 64
migrant workers’ remittances, 57
migration, 57
   see also urbanization and
   migration
military juntas, 65
Millennium Declaration, 10
Millenium Development
   Goals (MDG), 2, 11–12, 11b, 162
Minogue, M., 27
Mintzberg, Henry, 139
mobile phones
   access to, 43
Mohamad, Mahathir, 134
Mohan, G., 198
MONDEP, see Moneragala
   Integrated Rural Development
   Programme (MONDEP)
Moneragala Integrated Rural
   Development Programme
   (MONDEP), 199
monitoring and evaluation (M&E), 111–12
   governments and, 112
   in international development
   agencies, 112
   ten-step model of, 111–12
Moore, M., 28
mortality rates, 58
Mowles, C., 23
Mugabe, Robert, 152
Multilateral Debt Relief Initiative
   (MDRI), 41
multi-party democracies, 61
multi-sectoral planning, 186
Munene, J., 74
Museveni, Yoweri, 190
Myrdal, G., 64
Namibia
   HIV/AIDS in, 144
   strategic integration of HRM
   activities, 143–4
   strategic management, 143
Narokobi, Bernard, 8
national development planning, 183–91
analytical method shortcomings and, 186
in centrally planned economies, 183
characteristics of, 184–5, 185b defined, 183
in developing countries, 181–2 failures, 185–7
institutional weaknesses and, 186
in mixed economies, 183–4
over-ambitious plans, 186
political actors and, 186–7
poor data and, 186
PRS, 183, 188–90
PRSP, 182–3, 188–90
unanticipated shocks and, 186
National Development Strategies, 183
National Health System, of Brazil, 101
National Key Result Areas, of Malaysia, 163, 164r, 165t, 168
National Vision Framework, Uganda, 190
natural environment, 69–73
climate change, 71–3
degradation, 70–1
sustainability, 69–70
Nef, J., 20, 21
neoliberal policies, 254
neo-patrimonialism, 65–7, 151
neo-structuralists, 247–8
Netherlands, 132
New Public Management (NPM), 22, 147, 161–8
appropriateness of, 167–8
in development circles, 161
in OECD countries, 161
performance management/ improvement, 162–3
problem-solving framework, 167–8
responsive service, 163–6
New Zealand
bureaucratic development, 167
NPM, 167
reforms in, 167
Next 11, see middle powers
NGO
accountability and, 261–2
as advocates for poor, 256–8
in Asia, 257b
authoritarian rule and, 252, 257b
‘Big- D’ development, 258–9, 261
concerns about, 259–65
depoliticizing operations of, 260–1
development and, 253–5, 255b
donor-driven strategies and policies, 260
empowerment and, 257
experimentation and, 263
financial autonomy and, 262–3
governments and, 255–9
grassroots orientation, 259–61
innovation and, 263
in Latin America, 257b
‘little-d’ development, 258–9, 260
neoliberalism, 254
organizational survival of, 259–61
overview, 250–1
participatory approaches in, 198
peacebuilding and, 94
PLA and, 196–8
resource lodging, 261
returning to roots, 263–5
SDI, 265, 266b
Nigeria, 134
shadow economy, 84
norms, see values and norms
North Korea
private property rights, 80
Nunberg, B., 148, 175
Nyerere, Julius, 8
OECD (Organisation for Economic Co-operation and Development) on compression ratio, 160
compulsory redundancy, 156
disciplinary dismissals, 156
technological transformation in, 43
Organic Act, Papua New Guinea, 220
organizational environments
development administration, 21
economic factors and, 34–46
elements of, 34–73
overview, 30
public sector, 73–6
organizational survival of NGO, 259–61
organized crime, 90
Ostrom, E., 199
Oxfam, 63
Pakistan, 264
Panchayats of India, 221
Papua New Guinea, 8
church in, 120
decentralization in, 215, 220–1
democratic elections in, 68
health services in, 120
kinship in, 48
language groups, 48
Organic Law on Provincial Government, 220
Paris Declaration on Aid Effectiveness, 42
participatory budget planning, 170, 171b
participatory learning and action (PLA), 196–8
participatory rural appraisal (PRA), 196
patrimonialism, 66, 151
see also neo-patrimonialism
Paul, Samuel, 169, 171b
pay and employment reform, 152–3
see also employment reform
pay reform, 156–61
compression ratio, 160–1
consolidation of remuneration, 157–8
decompression ratio, 160
differentials, 159–61
HR perspective, 160–1
