

## Research and Evaluation

# Justice, Efficiency, and the New Public Management

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*In this article I aim to explore the link between two normative values, namely justice and efficiency, and the New Public Management approach. In pursuing this task I offer several critical arguments against some of the recent justice-based objections levied against New Public Management by David Arellano-Gault. I claim that Arellano-Gault's account of the relation between justice and the New Public Management is seriously undermined by two conceptual flaws: (1) a conflation of right-libertarianism, utilitarianism, and desert theories of justice and (2) a conflation of the technical/productive sense of efficiency with the social/distributive sense. Furthermore, I maintain that even when the different theories of justice and the different senses of efficiency are properly delineated, the case for necessarily linking NPM to a particular theory of justice is markedly unconvincing.*

**Key words:** *desert, efficiency, justice, libertarianism, New Public Management, utilitarianism*

New Public Management (NPM) has been a central competitor in both theoretical and practical approaches to public administration in the past few decades. Having originally been developed as an alternative to the traditional bureaucratic model, with a fundamental reliance on ideas imported from Public Choice Theory, principal/agent theory, and transaction cost theory (Hughes 1998: 10) in concert with ideas stemming from general managerialism, NPM began to enter the policy arena especially in the late 70s and early 80s particularly in countries such as the United Kingdom, United States, Australia, and New Zealand (Gruening 2001: 2). Although NPM does not represent a unitary doctrine, but should rather be interpreted as a “shopping basket” (Pollitt 1995: 133) within which various mixtures of features are possible, some principles can be identified as part of its theoretical core: (1) hands-on professional management in the public sector; (2) explicit standards and measures of performance; (3) greater emphasis

on output controls; (4) a shift to disaggregation of units in the public sector; (5) a shift to greater competition in the public sector; (6) a stress on private sector styles of management practice; and (7) a stress on greater discipline and parsimony in resource use (Hood 1991: 4–5). Although the NPM approach has recently been met with strong new competitors, such as the Joined-up government approach (Pollitt 2003), the Whole-of-Government approach (Christensen and Lægreid 2007), or the digital era governance (Dunleavy et al. 2006) — it continues to occupy a central place in the theory and practice of public administration.

In this context, it is important to examine an aspect that has not represented a traditional focal point for scholars of public administration, namely the connection between NPM and normative values, which conventionally fall under the research purview of political philosophy,<sup>1</sup> as the questions that arise in the latter field of study are critical to a comprehensive evaluation of views on public administration. As McDermott notes: “whereas social scientists aim to determine the empirical facts about human behaviour and institutions, political

philosophers aim to determine what ought to be done in light of that information. How should states be organized? What kinds of projects should they pursue? Are there some actions that are impermissible?" (McDermott 2008: 11). Because views on public administration, such as NPM, propose certain ways in which state institutions are to be arranged and interrelated, it naturally follows that alongside empirical studies of the functioning of public administration systems, normative studies of the desirability of such systems are of paramount importance. Questions of justice, in particular, are expected to have a significant bearing in such discussions, because in any of the standard interpretations of this concept, that is as moral permissibility, as legitimacy, as (comparative) fairness, or as what we morally owe to each other (Vallentyne 1993: 548), it refers to the distribution of benefits, costs, rights, and duties that are discharged through the public administration institutions of the state.<sup>2</sup> Consequently, the general shortage of justice-based evaluations concerning approaches to public administration is both surprising and impoverishing for the literature on public administration as a whole.

An important exception to this general state of affairs, however, is Arellano-Gault's (2010) attempt to criticise NPM<sup>3</sup> for failing, on multiple accounts, to take liberal views on justice, together with their values and distributive implications, seriously. Although Arellano-Gault's project is commendable precisely for trying to bridge important discussions that take place within the field of political philosophy to public administration approaches, in this article I will suggest that his critique of NPM is largely unsound. It is important to highlight that, while several of the points made in this article on the connection between NPM and justice will have a generic character, the discussion will primarily be organized around Arellano-Gault's work, as it currently represents the most salient source that seeks to embed the topic of justice within the public administration literature.

