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THE PUBLICNESS OF PUBLIC ADMINISTRATION

Abstract. Public administration theory has always struggled to find a clear-cut understanding of the publicness of public administration: there are at least five different approaches to distinguish public from private organizations. A closer examination shows that these five approaches are based on two conceptual versions of the publicness of public administration. The first conceptual version derives its understanding of publicness from 'public goods', whereas the second conceptual version involves the publicness of the 'public interest'. These two versions are derived from two contravening ontological descriptions of publicness, which have been developed in modern political theory. Both these ontological descriptions have to be acknowledged as constitutive for understanding the publicness of public administration: public administration can be seen as the empirical manifestation of the confrontation of these two meanings, which implies that 'public administration' is constituted by an inconsistent conceptual framework.

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Biographical paragraph

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Recent Publications

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1. Introduction

In any branch of social research one would expect to find clear-cut definitions for its central concepts. After all, not much can be intelligibly said about an empirical phenomenon without first disposing over the right conceptual tool-kit (cf. Landau 1962: 3). Nevertheless, such clear-cut definitions would appear to be lacking in public administration theory. There seems to be, as Dwight Waldo (1968: 3) coined it, a 'crisis of identity', due to the lack of a consistent conceptual framework. According to Shamsul Haque (2001), the situation has worsened and now contaminates not only the *theory* of public administration but also the *practice* of public administration. This identity crisis especially becomes manifest in relation to the concept of *publicness*. While publicness can be seen as one of the constitutive concepts of public administration (cf. Rutgers 2003), the literature on public administration reveals great divergence over it. This article addresses this divergence and attempts to analyze the possibilities of developing a consistent conceptual framework concerning the publicness of public administration. It is organized as follows.

The next section outlines how the publicness of public administration is presented in academic literature. Five approaches to the differences between public and private organizations are identified. In these five approaches, two conceptual versions of the publicness of public administration are recognizable. Section three explores the roots of these two conceptual versions by looking at the development of the concept of publicness in political theory, showing that political theory contains a double conceptualization of publicness, which relates to the two conceptual versions of the publicness of public administration. In section four, this relation is further elaborated. The conclusions in section five entail that public administration involves two incompatible and even contradictory meanings of publicness, and – paradoxically as it

may sound – the practice of public administration can be seen as the attempt to find a workable equilibrium between the two meanings of publicness. As no clear-cut definition of the publicness of 'public administration' exists,ⁱ public administration theorists are compelled to research a subject that is characterized by conceptual ambiguity.

2. Organizational approaches to the public/private distinction

In public administration theory, a number of alternative approaches can be recognized concerning the way public and private organizations are distinguished. Based on Rainey (1997), Bozeman and Bretschneider (1994), and Scott and Falcone (1998), we can construct five distinct approaches:

1. The *generic* approach; which assumes that public and private organizations do not differ significantly.
2. The *economist core* approach; which is the dominant approach to public organizations. This outlook is based on a distinction between the state and the market, which are featured as realms in which economic goods are produced.
3. The *political core* approach; which claims that public organizations have a political influence and therefore should be dealt with as political entities.
4. The *normative* approach; which is an extension of the political core approach. Unlike the political approach though, the normative approach does not neutrally observe the political role of public organizations, but emphasizes this role and tries to make use of it in order to fulfill the 'public interest'.
5. The *dimensional* approach; which employs both the political approach and the economist approach.

The generic approach

A closer look at these approaches will be given here by looking at some of the authors that represent them. The most famous representative of the generic approach is Herbert Simon (1997 [1948]). He wrote that public and private organizations have to be studied conjointly, not because public and private organizations do not differ, but because an organization should be studied as a distinct social phenomenon (also see Rainey 1997: 56). This methodological argument is also supported by empirical considerations: "While the similarities between governmental and non-governmental organisation are greater than is generally supposed, some differences nevertheless exist. Most often these are differences in degree rather than kind" (Simon, Smithberg and Thompson 1970: 10; also see Pugh et al. 1969)

Chandler (1991) states that managers of private organizations – and especially the larger ones – must manage various aspects such as public opinion, vague goals, and monopolistic tendencies, just as managers of public organizations. Chandler concludes that there is simply insufficient evidence to conclude that public management differs from private management (also see Murray 1975).ⁱⁱ

In short, both theoretical and empirical considerations are used in accounts that defend the generic approach; organizations are a distinct class of phenomena, and it is unwise to make use of a distinction between public and private organizations, which is not reflected in empirical reality.

The economist core approach

The economist core approach appears to be the standard approach in literature, and it entails the view that there is an essential difference between public and private

organizations – or state and market organizations – which is based on a difference in economic assets, e.g. performance, management, and structure. In their turn, these assets are based on the mode of production. Both public and private organizations are involved in the production of goods, and the public or private status of the organization is thought to make a difference in the mode of production. As Allison (1992 [1980]) states, public and private management are fundamentally alike only in *unimportant* matters. In important matters, however, they do differ fundamentally.