linking pay and performance, 158–9
linking pay and responsibilities, 158
performance-related pay (PRP), 158–9
problems and solutions, 157t
PDIA, see problem-driven iterative adaptation (PDIA)
peacebuilding, 92–4, 93b
PEAP, see Poverty Eradication Action Plan (PEAP)
peasants, 60
see also rural populations
performance management
international development agencies and, 162
in Malaysia, 163, 164t, 165t
NPA and, 162–3
performance-related pay (PRP), 158–9
in Malaysia, 159b
see also pay reform
periodization, 149–50
Peterson, S., 209
Philippines
authoritarian rule, 61–2, 214, 257b
elite democracy, 68
people power revolution in, 214
political decentralization, 212
pilot projects, 196
PLA, see participatory learning and action (PLA)
planning
aid-dependent countries and, 182, 183
decentralization and, 218, 220
in developing countries, 180–3
overview, 179–80
political scientists on, 180
post-colonial scholars on, 180
in post- modernist world, 199–202
of projects, see project planning rational, 181
as social construct, 200
see also national development planning
Planning Commission, India, 185b
PMU, see Project Management Units (PMU)
police force, in India, 82b
policing and internal security, 82–4
in Africa, 83, 83b, 84
policy
assessing characteristics, 121
concerns and capacity, 62–3
decentralization and, 218, 220
human agents and, 98
ideas, 102
monitoring and evaluation, 111–12
as process, see policy process
as purposive behaviour, 98
as rational process, 98
successful, features of, 104–6
usage of word, 99b
policy actors, 113–16
political commitment, 114–16, 115b
as stakeholders, 117–18
state, 113–14
policy analysis, 104–8
Latin America, 107
strengthening, 106–8
successful policies, 104–6
Zambia, 106–7, 108f
policy circle, 116–17
policy implementation, 109–10
analysis of, 110
feedback and, 109
linear model of, 110, 111f
political factors in, 109–10
policy networks, 118–21
effectiveness, 119
potential costs of, 120
policy primeval soup, 102
policy process, 98
bureaucrats and, 101
political model of, 101–2, 101f
six-stage model, 101–2, 101f
stages model, 100–1, 100f
policy window, 102–4
political decentralization, 205, 207
political economy, and civil service reform, 173–6
analysis of, 175–6
in Sri Lanka, 176
in Swaziland, 176
political factors, organizational environment and, 59–69
democratization, 67–9
legitimacy, 61–2
policy concerns and capacity, 62–3
social class, 59–61
weak states, 63–5
political parties, 60–1
polycentric governance, 199
poor communities, empowerment of, 169
Popper, Karl, 148
Popular Participation Law 1994, 214–15
population growth, 53, 55
Porto Alegre, Brazil, 170, 171b
poverty alleviation, PPPs for, 244–5
poverty and inequality, 44–6
Poverty Eradication Action Plan (PEAP), 189
Poverty Reduction Strategies (PRS), 183, 188–90
IMF evaluation, 189–90
shortcomings, 189–90
Poverty Reduction Strategy Papers (PRSP), 170–1, 182–3, 188–90
core principles for, 189, 189b, 190
powerlessness, 45
see also poverty and inequality
### Index

<table>
<thead>
<tr>
<th>Term</th>
<th>Page(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRA, see participatory rural appraisal (PRA)</td>
<td>324</td>
</tr>
<tr>
<td>private property rights, 80</td>
<td>324</td>
</tr>
<tr>
<td>private sectors</td>
<td>324</td>
</tr>
<tr>
<td>business environment for, 245–8</td>
<td>324</td>
</tr>
<tr>
<td>investment climate, 247</td>
<td>324</td>
</tr>
<tr>
<td>neoclassical perspectives, 246–7</td>
<td>324</td>
</tr>
<tr>
<td>neo-structuralist perspectives, 247–8</td>
<td>324</td>
</tr>
<tr>
<td>regulatory environments, 246–7</td>
<td>324</td>
</tr>
<tr>
<td>SAP, 245</td>
<td>324</td>
</tr>
<tr>
<td>privatization, 233–6</td>
<td>324</td>
</tr>
<tr>
<td>capital investment and, 234</td>
<td>324</td>
</tr>
<tr>
<td>in China, 236, 238b</td>
<td>324</td>
</tr>
<tr>
<td>denationalization, 234</td>
<td>324</td>
</tr>
<tr>
<td>employment reform and, 156</td>
<td>324</td>
</tr>
<tr>
<td>gains and losses, 234–6</td>
<td>324</td>
</tr>
<tr>
<td>in India, 236, 237b</td>