The article is structured as follows: in the second section I describe the five justice-based objections raised by Arellano-Gault (2010) against NPM. In the third section I uncover an ambiguity in the normative framework on

which Arellano-Gault alleges that NPM is built upon, arguing that his view, which implicitly suggests that right-libertarianism, utilitarianism, and desert theories of justice all provide this framework at once is inconsistent. In the fourth section I uncover a further ambiguity in Arellano-Gault's usage of the concept of efficiency, claiming that the sense in which he uses this term is not the one standardly characterizing the core principles of NPM. Subsequently, I discuss the implications of these conceptual flaws, maintaining that they are deeply problematic both for his general view of the relation between NPM and justice and for his more specific objections.

### Justice-Based Objections to the NPM Approach

Arellano-Gault (2010) offers five objections to the NPM approach, relying in all cases on considerations related to different aspects of justice. The first such objection concerns the idea that NPM's exclusive preoccupation with efficiency overshadows (or, worse, completely precludes) one of the central purposes of public organisations, that is the fact that public organisations play a part in creating social meaning. According to Arellano-Gault (2010: 601–602) the image of public organisations projected by NPM is that they are simply vehicles for delivering services to clients (i.e. citizens), which would be suboptimally produced outside the confines of state intervention. But, he further claims, this image misconstrues the nature of public organisations, which are primarily *political* spaces. Far from being simple service providers, public organisations are providers of opportunities for the individual pursuit of the good life, which is shaped by citizens partly in connection to the social meanings created at the level of public organisations. These organisations are therefore the site where various normative questions, such as the meaning of fairness in public policies, how to insure equality of opportunity, etc. are to be answered.

The second objection raised by Arellano-Gault concerns the idea that NPM disregards

the pluralist character of modern societies and leaves no space for political dialogue in establishing social goals. By contrast, he claims that the NPM “supposes a utilitarian argument that advocates the ultimate importance of increases in the general level of satisfaction” (Arellano-Gault 2010: 602), thereby going against political liberals who claim that the right has priority over the good (see Rawls 1971, 1988). Furthermore, NPM is committed to reject political pluralism, because debates in the social arena hinder the efficiency of public organisations.

The third objection advanced concerns the idea that NPM sees public organisations as nothing more than institutions embodying a scheme of incentives so as to make the individual interest of each citizen align with collective interests, with the ultimate purpose of increasing general welfare. But this view, once again, obscures an important fact, which is that public organisations also have a moral dimension alongside the economic and political one. As Arellano-Gault maintains, “a sense of duty, the ethics of public organizations, and the effort required to convince in a plural society (that is to say, when each and every actor accepts that his or her view is just one among the many others that are possible and legitimate and that, in principle, no one has the ultimate truth) are important issues in organizing and building public organizations and actions in any plural society” (Arellano-Gault 2010: 604). The fourth objection concerns the idea of merit and meritocracy. Arellano-Gault claims that a hallmark of the NPM approach is its focus on result and output performance, which is in turn based on a meritocratic view of public organisations. But, he goes on to state, this raises two further issues. First, meritocracy “cannot be the sole principle on which a democratic government bases its social values” (Arellano-Gault 2010: 605), so NPM is problematic insofar as it does not yield any space to other values outside that of desert. Second, the content of a meritocratic system is itself subject to particular interpretations, which may sometimes be in opposition. Thus, the view that we can define meritocracy in a universal fashion and independently from public organisations, as NPM

purports to do, is too simplistic and should be rejected.

Finally, the fifth objection targets the idea that NPM does not offer a general recipe against the capture of government organisations, despite the fact that one of the main reasons brought in its defence by supporters is precisely that. According to supporters of this approach, NPM precludes governmental capture because properly built market-based mechanisms would discourage such a behaviour from rational actors. However, Arellano-Gault argues that, while it is not unlikely that the NPM may generate this sort of consequences in some cases, many other governmental areas that are characterised by a “complex interrelationship of bureaucracies and social groups” (Arellano-Gault 2010: 606) such as health and education may still be susceptible to governmental capture even under such conditions. He further concludes that “transparency and access to public information, constant and smart surveillance of firms and policies, and strengthening capacities to avoid conflicts of interest[ . . . ] are not necessarily attached to the market gospel, require debate and deliberation between different actors (Congress, the Executive, and society) if we wish to put them into practice” (Arellano-Gault 2010: 607).