The economist core approach contains the ubiquitous 'stereotypes' about public management (cf. Pollitt 2003: 8). Rainey et al. (1976) present a list on the aspects about which the literature shows consensus concerning the differences between public and private management. They show that public organizations are imputed to deal with the following aspects:

- More chance of unavoidable or mandatory participation in consumption and financing of services;
- Broader impact, greater symbolic significance of actions of public administrators;
- Greater public scrutiny of public officials and their actions;
- Expectations are higher regarding fairness, responsiveness, accountability, and honesty of public officials;
- Greater vagueness and intangibility of objectives and criteria;
- Less decision-making autonomy and flexibility on the part of public administrators;
- Greater reluctance to delegate, more levels of review, and greater use of formal regulations;
- A more political, expository role for top managers.

A striking feature is that in almost every characteristic, a public organization is conveyed as something that differs from the standard, private organizations are considered 'normal' organizations, while public organizations conversely are deviant cases. This position culminates in public organizations being portrayed as *less* efficient in providing goods and services, due to the presence of political restrictions and the absence of competition.

The political core approach

Various authors claim that we should look at the political impact of public organizations as the prime difference between public and private organizations – this perspective can be termed the political core approach. For instance, Appleby (1967 [1945]) asserts that public administration is occupied with serving the public interest, and he claims that public organizations are not as neutral as economic and political theory sometimes suggest they are: "Administration is treated [as a] term involving policy-making as well as execution. It is so treated because it is felt a great deal of policy-making is implicit in what the executive branch does, and that it is important to recognize this policy-making function" (1967: 24).

In other words, public organizations influence the way policies are made and enacted. This means that public organizations should also be assessed as political agencies. At the heart of this approach is a criticism on the politics/administration distinction in public administration theory: persisting in a rigid distinction between politics and administration obstructs an assessment of the political aspects of public organizations.

The normative approach

A variant of the political core approach is the normative approach. In the political core approach, the untenability of the politics/administration distinction is only a topic of empirical interest. The normative approach aspires to deliberately make use of the political aspects of public organizations. Public organizations not only have to produce goods and services, these organizations also have to work on behalf of the 'public interest', which is conceived as a broad and normative notion.

Two movements predominantly represent the normative approach: the Minnowbrook movement from the 1960s, and the Blacksburg movement from the 1980s. Contributors to the Minnowbrook conference, which was held in 1968, tried to find new roads for the study of public administration. The distinction between politics and administration as the conceptual basis for the study of public administration was dismissed. As administration was claimed to involve political aspects, the route of a new public administration theory went through politics. Lambright writes:

[P]ublic administration is public-policy making. As such, it involves both politics and management [...]. Virtually everyone now admits that public administration exists in a political environment and that the administrator must interact with the forces in that environment. The administrator is a participant in the political process, a politician in that he must engage in conflict resolution, exercise discretion, and make decisions affecting competing claims (1971: 332-333).

Therefore the publicness of public organizations is not something to be simply opposed to the privateness of private organizations, but this publicness has to be understood as a normative addition that sets public organizations apart from all other organizations.

During the 1980s the Minnowbrook perspective was continued by a group of scholars, who united themselves in 1982 by writing the *Blacksburg Manifesto*, which was further elaborated in the book *Refounding Public Administration* (1990). These scholars rejected the erosion of the esteem for public organizations due to privatization of public organizations and the 'bureaucrat bashing' that civil servants endured during the Reagan era in the United States. The core idea of the Blacksburg program is that the publicness of public administration is something distinctive, and this uniqueness lies in the presence of the public interest:

The distinctive nature of The Public Administration lies in the fact that it is a part of the governance process, that it is administration in a political context and competence directed *toward the public interest*. This sets it apart from management in business and provides the basis for a truly distinctive claim to status that has been too long ignored. This claim ought to rest, however, on more than competence to manage in a political context (Wamsley et al. 1990: 39).

The dimensional approach

The economist core approach and the political core approach have been combined by a number of authors in the so-called dimensional approach, such as Wamsley and Zald (1973) and Bozeman (1987).

Wamsley and Zald's approach is based on the work of Dahl and Lindblom (1963). Dahl and Lindblom rather explicitly did not use their approach to distinguish 'public' and 'private' organizations, for they reckoned these labels – at least in their manifestation of 'state' and market' – to be too vague. Dahl and Lindblom claim that organizations are not simply connected to either the market or the state, and therefore it

is impossible to classify such 'mixed' organizations (p. 456). Economics and politics are two distinct processes, either concerned with scarcity of resources or with elites taking decisions, and this distinction runs through all kinds of organizations. Thus organizations have to be presented as both economic entities ('enterprises') or political entities ('agencies').

Wamsley and Zald (1973) take Dahl and Lindblom's distinction between agency and enterprise as their starting point, and they try to find out the ramifications of this distinction in terms of the 'publicness' and 'privateness'. A first finding is that the difference between public and private organizations becomes one of degree. Every organization is subject to both political and economic constraints. This conceptual starting point implies that one has to look at organizations from both a political and an economist perspective (p. 6). Political and economic theory are featured as two distinct perspectives that both shed a different light upon a certain organization.