<td>324</td>
</tr>
<tr>
<td>in Manila, 234, 235b</td>
<td>324</td>
</tr>
<tr>
<td>market decentralization, 211</td>
<td>324</td>
</tr>
<tr>
<td>political opposition to, 236, 237b–238b</td>
<td>324</td>
</tr>
<tr>
<td>regional variations in, 233–4</td>
<td>324</td>
</tr>
<tr>
<td>technological benefits of, 234</td>
<td>324</td>
</tr>
<tr>
<td>Priyono, 221</td>
<td>324</td>
</tr>
<tr>
<td>problem-driven iterative adaptation (PDIA), 24–5</td>
<td>324</td>
</tr>
<tr>
<td>process approaches, to project planning, 198</td>
<td>324</td>
</tr>
<tr>
<td>features of, 198–9</td>
<td>324</td>
</tr>
<tr>
<td>production, mode of, 7</td>
<td>324</td>
</tr>
<tr>
<td>professional bias, rural poor and, 127</td>
<td>324</td>
</tr>
<tr>
<td>professional reflexivity, 24</td>
<td>324</td>
</tr>
<tr>
<td>project bias, rural poor and, 127</td>
<td>324</td>
</tr>
<tr>
<td>project cycle, 191, 192f</td>
<td>324</td>
</tr>
<tr>
<td>Project Management Units (PMU), 210</td>
<td>324</td>
</tr>
<tr>
<td>project planning, 182, 191–202</td>
<td>324</td>
</tr>
<tr>
<td>adaptive administration, 195–6</td>
<td>324</td>
</tr>
<tr>
<td>alternative approaches to, 194–5</td>
<td>324</td>
</tr>
<tr>
<td>collaborative policy dialogue, 201</td>
<td>324</td>
</tr>
<tr>
<td>collaborative rationality, 199–202</td>
<td>324</td>
</tr>
<tr>
<td>participatory learning and action (PLA), 196–8</td>
<td>324</td>
</tr>
<tr>
<td>place shaping, 200</td>
<td>324</td>
</tr>
<tr>
<td>problems within, 192–4</td>
<td>324</td>
</tr>
<tr>
<td>process approaches, 198–9</td>
<td>324</td>
</tr>
<tr>
<td>project cycle, 191, 192f</td>
<td>324</td>
</tr>
<tr>
<td>property rights, 80–1</td>
<td>324</td>
</tr>
<tr>
<td>Proshika, 259</td>
<td>324</td>
</tr>
<tr>
<td>PRS, see Poverty Reduction Strategies (PRS)</td>
<td>324</td>
</tr>
<tr>
<td>PRSP, see Poverty Reduction Strategy Papers (PRSP)</td>
<td>324</td>
</tr>
<tr>
<td>public administration, 15–16</td>
<td>324</td>
</tr>
<tr>
<td>capacity-building, 151–2</td>
<td>324</td>
</tr>
<tr>
<td>Weberian model, 150–1</td>
<td>324</td>
</tr>
<tr>
<td>see also bureaucracy; civil service reform</td>
<td>324</td>
</tr>
<tr>
<td>public agencies, in Africa, 142</td>
<td>324</td>
</tr>
<tr>
<td>public choice theory, 22</td>
<td>324</td>
</tr>
<tr>
<td>public enterprises, 227–32</td>
<td>324</td>
</tr>
<tr>
<td>in Bangladesh, 229b</td>
<td>324</td>
</tr>
<tr>
<td>central planning and, 229–30</td>
<td>324</td>
</tr>
<tr>
<td>colonial powers and, 228</td>
<td>324</td>
</tr>
<tr>
<td>features, 228</td>
<td>324</td>
</tr>
<tr>
<td>issues with, 230–2</td>
<td>324</td>
</tr>
<tr>
<td>local political factors and, 230</td>
<td>324</td>
</tr>
<tr>
<td>management, 232</td>
<td>324</td>
</tr>
<tr>
<td>organizational structures, 232</td>
<td>324</td>
</tr>
<tr>
<td>see also public administration; public sector organizations</td>
<td>324</td>
</tr>
<tr>
<td>public enterprise sickness, 232</td>
<td>324</td>
</tr>
<tr>
<td>public finance, 41–2</td>
<td>324</td>
</tr>
<tr>
<td>public private partnerships (PPPs), 241–5</td>
<td>324</td>
</tr>
<tr>
<td>attractions of, 243</td>
<td>324</td>
</tr>
<tr>
<td>defined, 241</td>
<td>324</td>
</tr>
<tr>
<td>developmental types, 242b</td>
<td>324</td>
</tr>
<tr>
<td>economic development and, 243–5</td>
<td>324</td>
</tr>
<tr>
<td>elements/patterns in, 241, 243</td>
<td>324</td>
</tr>
<tr>
<td>IMF on, 243</td>
<td>324</td>
</tr>
<tr>
<td>for infrastructure, 243–4</td>
<td>324</td>
</tr>
<tr>
<td>for poverty alleviation, 244–5</td>
<td>324</td>
</tr>
<tr>
<td>revenue mobilization and, 245</td>
<td>324</td>
</tr>
<tr>
<td>public sector organizations, 1, 2</td>
<td>324</td>
</tr>
<tr>
<td>administration, 3–4</td>
<td>324</td>
</tr>
<tr>
<td>cause and effect, 75–6</td>
<td>324</td>
</tr>
<tr>
<td>competing perceptions, 75–6</td>
<td>324</td>
</tr>
</tbody>
</table>
culture and, 2
distinctiveness, 73
diversity, 74
environment, 2, 73–6
foreign models, 76
opportunities and constraints, 75
turbulence, 74–5
Public Service Commission (PSC)