### **On the Normative Underpinnings of NPM**

The first difficulty with Arellano-Gault’s account of how aspects of NPM can be criticised as unjust is his lack of clarity concerning what the normative framework of this approach actually is. *Prima facie*, the image that he appears to offer is that NPM derives from a right-libertarian view of justice, which usually places central emphasis on self-ownership and mandates little or no constraints on permissible appropriations of external resources.<sup>4</sup> This view permeates Arellano-Gault’s presentation of NPM and can be found in several instances, such as “it seems plausible to say that some arguments surrounding NPM[ . . . ]endorse a ‘libertarian’ argument. In other words, E-NPM very often resembles specific versions of libertarian ideals that argue

for minimal state intervention so as to maximize individual self-ownership as the starting place for efficient government” (Arellano-Gault 2010: 593), “E-NPM clearly endorses some [libertarian] values. Its stance against bureaucracy and procedural mechanisms [...] form part of the libertarian argument and philosophy” (Arellano-Gault 2010: 594), “the libertarian argument with respect to E-NPM assumes that once the market [...] rules out in all governmental actions, rationality and justice would ‘automatically’ appear” (Arellano-Gault 2010: 596). Thus, Arellano-Gault’s main contention appears to be that NPM is derived from a right-libertarian perspective (which also informs Public Choice Theory), only supporting small and decentralized public organisations, working within the basis of a market system in order to give maximal freedom of choice to each individual.<sup>5</sup> Notably, the linkage between NPM and libertarianism is also endorsed by other authors (e.g. de Vries 2010; Leicht et al. 2009; Marobela 2008) aside from Arellano-Gault.

However, in several places, Arellano-Gault identifies a different conception of justice, namely utilitarianism,<sup>6</sup> as grounding NPM. For instance, he argues that “even though E-NPM does not necessarily provide an explicit argument against plurality, it supposes a utilitarian argument that advocates the ultimate importance of increases in the general level of satisfaction” (Arellano-Gault 2010: 602), or that for NPM “justice both inside and outside organizations is a matter of utilitarian calculation, and not of debate and discussion” (Arellano-Gault 2010: 603). In this interpretation, NPM seeks to achieve distributive outcomes that maximize the aggregate utility of citizens subjected to the constraints imposed by public organisations. Other authors, such as Rolland (2005) also suggest this thesis, whereas Bowrey and Smark (2010) offer a detailed account of the link between NPM reforms and Bentham’s utilitarian view.

Furthermore, in several different places, Arellano-Gault claims that merit and meritocracy actually do the justificatory work for NPM. He states that in the NPM “meritocracy and a results-oriented public sector are the main

organizational values of public administration” (Arellano-Gault 2010: 596) and that “E-NPM argues for a meritocratic way of organizing government” (Arellano-Gault 2010: 604). In this interpretation, organisations and bureaucrats should be first and foremost judged by meritocratic standards, but we can infer that this view also extends to distributive outcomes tracking merit—or desert—from statements like “politically speaking, to assume there is a best way to define ‘merit’ implies that there is one way to define the ‘right’ objectives for a society” and “meritocracy cannot be the sole principle on which a democratic government bases its social values” (Arellano-Gault 2010: 605).

But desert-based accounts of justice<sup>7</sup> have different distributive implications than libertarian accounts of justice and both have different distributive implications than utilitarian accounts of justice. The fact that Arellano-Gault conflates these various views is apparent from the above-mentioned quotes, but is even more vivid as he opens the stage for his justice-based critique of NPM: “the libertarian tradition of justice and the calculation of profit, even collective profit, are not enough to ensure justice. If this is true then the case E-NPM puts forward for strictly meritocratic government structures preoccupied with achieving specified formal outcomes, good result indicators and good qualifiers for performance, is problematic and limited. It may even be supporting and actually creating unfair conditions for different people in diverse situations not considered by the utilitarian vision of NPM” (Arellano-Gault 2010: 599). This phrase implies that Arellano-Gault views NPM as being derived at once on libertarian, utilitarian, and desert-based normative grounds, a claim that cannot have internal consistency if there are instances where these various approaches to justice can be shown to prescribe different results.<sup>8</sup> In order to draw out such contrasts, political and moral philosophers usually appeal to counterfactual cases, a practice that I will also undertake in the present discussion. Consider the following example:

**Inheritance.** Suppose that Andrew, who is the single parent of three children (Becky, Charles

and Dana) has just died, without leaving a written will and without having any other close relatives. His estate, which is valued at 100,000 dollars is to be divided amongst his children. While not making this request formal, Andrew would have chosen that his whole estate would have gone to Becky under these circumstances, a fact which is known by all three siblings. Charles has “cheap tastes,”<sup>9</sup> meaning that he converts resources into utility at a much faster rate than either Becky or Dana. All three children had a similarly close relation to their father, all of them have roughly similar jobs and have had similar opportunities in life. They are also similar in any other features which might ground a desert evaluation of their life histories.

What are the distributive implications of *Inheritance*? Due to its primary concern with self-ownership and property rights, a right-libertarian would normally argue that the only distribution that does not violate the freedom of choice embodied in libertarian principles of justice—for instance, the Nozickian principle of justice in the transfer of holdings—is to give all of the estate to Becky, because she was chosen as a beneficiary by the original owner of the estate.<sup>10</sup> Utilitarianism, however, points in a different direction. Because Charles is able to better convert resources into utility, it follows that he should be given a bigger amount of the estate than both Becky and Dana, because this distribution would maximize aggregate utility. If we assume that economic resources have diminishing marginal utility, then the rate of Charles’s conversion of money into utility will determine the exact distribution of the estate, but in all cases Charles would get a bigger amount. In the extreme case where economic resources have no diminishing marginal utility, Charles should get the entire estate, because this will maximize aggregate welfare, in accordance with classical or average utilitarianism. A desert-based theory of justice, points, again, in a different direction as well. Because by stipulation none of the three children have, on any account, differential merits in getting the estate—neither on the basis of having differential opportunities in life, having exercised differential degrees of responsibility for their present circumstances, having invested differ-

ential amounts of effort, having a better relation with their father, etc. , such a theory would endorse giving equal amounts of the estate to each of the three children.

Surely, it has become a standard view in moral and political philosophy to argue that we should endorse value pluralism when seeking to uncover what sort of reasons we have to act in certain ways that would influence other individuals aside from ourselves. Thus, we might consider that, in practice, some other value, such as autonomy, should override considerations strictly related to justice and that we should ultimately favour respecting the choice of the original owner of the estate and give the entire amount to Becky. Although this view is certainly plausible, it does nothing to undermine the argument offered here, which is not concerned with the actual distribution of the estate, but with the justice-based grounds for distributing the estate in a certain way. On this matter, as explained above, libertarianism, utilitarianism, and desert accounts all offer different normative prescriptions, with the first one requiring that all of the estate should go to Becky, the second one requiring that more of the estate (and, at the limit case, all of the estate) should go to Charles, and the third one requiring that the estate is to be divided equally amongst Becky, Charles, and Dana. Because the case shows at once that all three theories of justice have different distributive implications, attempting to ground NPM in *all* three theories is inconsistent as they would in many instances mandate taking opposite courses of action.

Although the case described above is counterfactual, the underlying point can easily be extrapolated to more general and familiar situations, such as those involving the design of public policies. For instance, if we take the mainstream view that monopolies constitute market failures because they lead to inefficient outcomes, standard versions of utilitarianism would favour introducing antitrust regulations as a matter of economic policy, whereas standard versions of libertarianism would be against such regulations as they limit freedom of choice. Or, consider for instance educational policies. If we adhere to a desert-based



theory of justice, we would likely be in favour of designing policies that lead to fair equality of educational opportunities, as subsequent economic opportunities should not be unequal due to differences in the socio-economic background of individuals, but only due to differential merit. Such egalitarian policies, that standardly require a large degree of public intervention, would however, be incompatible with a libertarian approach, which would rather seek to supply education via the free market. Finally, consider health policies. Although utilitarians would favour judging the distribution of resources for health care solely by appealing to some efficiency metric, such as quality-adjusted life years, a desert-based theory of justice would also seek to track responsibility considerations, for example the extent to which the health condition of an individual derives from her choice of a particularly damaging lifestyle.