These two perspectives can each be heuristically narrowed down to a key category. Considering the political core perspective, Wamsley and Zald present *ownership* as the central category. An organization can be owned by the state that represents society as a whole, while it can also be owned by an individual or a group of individuals. In addition to the political core perspective there is the economist core perspective, which focuses not on ownership, but on the *funding* of the organization. Organizations may be dependent to a greater extent upon taxes, or they may depend on market income. In many cases, these two categories do not match, which leads to a classification that includes four types of organizations: public-public, public-private, private-public and private-private. According to Wamsley and Zald, public administration theory should concern itself with every organization, which entails an element of publicness, i.e. if it belongs to one the first three types.

Bozeman (1987) also distinguishes two dimensions of publicness, and also denotes these dimensions as 'economical' and 'political'. Whereas Wamsley and Zald try to see 'public' and 'private' in the light of their conceptualization in political and economic theory, Bozeman founds his two meanings of 'public' and 'private' on the kind of authority an organization exerts. Publicness is connected to 'political authority': "The term *public* has been used many different ways in many different contexts [...]. As used here, publicness refers to the *degree* to which the organization is affected by political authority" (p. xi). Political authority is not the sole form of authority, there is also an economic form: "Economic authority is a powerful motivator in organizations of virtually every type. Individuals comply with organizational directives in hopes of receiving pecuniary reward" (p. 47).

Bozeman connects economic authority to 'privateness': "An organization is private to the extent that it exerts or is constrained by economic authority" (p. 85). This reformulation of the terms public and private leads to a mixed model in which a public and a private dimension appear: "The multi-dimensional theory assumes that modern organizations, regardless of sector or type, are influenced by both political and economic authority and typically exert both types of authority" (p. 83).

Two versions of the publicness of public administration

Five theoretical approaches to deal with the distinction between public and private organizations have been identified. Although this multitude of approaches suggests quite some divergence on the meaning of publicness of public administration, a closer look at these approaches shows that there are merely two principles used to separate public organizations from private organizations.

The first of these principles is recognizable in the economist core approach, and involves the *production of goods*. The second principle can be found in both the political approach and the normative perspective; it does not concern the production of goods, but rather the way organizations influence the course of the government and society. In other words, the principle upon which public and private organizations are distinguished thus rests on the way these organizations affect the *public interest*.

The dimensional approach does not present a new principle to demarcate public and private organizations, but incorporates the two principles already presented. The generic approach does not allow a description of the concept of publicness. Not because the distinction between public and private organizations is denied, but because of methodological and empirical considerations. As such, it does not help with establishing a suitable conceptual understanding of the publicness of public administration.

From these two principles distinguishing public and private organizations, it can be concluded there are two ways to conceptualize the publicness of public administration.

First, there is the publicness of organizations connected to the publicness of goods; second, there is the publicness connected to the publicness of the public interest.

These two means of conceptualizing the publicness of public organizations, will be called *conceptual versions*ⁱⁱⁱ of the publicness of public administration. These versions can be characterized as follows:

1. The *economist version*; this version connects the publicness of public administration to the publicness of public goods.
2. The *political version*; this version connects the publicness of public administration to the publicness of the public interest.

As was claimed in the introduction of this article, the aim is to find a consistent description of the publicness of public administration. The presence of two conceptual versions seems to stand at odds with this aim. To find out whether the aspired consistency is still achievable, three possibilities have to be explored. First, the possibility that the two versions are still conceptually related one way or the other. In that case it becomes a straightforward issue to formulate a consistent conceptual framework for the publicness of public administration. Second, the two versions are indeed intrinsically different, but only one of the two versions provides the 'real' publicness of public administration. In other words, only one of the conceptual versions is relevant in relation to public administration, the other one being a mere linguistic distraction. Third, it may be that the dimensional approach (see above) is the most appropriate account of the publicness of public administration, in that it defines the publicness of public administration as having separate and distinct conceptualizations that cannot be merged. This then would imply that we would need to abandon our attempts at developing a univocal conceptual framework.

The claim that there is no real difference between the two conceptual versions of publicness of public administration can be backed up by the fact that, in general, the publicness of public administration combines of the two versions: public goods that are produced in the public interest. Some goods are found to be beneficent for the public, and therefore, government looks after the production of these goods and services.

However, the connection between the two versions of the publicness of public administration has been loosened recently. New Public Management (NPM) has especially stressed that the government should be "steering instead of rowing" (Osborne and Gaebler 1992: 25). In other words, the *raison d'être* of administration is not to produce goods and services, but to determine which goods are in the public interest, and it should

safeguard their production by inventing clever institutions. This approach – which may be called 'privatist' (Luton 1996: 145n) –, has been widely applied by governments, which suggests that the conjecture that there is some kind of a conceptual connection between the public interest and the production of public goods is implausible.

These empirical developments indicate that the dimensional approach presented by Wamsley and Zald and by Bozeman is the most convincing approach to the publicness of public organizations. What is lacking however is a description of how the two versions of the publicness of public administration differ, as the difference between the public interest and the production of public goods is merely *assumed* in privatist ideas and practices.