former British colonies, 137
logical framework for, 137–8, 137t
Sri Lanka, 129b, 176
public service commissions, 177
see also civil service reform
Putnam, R. D., 50
rational planning, 181
reform, 153
employment, 153–6
pay, 156–61
see also civil service reform
reform readiness, 174
religion, values and, 49
remittances, 57
remuneration package, consolidation of, 157–8
see also pay reform
research and development (R&D), 44
resource lodging, 261
revenue assignments, and fiscal decentralization, 219b
revenue mobilization, 41–2
Ribot, J., 221
risk management, 46
Rodrik, D., 24
Roman Catholicism, 49
Rondinelli, D., 21–2, 196, 211
rule of law
development theory, 79
fragile states, see fragile states
judiciary, 81, 82b
meaning of, 79
overview, 77–8
policing and internal security, 82–4, 83b
property rights, 80–1
shadow economies, 84–5
UN on, 79
violent conflict and peace, 88–94
World Bank on, 79
rural poor, 127–8
professional bias, 127
project bias, 127
rural populations, 57
class arrangements, 60
Russia, 157
redundancies in, 154
Rwanda, 134
Sagasti, F., 74
Schaffer, B., 4, 17, 20
Schumacher, E. F., 8, 69
Scotland
rural development planning in, 200
Scruton, Roger, 109
SDG, see Sustainable Development Goals (SDG)
SDI, see Shack/Slum Dwellers International (SDI)
Sen, Amartya, 12
service delivery, 169–70
decentralization and, 216
Shack/Slum Dwellers International (SDI), 265, 266b
shadow economies, 84–5
defined, 84
Siddiquee, N., 221
Sierra Leone
Human Development Index, 89
violent conflict in, 89–90
Siffin, W., 17
Simon, Herbert, 138–9
Singh, Raghbir, 125
social capital, and values, 49–50
social classes
and development, 7
women and, 50
social energy, 101
socialist development theory, 181
social movements, 103–4
see also policy window
| South Africa                             | Sub-Saharan Africa, 248 |
|                                         | agriculture, 37 |
| ANC liberation movement, 152            | environmental issues, 74 |
| ‘Batho Pele’ reforms, 149               | ethnic conflict, 47 |
| decentralization, 208b                  | fertility rates, 53 |
| democratic government in, 149           | forest management in, 221 |
| ‘Ghostbusters,’ 149                     | HIV/AIDS epidemic, 38 |
| job evaluation, 158                     | maternal mortality rate in, 58 |
|                                         | poverty in, 44 |
| South America                           | regime uncertainty, 61 |
|                                         | urbanization in, 56 |
| South Asia                              | subsidiarity, 214 |
| British imperialism in, 52              | successful policies, features of, 104–6 |
| poverty in, 44                          | see also policy analysis |
| South Korea                             | Sulpicy, Eduardo, 103b |
| economic growth, 65                     | Support Programme for Urban |
| private property rights, 80             | Reforms in Bihar, 136b |
| Soviet Union, 181                       | sustainability, 69–70 |
| Sri Lanka                               | see also natural environment |
| bureaucracy in, 129–30, 129b            | Sustainable Development Goals |
| human resource management (HRM) in, 129–30, 129b | (SDG), 12–13, 69–70 |
| Janatha Vimukthi Peramuna, 129b         | Swaziland |
| MONDEP, 199                              | Civil Service Board, 116 |
| policy evaluation in, 112, 113b         | Civil Service Commission, 176 |
| political economy analysis, 176         | civil service reform in, 115–16, 115b |
| Public Service Commission (PSC), 129b, 145, 176 | political economy analysis, 176 |
| voluntary redundancy (VR), 155          | |
|                                             | Tajikistan, 57 |
| as welfare state, 62                     | Tanzania |
| stakeholders, policy actors as,         | African socialism in, 8 |
| 117–18                                  | Civil Service Act of 1989, 177 |
| Stone, Donald, 15                       | Civil Service Commission, 177 |