The question that naturally follows then, is which of the three views on justice actually offers the normative underpinning of the NPM approach? A better question, however, is whether NPM is indeed tied in this way to any one of the three views described, or is compatible with all of them, without being necessarily committed to any single one? In order to respond to any of these questions, it is important to first discuss a second conceptual mistake in Arellano-Gault's account, which mixes two different uses of the notion of efficiency.

### **Disentangling Two Conceptions of Efficiency**

In the beginning of his article, Arellano-Gault offers a characterisation of NPM, drawn from a definition proposed by the Organization for Economic Cooperation and Development, which states that the approach requires "a closer focus on results in terms of efficiency" and "a greater focus on efficiency in the services delivered directly by the public sector" (Arellano-Gault 2010: 592). Subsequently, however, the view on efficiency that prevails throughout his work is that efficiency is not an

internal property of public organisations, being used to assess the relation between inputs and outputs, but rather that it is an external property, tied to the social consequences of outputs. This latter view is particularly revealed in his discussion of the relation between efficiency and justice, where he claims that "E-NPM tends to agree with this argument and defends the idea that efficiency, not justice, is the main concern of public organizations" (Arellano-Gault 2010: 597) and that "it is also deplorable that we encourage utility above all else in the name of 'happiness' or 'collective benefit' or 'efficiency'" (Arellano-Gault 2010: 598). The distinction between these two types of views is important, and has been drawn out in a consistent manner by various authors. Rutgers and van der Meer (2010) and Kang (2007) for instance, distinguish between a *technical* interpretation of efficiency, which "concerns the ratio between resources and results, or input and output" (Rutgers and van der Meer 2010: 758) and a *social* interpretation, which in their account is connected to the idea of optimality and in Kang's account is connected to the "social relevance of a government activity" (Kang 2007: 638). Andrews and Entwistle (2013) propose a different cut, between four different meanings of efficiency: (1) productive efficiency, (2) allocative efficiency, (3) distributive efficiency, and (4) dynamic efficiency. Briefly, "productive efficiency refers simply to the relative inputs required to achieve the basic outputs of production" (Andrews and Entwistle 2013: 251), thereby mirroring the technical sense of the term, which is described above. By contrast, distributive efficiency "refers to the distribution of resources or services between citizens and the relative cost to government (and society) of that distribution" (Andrews and Entwistle 2013: 255), mirroring once again the social interpretation provided above.<sup>11</sup> Furthermore, in a similar fashion to Rutgers and van der Meer (2010), Andrews and Entwistle (2013) also connect the meaning of distributive efficiency to the idea of Pareto optimality, which maintains that a distribution is efficient when no further improvements in utility for anyone are possible without decreasing the level of utility of someone else. This

connection is not in itself mandatory, as other types of efficiency standards may also be employed, such as the Kaldor–Hicks criterion—which maintains that a distribution is efficient when any losses in terms of utility by someone can, in principle, be compensated by other parties even though compensation is not necessarily enacted—or simply a utilitarian criterion, which states that a distribution is efficient when it yields the maximal amount of aggregate utility.

It is this latter understanding of efficiency, in the *social* or *distributive* sense, which Arellano-Gault primarily appeals to throughout his critique of NPM. But this is not the understanding that grounds paradigmatic accounts of the foundations of NPM. For instance, Hood (1991), who is traditionally credited with coining the term, primarily discusses efficiency in the context of justifying the requirement for “explicit standards and measures of performance” (Hood 1991: 4) to exist and for the “disaggregation of units in the public sector” (Hood 1991: 5), further rejecting one of the early objections to this approach, which is that efficiency and equity must necessarily be at odds, by stressing that efficiency should be understood as an administrative value, whereas equity should be understood as a political value. Hughes (1998) paints a similar picture by claiming that the main change sought out by managerialism and, consequently, NPM is to “allow for public purposes to be carried out in a more efficient, cost-effective way” (Hughes 1998: 79) and Pollitt and Bouckaert (2011) argue that the dominant characteristic of NPM is the creation and implementation of “business techniques to improve efficiency” (Pollitt and Bouckaert 2011: 11), with efficiency being understood as “the ratio between inputs and outputs” (Pollitt and Bouckaert 2011: 15). Furthermore, both Rutgers and van der Meer (2010) and Andrews and Entwistle (2013), who recognize the multiple meanings that the notion of efficiency might take, also adhere to a similar view, by claiming that “in an NPM perspective, efficiency is primarily understood as *technical* efficiency [my emphasis]” (Rutgers and van der Meer 2010: 774) and that “policies to promote *productive* efficiency are widely regarded to be at the

heart of NPM [my emphasis]” (Andrews and Entwistle 2013: 252).