A more detailed insight on the conceptual nature of these matters can be derived from Rainey (1997: 61). He introduces two arguments that have been used to legitimize the production of public goods and services. The first argument originates from political philosophy, and straightforwardly reasons that it is in the interest of the public that government should provide certain goods and services. The second argument originates from economic theory, and is comprised in the so-called 'theory of market failures'. This theory is based on the consideration that the market is the 'natural' realm in which the production of goods and services takes place, but that in some instances the market system has its shortcomings. The shortcomings emerge, for instance, in the case of natural monopolies, when there are no competing suppliers of goods, or in case of non-excludible goods, when only society as a whole can 'buy'. Other market failures arise when the market system leads to inequalities or externalities. In the first case, the market leads to a morally illegitimate distribution of welfare, in the second case, industrial production leads to negative effects for a third party next to producers and consumers, for instance in the case of environmental problems (cf. Wright 2000: 160-161; also see Downs 1967: 32-34). If market failures occur, then the state must assume the production

of goods. In other words, state production is the designated alternative for market production. As Anthony Downs writes: "it is not possible to eliminate all bureaus from modern society. Certain social functions must be performed by nonmarket-organizations"(1967: 32).

Two claims can be made on the basis of Rainey's account. First, the arguments for the legitimization of production of public goods, resemble the two versions of the publicness of public administration presented earlier. The political argument appears to relate to the publicness of the public interest, while the economist argument appears to relate to the publicness of the production of non-market goods and services. A second inference involves the relation between the conceptual versions: while the political argument assumes a direct relationship between the public interest and the production of public goods and services, this relationship is elusive in the economist argument. In other words, the precise nature of the relationship is still unclear.

With that, it is still impossible to give a convincing answer to the question posed earlier: do the two conceptual versions of the publicness of public administration differ, and if so, how? To answer this question, we have to step out of the framework of public administration theory and trace the origins of the two conceptual versions. In the next section, I will use insights from political philosophy to present the conceptual origins of publicness.

3. The meaning of publicness in political theory

The concepts of public and private are ancient in origin, and combine Roman and Greek meanings (Geuss 2001). The Roman concepts *res publica* and *res privata* denote the realm of the state and the realm of the non-state, as becomes clear from the *Corpus Juris Civilis*, which was the compilation of Roman law issued by the emperor Justinian in 529-524

AD. This book defined public and private law as follows: "Public law is that which regards the condition of the Roman commonwealth, private, that which pertains to the interests of single individuals" (translation by Weintraub 1997: 12). In its turn, the Greek understanding of 'public' and 'private' is based on the terms *to koinon* and *to idion*, which respectively refer to a sense of sharing or a commonality, and to what is distinctive or what separates one from another (Saxonhouse 1983: 364).

In early modernity, the concepts of public and private were taken up again and reformulated into the new setting (cf. Taylor 1995: 213; Weintraub 1997: 11-14). According to Weintraub (1997) and Benn and Gaus (1983), the double origin of both concepts (Greek and Roman) was preserved during their retrieval. In other words, the different meanings of 'public' and 'private' also appear in their modern conceptualizations. The two modern interpretations of 'public' and 'private' will be addressed next.

The individualist description of publicness

Benn and Gaus (1983) argue that one can recognize two opposed ontological starting points for the concept of publicness in political theory. The first of these points follows out of the political theory of *liberalism*, the second starting point comprises the *organic* perspective on publicness.

Political liberalism starts reasoning from the fundamental autonomy of the individual, and asserts that the individual should not be interfered with by others. Despite the postulated autonomy of the individual, it is a simple fact that individuals are not alone, and thus one interacts with other individuals. In their turn, these individuals should also not be meddled with. In order to solve the potential deadlock of individuals

doing nothing, liberals introduced a set of rules that regulated social activities. John Stuart Mill describes this set of rules as follows:

[T]here is a sphere of action in which society, as distinguished from the individual, has, if any, only an indirect interest: comprehending all that portion of a person's life and conduct which affects only himself, or, if it also affects others, only with their free, voluntary, and undeceived consent and participation [...]. This, then, is the appropriate region of human liberty. It comprises, first, the inward domain of consciousness, demanding liberty of conscience in the most comprehensive sense [...]. Secondly, the principle requires liberty of tastes and pursuits, of framing the plan of our life to suit our own character [...]. Thirdly, from this liberty of each individual, follows the liberty, within the same limits, of combination among individuals (1985 [1859]: 71).

This liberal creed can be translated into terms of the public/private distinction, and has been done so by varying on the Roman conception of this distinction. We have seen earlier, that in Rome the *res publica* was understood as the realm of the commonwealth, which was opposed to the *res privata*, which involves individuals. In liberal philosophy, the *private* realm is also the realm of the individual, which should not be interfered with by others. However, one needs to remove them self from this realm in order to fulfill his daily necessities. By leaving the private realm, the individual enters the *public* realm. In this domain, people are confronted with each other. So, the public realm does not refer to the state, but to everything that is 'not-private'.

