



A Government that Worked Better and Cost Less?: Evaluating Three Decades of Reform and Change in UK Central Government

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Christopher HOOD & Ruth DIXON, *A Government that worked better & cost less? – Evaluating three decades of Reform and Change in UK Central Government* (Oxford University Press, 2015) pp: 229, £30.00, ISBN 978-0-19-968702 (hbk)

Those who have long toiled at the coalface of public administration and remember the development of 'new managerialism' in the 1980s and the promises of New Public Management (NPM) will welcome this volume which sets out to review the last thirty years and to ask searching questions about just how effective these techniques have been in reforming public expenditure, increasing efficiency and generally making the world a better place.

The authors argue that there has in fact been little systematic evaluation of what happened to cost and performance over three decades and set out to fill the gap. They claim to offer a unique evaluation of UK government performance and modernisation programmes from 1980 to the present day and examine notions of 'working better' and 'costing less'. The tone had been set early by President of the Board of Trade, Michael Heseltine who declared 'the management ethos must run right through our national life - private and public companies, civil service, nationalised industries, local government and the National Health Service.' (p4)

But did governments really end up working better and costing less as all those once important reformers, who 'were the future once', so confidently expected and intended? Secondly, as the authors point out, 'much more has been written about the promises and the processes of the recent past than about the documented evidence' (p.4) and they detect a clear wish on the part of the public management commentariat to focus on the latest reform ideas and on what is happening right now rather than a careful examination of what happened to previous reform efforts.

The volume is well-organised; after an opening chapter reviewing the development of NPM ideas, chapter two lays out some of the major features and innovations in UK central government over the three decades under review; the size and number of departments, the rise of "quangos", the emergence of spin-doctors and the impact of the digital revolution were among the changes which, they suggest, were often more to do with 'controlling the story, framing the debate and shaping citizen choices' than with genuine attempts to improve efficiency. (p.12)

Chapter three then turns to the data that documents government performance over time and chapters four and five examine what happened to reported running costs in civil departments as a whole and, especially, in the tax collecting departments. In both cases administration costs appear to rise substantially in real terms over the period. The next two chapters turn from what government costs to administrative performance and to questions about the notion of "working better" in terms of the aspirations and expectations of the promoters of NPM of the time. Finally chapter nine returns to the broader issue of what overall conclusions can be drawn from the book's analysis of cost and performance, exploring the implications of the authors' findings for the current generation of enthusiasts for public management reform in the 21st century climate in which pressures to make government work better and cost less are not likely to go away.

The evidence clearly shows that far from falling, running costs rose substantially in absolute terms over thirty years whilst complaints soared; what is more we see that what drove costs up was not the wage levels of civil servants but 'out-sourced' costs - a recipe that figured large in arguments for greater efficiency. Reduced levels of civil service posts, ambitious IT projects and legal challenges lead the authors to conclude that almost all the most optimistic visions of the true believers in the transformative powers of managerialism and IT can be dismissed.

However, it is also evident that there are no simple or straight-forward alternative solutions. Some argue for 'one more heave' or 'must try harder' and all will be well; but Hood and Dixon demonstrate that although it may be necessary to cut civil service staff numbers, it is not sufficient; effective measures must include a vigorous attack on consultancies, IT costs and Private Finance Initiatives (PFI) that fund public works. And, they plead, almost in desperation: 'how can anyone know if government is doing better or worse if the basis of the numbers keeps changing and it takes years of detective work to produce consistent data-series' (p.194)

Those who seek serious reform must focus on ways to break up self-serving networks, hierarchical managements and blame-avoidance cultures - and expand instead on exceptional cases in which such cultures are overcome as a result of pressures from either inside or outside or both, rather than the general aggregates which this book has discussed.

For advanced students of public management, senior civil servants and politicians, this is an essential text in which clear illustrative diagrams support the complexities of the argument.

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