## Discussion

If the arguments constructed in the last two sections are sound, their implications for Arellano-Gault’s (2010) justice-based critique of NPM are highly significant. First of all, they reveal the unstable conceptual foundation on which his broad critique of NPM relies, due to (1) the conflation of two distinct meanings of efficiency, only one of which is standardly assumed to be at the core of NPM and (2) his inconsistent normative grounding of NPM in three different accounts of justice, that is right-libertarianism, utilitarianism, and desert-based views. But aside from merely illustrating the conceptual lack of clarity present in Arellano-Gault’s discussion, the arguments developed here also entail two broader consequences.

The first important consequence directly targets the specific objections offered by Arellano-Gault (2010) and presented in the first non-introductory section of the article. On one hand, both the second and the third critique raised by Arellano-Gault—which claim that political pluralism and ethical considerations within public organizations are hindered by NPM—are underscored by a utilitarian framework and by the social or distributive understanding of efficiency. If we relinquish these connections, as I suggest we should, Arellano-Gault’s two objections fail, as there is no particular distributive goal (such as the maximisation of general welfare), which NPM is committed to support. On the other hand, both the first and fourth objections rely on the idea that NPM ignores the fact that public organisations should be the site where various normative questions (e.g. what is fairness or merit) should be examined. But this claim also relies on the idea that NPM or any approach similar in scope should be strictly connected to some conception of justice, a claim that is unsubstantiated as the core values of the approach concern administrative, not political issues, as I explain in the subsequent paragraph. Arellano-Gault does not therefore provide any plausible reason on

which to base his view that values that ground distributive principles are not to be assessed by citizens and expressed as political preferences, but should rather be left in the hands of public organisations.

A second, more general, consequence is that a compelling case in support of the idea that NPM *must* be in opposition to liberalism, equality, or any view on either distributive or other forms of justice (e.g. relational), has yet to be made. Furthermore, it is unclear that such a case can be made. This is because the core values of NPM—and efficiency is perhaps the most prominent such value—are used in the assessment of the internal processes that take place in public organisations, rather than in normative judgments of distributive outputs. Stated in a more familiar language for public management theorists, NPM is primarily concerned with *sigma-type values*, that is those values that are “connected with the matching of resources to narrowly defined tasks and circumstances in a competent and sparing fashion”<sup>12</sup> (Hood 1991: 11), not with a particular set of *theta-type values*, which embody distributive components, as Arellano-Gault’s arguments would imply. Thus, to the extent that the internal processes and structures of public organisations adhere to the principles of NPM, there is no inconsistency in the adoption and implementation of say, the principles of justice as fairness (Rawls 1971), which are paradigmatic for the liberal egalitarian strand of thought and which call for significant redistributions of income favouring the worse-off. There is also no inconsistency then in the adoption and implementation of right-libertarianism, utilitarianism, or a desert-based account of justice, which in turn suggests that all of the three views on justice discussed by Arellano-Gault in relation to the NPM are compatible with it, with neither one of them actually grounding it. Of course, various forms of injustice may still arise in NPM as a consequence of assigning priority to sigma-type values over theta-type values, because as Hood (1991: 15) suggests these values are not always compatible, but this is an entirely separated claim from the one that NPM is committed to specific views on the content of theta-type values.

## Concluding Remarks

In this article I have tentatively explored the link between NPM and two normative values, namely justice and efficiency, seeking to highlight some of the main issues at stake. As the theoretical literature on this topic is scarce, I focused the discussion on the study of Arellano-Gault (2010), which also seeks to examine the above-mentioned link. As a first conclusion, I hope to have thoroughly shown that while Arellano-Gault’s efforts to criticise NPM from a justice-based standpoint are praiseworthy and on occasions convincing,<sup>13</sup> they largely fail. The main reason for this failure can be traced to a lack of conceptual clarity with respect to both the normative underpinnings of NPM and the conception of efficiency which is central to this approach. When these issues are clarified, both his general view and most of the specific objections raised against NPM are proven to be faulty.