This description of the public/private distinction seems simple and straightforward. However, as Benn and Gaus (1983) notice, it is also indeterminate. These authors claim that the individualist variety of the distinction is subject to certain transitions. The public/private distinction is used to understand different social levels, "which slide happily enough from one to another" (p. 32). The most central of those

conceptual transition is the introduction of the *political* domain. As was stated earlier, the public sphere essentially consists of everything that is not private, and as becomes clear from J.S. Mill's words, the private realm of the individual is opposed to the public realm of society, without any reference to a distinct political domain. However, no one can deny that the liberal rules of engagement are frequently broken. The tranquility of society sometimes becomes disturbed, and *conflict* appears. In order to prevent and settle conflict, a political domain is established (cf. Minogue 193: 141; Barber 1984: 3). As such, the political domain is merely an *attribute* of society. Again, Mill (1985) gives a decisive formulation of the role of the political domain: "the only purpose for which power can be rightfully exercised over any member of a civilized community, against his will, is to prevent harm to others" (p. 68).

Despite the relative expediency to introduce a political domain, it does imply a conceptual transition in the public/private distinction. Whereas in the original formulation the individual was opposed to society, society – now called *civil society* – suddenly becomes the private sphere, while the political domain becomes the public sphere.

This liberal conception of the public/private distinction may be summarized as follows: the basic ontological entity is that of the individual. The political domain – or the *state* – is, conceptually spoken, derived from the autonomy of the individual: by *aggregating* the realms of private individuals, a public realm is established. Because of the central position of the individual, the form of 'publicness' that connects to this conception, will be called the *individualist description of publicness*.

The organic description of publicness

Opposed to the individualist description of publicness is the *organic description of publicness*. In this description, the organic whole of a *community* ontologically precedes the individuals that constitute this community. Individuals are not reckoned to be fully autonomous beings, but their characteristics are transferred to them by the community to which they belong. The organic perspective concentrates on those things that pertain to the group as whole, and denotes these things to be public (Benn and Gaus 1983: 50). Private is that which does not belong to the group understood as a unity; so a characteristic that is perceived to be private might be something belonging to the group understood as the aggregate of its members, as well as something belonging to a number of individual members of the group. In the organic description of the publicness we can recognize the remains of the Greek understanding the concept of 'public', as the group is seen as a kind of family which encompasses its members.^{iv} A major difference between the individualist description and organic description is that the organic mode does not evoke a dichotomous distinction of publicness and privateness. The organic description presents the public sphere as encompassing the whole of social life, including the private spheres, and as such the public sphere is not opposed to the private sphere.

In the liberal description of publicness, the state was presented as an attribute to society. Also in the organic perspective, the realm of the state has no independent position. According to Benn and Gaus (1983), the organic perspective sees the state as a derivation of the independent and encompassing public sphere. In other words, the state is established to provide structure and coordination to the public sphere.

The rhetoric of this organic mode of publicness is most easily recognized in totalitarian political systems, in which the interests of state precede interests of individuals (cf. Moore 1985: 267; Finer 1999: 1541). However, also in liberal democracies elements from the organic way of thinking are present, as democracy necessitates a degree of affective involvement of individuals with the state (cf. Taylor 1995).^v According

to Benn and Gaus (1983), the presence of organic ideas in liberal democracies can be retrieved for instance in the widespread support for participatory methods of decision-making. These authors also claim that the way people speak about the 'public interest' is an indication of such organic elements. Though the notion of the public interest can be conceived in strict individualist terms – it would then simply mean the aggregation of individual interests –, most politicians use the notion of the 'public interest' as the interest of the community as a whole (cf. Schubert 1960), which implies that there is an organic understanding of publicness at stake. Earlier, it was claimed that some authors in public administration theory connected publicness to the public interest. This leads to the conjecture that a first clue to the source of the publicness of public administration is found here. If the publicness of public administration is generally seen in terms of the public interest, one deals with an organic conception of publicness.

Scheme one presents the manner in which labels of public and private are applied to certain social categories in the individualist and organic description:

[Scheme 1 here]

Liberal economic theory

The publicness of public administration that is connected to the publicness of goods follows out of the individualist description of publicness, but not in a straightforward fashion. To retrace the conceptual roots of this version of the publicness of public administration, we have to look at the origins of economic theory, which will be presented as a systematic articulation of the individualist description of publicness below.

Like political liberalism, liberal economic theory – as it has been developed since Adam Smith's *Wealth of Nations* (1998 [1776]) – takes the individual as its starting point

for making deductions about the social whole. Economic liberalism does so by presenting the individual as the *homo economicus*, who is an artificial construct that is solely engaged in the pursuit of his own economic self-interests. This means that whereas the political form of liberalism discussed above deals with every form of human agency, the economic theory of liberalism restricts its attention to economic activities. Furthermore, economic liberalism conceptualizes the market as a conceptual system that is constituted by aggregation of all transactions by economic individuals (cf. Polanyi 2001).

In short, economic liberalism is a theoretical articulation of political liberalism, it restricts the scope of human activity exclusively to economic activity upon the assumption of individual autonomy. The systematic character of economic liberalism allows it to come with stringent conditions with which the aggregation of all economic activities leads to an optimal configuration. These conditions entail that the market is the domain of economic activity, whereas the state should refrain itself from such activities. The function of the state is to provide the institutional preconditions that will make the market function optimally as a system, these preconditions most basically consist of imposing laws that facilitate market interaction.