| strategic HRM (SHRM), 140–3             | decompression ratio in, 160 |
| strategic management, 133–40             | executive agencies of, 131 |
| bounded rationality, 138                | public staff management in, 177 |
| characteristics, 134                    | retirement age, 155 |
| limitations of, 138–40                   | Tarrow, S., 103, 104 |
| logical framework, 135–8                 | taxation, 41 |
| model, 133–5                            | technology, 43–4 |
| public service performance, 133         | Tennessee Valley Authority, 181 |
| strategic thinking, 140                 | territorial decentralization, 205 |
| structural adjustment programs (SAP), 245 | justifications for, 212–16 |
| structural violence, 92                 | political benefits, 212, 213t |
| subnational borrowing, and fiscal       | see also decentralization |
| decentralization, 219b                  |
Index 327

Thabo-Tseka Development Project (TTDP), 128
Thailand, 230
Third World, see developing countries
Thomas, J., 114, 123
Thompson, E. P., 79
Tokyo, 56–7
Total Quality Management (TQM), 144
Toye, John, 10, 52
TQM, see Total Quality Management (TQM)
transfer of authority, see decentralization
transformational leadership, 223
transparency, and logical framework, 138
tropical deforestation, 121
Tsvangirai, Morgan, 152
Turner, M., 148
two-stage normative model, of HRM, 145

Uganda, 258, 262
book transfers, 154
compulsory redundancy, 155
disciplinary dismissals, 155–6
ghost workers, 109
job reduction programme, 109
National Vision Framework, 190
pay compression ratio, 157
PEAP, 189
Uganda Revenue Authority, 154
UK, 97, 181, 233
autonomy, 131
citizen’s (or client’s) charters, 165, 173
development administration in, 15
‘executive agency’ in, 130–1
privatization and, 156
successful policy, 104–5
war-time planning in, 181
UNFPA (United Nations Population Fund), 53
United Nations (UN), 205
on global poverty rate, 44
on rule of law, 79
United States
civil rights movement in, 103
policy activity, 110
urban agglomerations, 56
urbanization and migration, 55–7
vacant posts, removal of, 155
values and norms, 48–50
religion and, 49
social capital and, 50
village plan, PLA and, 197–8
violence and conflict, 88–94
civilians, 89
civil wars, 89
costs of, 89
greed hypothesis, 91–2
grievance perspective to, 90–1
intra-state conflicts, 89
structural violence, 92
theoretical approaches to, 90–2
Vision 2020, Malaysia, 134–5, 143
visual impairment and blindness, 58
Voices of the Poor report (World Bank), 169
voluntary redundancy (VR), 155
von Moltke, Helmuth, 109
vulnerability, 45
see also poverty and inequality
wage freezes, 157
wage reforms, see pay reform
Washington Consensus, 10–13, 11b
water privatization, in Manila, 235b
weak states, 63–5
see also fragile states
Weber, Max, 16, 65–6, 88, 96, 125, 126, 132, 142, 144, 150–1
Weberian model of bureaucracy,
16, 65–6, 125, 126, 132, 142, 150–1
Western management theory, 17
WHO, see World Health Organization (WHO)
Wildavsky, A., 179, 186, 188
Wolfensohn, James, 175, 189
Wolff, S., 47
women, 50–2
    powerlessness and, 45–6
Worker’s Party (PT), Brazil, 103
World Bank, 12, 192
    Assessing Aid report, 175
    civil service reform projects, 172,
        174–6, 174
    governance index, 142, 143
    liberal reformulation, 6
    M&E model, 111–12
    political economy studies, 175–6
    on poverty reduction, 45
    on public sector management
        reform, 25
    risk management, 46
    on rule of law, 79
World Development Report
    (World Bank), 13
World Development Report 1997
    (World Bank), 168–9, 187
World Development Report 2000/01
    (World Bank), 169
World Development Report 2004
    (World Bank), 169–70
World Health Organization (WHO), 11
World Social Forum, 10
World Trade Organization (WTO), 10
World War II, 1, 4
Zambia
    decompression ratio in, 160
    HIV/AIDS in, 38–9
    policy analysis, 106–7, 108
    political economy, 176
Zimbabwe
    civil servants in, 152
    contracting out in, 156
    government, 152