At a more general level, I argued that linking NPM to a specific account of justice appears to be an unpromising venture, because of two reasons. First, when the different meanings of efficiency are disentangled, it becomes apparent that NPM is concerned with the technical or productive sense, rather than the social or distributive sense. Thus, NPM is not *necessarily* linked to utilitarianism, because utilitarian (or, for that matter, Paretian) efficiency is captured by the latter understanding. Second, NPM is not *necessarily* linked to any other theory of justice either, because it is primarily a view on how to design the internal processes and structures of public organizations, rather than a view on how to evaluate distributive outputs. If the core of the NPM approach has been correctly identified, then utilitarian, liberal egalitarian, libertarian, or any other family of views about justice can therefore be compatible with this approach, because the goals of public policies do not dictate any particular way in which they should be brought about, and NPM primarily targets this latter aspect. Because the literature on justice and approaches to public administration is still in its infancy, however, these general conclusions should not be interpreted in definitive terms, but rather as preliminary



expositions in need of further development and examination.

## Endnotes

1. A notable exception here is the link between *democracy* and various approaches to public administration, which has been explored in several studies (e.g. Box et al. 2001; Box 2007; Denhardt and Denhardt 2015; Mosher 1968).

2. Some philosophers conceptualize justice as a value which embodies the proper balance between other, more fundamental values. This is best symbolized in Otsuka's (2004: 164) statement that: "a just state of affairs [is] a feasible state of affairs in which a plurality of distinct and potentially conflicting values are in best balance relative to other feasible combinations, provided that this balance is good enough, where these values encompass such things as equality, utility, liberty, the satisfaction of needs, and respect for individuals as ends in themselves rather than mere means." Other philosophers, such as Cohen (2003: 244–245) understand justice as a fundamental value that is distinct from other values (such as efficiency) and should be balanced against them in the process of institutional design. In this article I adhere to the latter view, although it is important to note that for utilitarian theories the two values are inseparable.

3. More specifically, he refers to a particular version of the approach, which he terms the Economic New Public Management (henceforth E-NMP), but because this strand can be considered the mainstream of NPM thought, I will use the standard label instead of the E-NMP one proposed by Arellano-Gault.

4. See Mack (2011) for a historical overview and Vallentyne and van der Vossen (2014) for a conceptual overview of the distinction between right-libertarianism and left-libertarianism. Within right-libertarianism itself, there are several schools of thought that defend the libertarian commitment to free markets and strict property rights on different grounds. Kymlicka

(2002: 102–165) identifies four such schools of thought: (1) the "self-ownership" view, primarily associated with Nozick (1974), which seeks to embed libertarianism within the Kantian ethical tradition; (2) the "mutual advantage" view, inspired by Gauthier (1986) and mostly associated with Narveson (1988) that seeks to embed libertarianism within the contractarian tradition; (3) the "efficiency" view, associated, inter alia, with Buchanan and Tullock (1962) and Epstein (1995), which seeks to embed libertarianism within the utilitarian ethical tradition by focusing on enhancing overall welfare; and (4) the "maximizing liberty" view, which derives libertarianism from the value of negative liberty. Although this latter view is perhaps the most popular understanding of libertarianism outside the academia, it is rarely held by libertarian scholars (see however Brennan 2012: 26–41 for a discussion on the relation between libertarianism and liberty).

5. The extent to which libertarianism is actually able to maximize freedom of choice is itself contentious, but I cannot further pursue this issue here.

6. See Scarre (1996) for an overview.

7. See Olsaretti (2003) for an overview.

8. Even though, as underlined in a previous footnote, some authors justify libertarianism on utilitarian grounds, it is still possible—as will be subsequently shown—for freedom of choice to conflict with utility maximization. For more cases that reveal a number of tensions between libertarianism and utilitarianism see Alexander and Schwarzschild (2000).

9. See Volacu and Dervis (2016) for a technical discussion on cheap and expensive tastes.

10. Assume also that Andrew owned the respective sum of money without violating any of the principles of the entitlement theory of justice.

11. Allocative and dynamic efficiency are of no special concern for the argument presented here.

12. See Hood (1991: 15–16) for an argument in this regard.

13. As in the case of his fifth objection, which draws attention to the persistent danger of governmental capture.

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