The public/private distinction that accompanies the economic theory of liberalism opposes the public domain of the state with the private domain of the market. This manifestation of the distinction is based on the assumption that the market is the realm of interactions between individuals who are free to pursue their own interests. The public domain of the state is not allowed to interfere with this free pursuit, it should only be occupied with facilitating the processes of the market. Another important feature of the way the public domain and the private domain are divided in economic liberalism is the strong dichotomous nature of the distinction. Not only is the social realm divided into two clear-cut domains, it is also the *whole* of the social realm that is divided. In other

words, it becomes senseless to talk about economic activities outside of either the market or the state.

The strict opposition between the realm of the market and the state is generally taken over in most literature on the difference between public and private organizations: private organizations are seen as market organizations, and public organizations are seen as state organizations. However, the publicness of public goods and services cannot be transferred straightforwardly from the conditions of the liberal economic theory. According to the liberal conditions, the state is not allowed to unfold economic activities, which makes 'public goods' an oxymoron to start with.

The conceptual history of publicness takes another twist. The reason that public goods emerged eventually, follows out of some of the shortcomings of economic liberalism. As argued, economic liberalism is a theoretical construction, and sometimes the artificial character of this construction does not align with reality. The anomalies between theory and practice would eventually lead to a breach in the strict application of the conditions of economic liberalism; legitimization of state interference into the economic sphere emerged both in political theory, for instance in the work of 'new' liberals such as John Dewey (cf. Dewey 1954 [1927]; Gaus 1983), but also in economic theory itself. The next section will elaborate on this development in economic theory and on the implications for the understanding of publicness.

4. From political theory to the publicness of public administration

The stringent conditions of economic liberalism posed that the state is not allowed to unfold economic activities. However, these conditions have never been fully realized in practice. Already Adam Smith presented reasons why such a full realization could not be achieved. He argued that some institutions and works that would be beneficent for the

market as a whole could not be erected by the market itself, for the reason these would be too expensive for an individual agent to erect (Smith 1998: 413). Smith was also aware of some of the moral aspects of the system that – nowadays – could be considered as unjust. Such injustices, for instance, concern the fact that the poor had less chances in the market system than the rich. The theory of market failures, which has already been presented in section two, can be seen, as an elaboration of these two aspects. They address the noted anomalies and injustices of the conditions of economic liberalism.

Especially during the economic crisis of the 1930s, the legitimacy of state interference into the economy increased, and Western states on both sides of the Atlantic took an ever-widening hold over economic matters (see Hobsbawm 2003). Nevertheless, the labels of 'public' and 'private' were still used to designate the realms of the state and the market. In that way, the conceptualizations of liberal economic theory are transferred to public administration. The state came to produce non-market goods, and the publicness of public administration, seen from this perspective, is most basically the 'non-privateness' of goods produced by the state. This identification could be continued because the production of public goods was generally taken care of by state organizations. This economist version of publicness was not problematized until authors taking the normative perspective claimed that the economic viewpoint neglected the publicness that involved the public interest,^{vi} and, on the other hand, NPM-authors claimed that public organizations were not the only ones that could produce public goods and services.

The right form of publicness?

The discussion shows that the ambiguity surrounding the concept of publicness is not merely confined to the field of public administration. On the contrary, the ambiguity

appears to be very old indeed, resting on the retrieval of two antique conceptualizations. In the end, the two versions of publicness are distinct as well as incompatible. Earlier, three possible modes of connection between the two versions of publicness were presented. The first possibility, which read that the two conceptual versions of publicness could be aligned, has to be discarded. This implies that the remaining alternatives need to be explored. The first of those alternatives concerns the possibility that only one of the conceptual versions connects to public administration. Can the superiority of one of the forms, in relation to the publicness of public administration be decided upon? Again, we have to make a philosophical digression. I will do so by returning to the arguments described by Rainey (1997) that were used to abandon the strict distinction between the state and the market. I posit that the distinction between the economist and the political arguments is not as clear-cut as it appears. In fact, to legitimize state interference one has to address organic notions of publicness. However, organic notions are incommensurable with the conceptual framework of economic theory, and have to be given an 'individualist' appearance. The theory of market failure will be seen as a rhetorical cover-up to introduce organic elements into economic theory. As such, the publicness of public administration is in fact a mixture of organic and individualist conceptions of publicness.

The mixture of the individualist and organic descriptions of publicness

Two arguments were provided to legitimize the production of public goods, which, in its turn, can be seen as the most decisive motive for state expansion. On the one hand, state interference was legitimized by a reference to the public interest, for instance in the case of New Liberalism. Quite clearly such a reference is based on an organic conceptualization of publicness. On the other hand, state interference was legitimized by

pointing out failures of the market system. The discourse of this second legitimization belongs to the individualist mode of publicness: starting from the postulates of liberal economic theory, the imminent drawbacks are traced. The solution of these problems rests on the dichotomous distinction between the market and the state, which implies that wherever the market fails, the state is the sole agency that can compensate for these failures.

The list of market failures provides categories that can be used in the discussion about whether a specific task is to be carried out by the market or by the state. Still, economic theory has not succeeded in setting the ultimate demarcation line between the public and the private sector. The empirical manifestations of public goods differ considerably among national states;^{vii} in other words, which tasks which are considered to be public is a highly contingent issue.

One can also find theoretical arguments that deny the existence of a universal demarcation line between public and private goods. An example can be found in reflections on the idea of national defense as a public good (cf. Ostrom 1989: 47). Nozick (1974: 26-27) makes a theoretical exertion which shows that even defense may be constructed as a privately produced good. Malkin and Wildavsky (1991: 363) also claim that national defense is the "*pièce de résistance*" of the theory of pure public goods, and they allege that this notion is nothing more than a 'myth'. These authors try to unmask all raised criteria for economic state activity. They conclude: "There is no reason in economic theory why certain goods and not others must be provided by the government. But some people have an interest in making it seem as if there is (or should be) such a reason" (p. 368).

The goods which have been labeled public are not public in their essence, but according to Malkin and Wildavsky they are determined to be so on the basis of ideology. This interpretation of the ideological role of the theory of market failures puts it on par

with the political advocacy for an increased role of the state on the basis of organic ideas. In the end, both arguments are used in an ideological manner, mixing individualist and organic notions of publicness.

The increase of state activity that marks the beginning of the present understanding of public administration, invokes both the individualist and the organic form of publicness. Nothing else can be concluded that the publicness of public administration does not refer to either one version of publicness, but to both versions. This conclusion means that there is a profound and essential ambiguity in the publicness of public administration that prevents the development of a consistent, univocal conceptual framework.

Public administration and thus also public administration theory is bequeathed with two distinct – and even contravening – conceptualizations of publicness. The aspiration of finding a consistent conceptual framework has to be discarded, the fact of the matter is that any consistent framework would ignore an essential characteristic of public administration.

5. Conclusions

Two arguments are used to promote the role of the state. The first argument is provided by political theory and involves a reference to the organic mode of publicness. It has been claimed that the role of the state should be bigger as this is in the interest of the public. The second argument is provided by the theory of market failures, which, in its turn, taps upon the individualist mode of publicness. The market as the designated domain of economic activity is thought to fail in some occasions and the task of the state is to correct these failures – in their turn, the determination of these occasion involves

organic elements. As such, the arguments for an increasing role of the state are based on a double ontology of publicness.

The increased role of the state led to the expansion of public administration. However, what exactly came to be understood as publicness was far from clear. A number of perspectives were developed, but none offers a decisive conceptualization of the publicness of public administration.

The individualist mode of publicness can be most easily retrieved in the economist core approach, which is employed by a good number of the researchers in public administration theory. In this approach, organizations are seen as social instruments that produce goods, either in the domain of the market or in the domain of the state. The general direction of this approach appears to be in line with the theory of market failures. The market is seen as the 'natural' environment in which goods are produced, but some goods have to be provided by the state because the market has some inevitable shortcomings.

Conversely, the organic mode of publicness can be observed in the normative perspective.^{viii} Scholars opting for this perspective claim that the economic core approach is too shallow, as it does not leave space for a substantial appreciation of the publicness of 'public organizations'. Public organizations should also provide structures which allow the community to identify itself *as* a community; these organizations are claimed to be inevitable means for preserving and strengthening the public interest. If organizations are merely instrumental in producing goods and services, their contribution to the preservation of the public interest is ignored. In other words, the normative perspective asserts that the publicness of 'public organizations' also refers to the publicness of the 'public interest'.

In a scheme, the findings of this article can be represented as follows:

[Scheme 2 here]

Ramifications for public administration

The two versions of the publicness of public administration can be conveniently summarized by making a distinction between the administration *for* the public, and the administration *of* the public. In the economist account, public organizations are supportive to the needs of the people; their function is to provide the goods and services desired for. In the political account, public organizations also provide the institutional structure for people to identify themselves as part of a community. As such, a public organization is not just any organization, it also contributes to the organization of the public as a whole. It allows individuals to address the community and participate in its workings.

It cannot be claimed that there is an ontological precedence of one version of the publicness of public administration over the other. One needs to take both versions into account in a reciprocal fashion. This means that, on the one hand, it needs to be acknowledged that public administration is there to serve the public, and therefore it should obey its needs and desires. On the other hand, it should also be acknowledged that public administration has something unique to offer. It enhances the possibility of a state to organize itself as a community. For in the end, the only shared characteristic of such a community is that it lives in the same national state (cf. Minogue 1963: 140).

The conclusion is that there are two meanings that mark the publicness of 'public administration'. In fact, public administration effectively *integrates* the different meanings of publicness itself. As such, the phenomenon of public administration is the empirical manifestation of the collision between two contrasting descriptions of reality.

In more practical terms, this assertion means that administration is a balancing act. On the one hand, administration influences the lives of people who live in the same national state in a profound way, it establishes and sustains social relations, and it provides an encompassing structure for a society. On the other hand, administration is required to act modestly, as a liberal society is supposed to be self-governing, at least to a significant extent. Excessive interference of authorities is seen as a threat to free society. Administration has to move constantly between the extremes of anarchy and police state. John Dewey describes this ongoing process as:

There is no sharp and clear line which draws itself, pointing out beyond peradventure, like the line left by a receding high tide, just where a public comes into existence which has interests so significant that they must be looked after and administered by special agencies, or governmental officers. Hence there is often room for dispute. The line of demarcation left to private initiative and management and those regulated by the state has to be discovered experimentally (1957: 64-65).

Like practitioners in public administration, public administration theorists are also subjected to a balancing act. Albeit, this balancing act is of another nature. This article asserts that the publicness of public administration refers to two contradicting ontological positions, in other words, two descriptions of the social order based on opposite starting points.

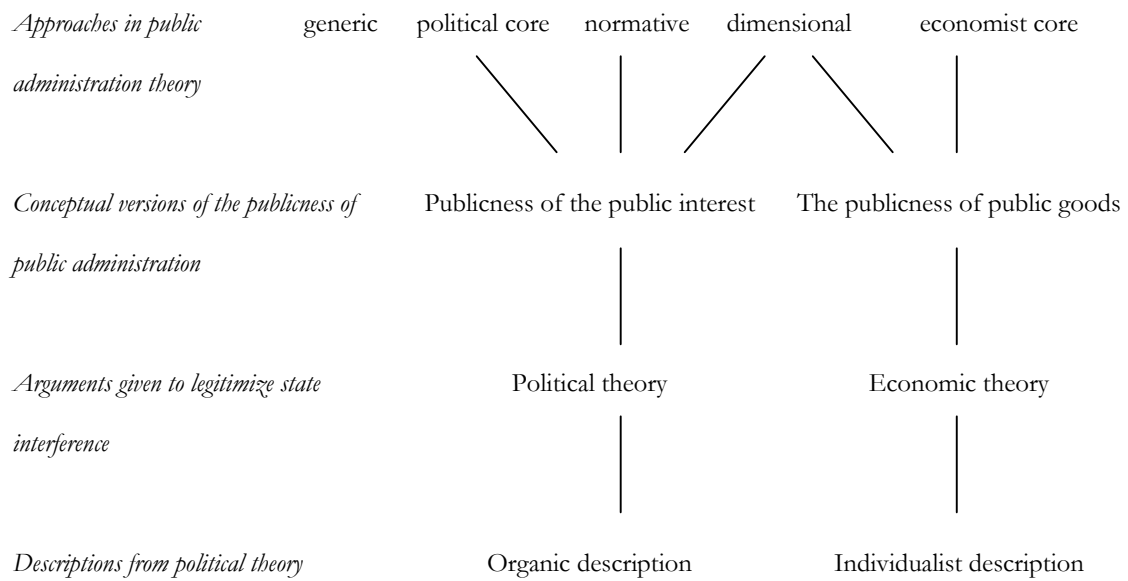
Public administration is bequeathed with a dual meaning for one of its constituting concepts, as publicness refers to two distinct entities, public goods and the public interest, which in their turn refer to two opposed descriptions of social reality. Do these conclusions provide a satisfactory answer to questions posed at the outset of this article?

Has the identity crisis of public administration receded, as it is now evident that no univocal definition of the publicness can be determined? It has. The identity of public administration is constituted by a double meaning of publicness, this implies that instead of a crisis, it is more sensible to acknowledge the double meaning as an inevitable fact. Addressing this ambiguous identity in public administration theory clearly means that the dimensional approach to the distinction between public and private organizations must be applied. The theories presented by Wamsley and Zald and by Bozeman are already quite aged, but they deserve further development, taking into account recent developments in public administration, such as privatization, governmental entrepreneurship, and globalization. Instead of searching for a universal and unambiguous definition of what is exactly public about public administration, it is more sensible, *and* more challenging, to see publicness as an intrinsically ambiguous concept, describing two contradictory aspects of what we, as a society, think is the appropriate task of administration.

Scheme 1:

<i>Social level</i>	<i>Individualist description</i>	<i>Organic description</i>
Individuals	Private sphere	
Group as aggregate	Public sphere	Private sphere
Group as unified whole		Public sphere

Scheme 2:



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Endnotes

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ⁱⁱ Scott and Falcone (1998) show that in contradiction to these claims, the generic approach is not supported by empirical data (also see Bozeman and Bretschneider 1984).

ⁱⁱⁱ I use the term 'version' here for the sake of convenience.

^{iv} Hegel (1970 [1820]) is usually seen as the most influential modern author on the organic perspective (also see Walton 1983).

^v Authors such as Tocqueville (1998 [1835]), Arendt (1958), and Habermas (1981) have articulated organic ideas in the context of democratic systems.

^{vi} It is interesting to note that the 'new liberal' John Dewey has been given a lot of attention by authors who take an organic position towards the publicness of public administration, see e.g. Evans (2000), Snider (2000), Shields (2003, 2005).

^{vii} McGraw (1992: 455) gives an overview of the publicly owned enterprises in 1978. Except for the postal service there is no other organization which is completely publicly owned in every state. Somewhat ironically, many postal services became privatized in Europe during the 1980s and 1990s.

^{viii} But also in more isolated texts like those of Shamsul Haque (1996; 2001), Luton (1996), or that of Van Riper (1999) who claims that privatization may threaten the level of civilization.