

DEMOCRATIC DECLINE AND PUBLIC ADMINISTRATION: WHAT IS TO BE DONE?

Allan ROSENBAUM

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President, American Society for Public Administration,
Washington, D.C.

Chairperson, Accreditation Commission, International
Commission on the Accreditation of Public Administration
and Training Programs (ICAPA)/ International Association
of Schools and Institutes of Administration (IASIA)

Distinguished University Professor, Department of Public
Policy and Administration, 'Steven J. Green' School of
International and Public Affairs,
Florida International University, Miami, Florida, USA

Tel.: 00305-348.1271

E-mail: rosenbau@fiu.edu

Abstract

This article discusses in an essay style the challenges currently facing many of our local communities and national governments, and society more generally, which are substantial and profoundly concerning. The recent COVID-19 pandemic has only added another layer of complexity. The author notes the increasing fragility of democratic institutions in many nations and the growing prevalence of autocratic leadership in countries that traditionally have been perceived as stable democracies. There are two critical issues discussed more in-depth. These are, first, a significant decline, especially in democratic nations, over the past several decades in government resources and capacity. This increasingly limits the ability of these countries to respond to the most critical needs of their societies. Second is the profoundly destabilizing, worldwide growth in inequality which frequently underlies the declining public confidence in democratic governments.

Keywords: public administration, democratic decline, crisis, social inequality, administrative capacity.



1. Introduction

As the organizers of this special issue suggest in their call for papers, the challenges currently facing many of our local communities and national governments, and society more generally, are substantial and profoundly concerning. These have all been exacerbated by the Covid pandemic and its especially terrible impact upon the least fortunate in society (Long *et al.*, 2020). As a consequence of these and other terrible and tragic occurrences in many parts of the world, the challenges confronted by, and demands placed upon, those who practice, as well as those who teach and research, public administration inevitably are and, for the foreseeable future, will continue to be complex and profoundly difficult to address.

Unfortunately, in far too many situations, the seemingly insoluble economic, environmental and social problems facing our societies are both magnified by, and made far more consequential by, the increasing fragility of democratic institutions in many nations and the growing prevalence of autocratic leadership in countries that traditionally have been perceived as stable democracies. Similarly, in nations which historically have been far less than democratic, in many cases governmental leadership is becoming significantly more authoritarian and hence more overtly hostile to democratic regimes (Levitsky and Ziblatt, 2018; Rudd, 2022; Kendall-Taylor and Komsomol, 2022).

So, the obvious question for the public administration community is, given these realities, what is to be done? While all of the various issues cited in the call for papers (economic security, war in Europe, the deficiencies in health care systems and more) are of great consequence, underlying them one might suggest are two even more critical issues. These are, first, a significant decline, especially in democratic nations, over the past several decades in government resources and capacity. This increasingly limits the ability of these countries to respond to the most critical needs of their societies. Second is the profoundly destabilizing, worldwide growth in inequality which frequently underlies the declining public confidence in democratic governments. The significance, and negative consequences, of these developments will, to some degree, vary in intensity in different parts of the world, but, in one way or another, they ultimately are central to the economic and societal well being of a large part of the population in most, if not all, of the countries of the world.

For the remainder of this essay, we shall examine each of them and their consequences and, finally, what can be done to address them.

2. Government capacity: a declining resource

The decline in government capacity is not a new phenomenon. One of the negative consequences of the post-World War I era for many countries, often magnified by the subsequent Great Depression of the 1930s, was the decline in the ability of government to effectively address the critical economic challenges and social problems presented by the depression. In some countries, this gave rise to the fascism that led to World War II and the devastation which it brought. However, in many countries of Western Europe, the

aftermath of World War II, gave rise to conditions that ultimately led to the emergence of the robust governments that rebuilt a significant part of the continent and brought with it a high degree of prosperity and a rising middle class. Particularly notable was the rebuilding of strong, robust and democratic governments within the principal defeated nations of the war — Germany and Japan.

In the United States, the emergence of robust government had occurred earlier as the administration of Franklin Roosevelt was able to utilize the trauma of the national depression of the thirties to create the most dynamic and progressive government in the history of that nation. Governmental capacity in the US grew even stronger with the entry of the nation into World War II. The significant government actions required to mobilize a country, and a private sector, totally unprepared for war were critical in this regard. Even more important was the fact that US industry, guided and stimulated by government action, quickly became the major source of the vast quantities of weaponry needed to successfully fight the war. Consequently, the national government became both the driving and the guiding force of a vast industrial machine that was central to the successful conclusion of the War. Even more significantly, the partnership, initiated by the government with the private sector, created a quarter century of extraordinary growth and dramatically increasing prosperity for large parts of the nation (Hacker and Pierson, 2016).

However, even as governments were rebuilding societies, anti-government movements, usually, but not always, politically conservative, began to question the efficacy of robust government, especially in more economically developed democracies. By the mid-1980s, the New Public Management (NPM) philosophy — really an ideology — which had emerged very forcefully out of New Zealand and Australia, had spread to Great Britain, the European Continent and the US. In response, theoretical critiques vigorously demonstrated both the inconsistencies of and the need for alternative approaches — some of which integrated elements of NPM with more traditional bureaucratic theory. Unfortunately, these discussions focused on scholarly analysis and debate, rather than what governments were actually doing.

The reality of government performance was often very different from the academic dialogue taking place. The 1980s, especially in Great Britain and the US with Margaret Thatcher and Ronald Reagan now in power, witnessed dramatic declines in government taxation, and consequently available revenue, massive deregulation and a significant decline in government efforts to shape economic and social policy for the benefit of society generally. Taken together these policy changes dramatically limited the capacity of government to address major societal problems ranging from climate change to massive growth in inequality. It was as if almost overnight, Reagan's famous dictum that 'government was not the solution but rather the problem' gained wide acceptance throughout western democracies.

This impact of such a philosophy is well reflected in data presented in a 2018 report on issues of world-wide growth in inequality, the World Inequality Report, prepared by a team of researchers led by the prominent French economist, Thomas Piketty. In 1975, 30% of all national growth domestic product (GDP — essentially all of a nation's productive

output) in the world's democratic nations, were produced and possessed by governments, with 70% of GDP a product of the private sector (Alvarado *et al.*, 2018). By 2015, the share of GDP (economic resources) possessed by the governmental sector had declined dramatically to just 10%. Driven by growing inequality, often fueled by technological change and the significant withdrawal of government from seeking to ensure social and economic equity, the percent of the world's economic resources in the control of the private sector had risen to 90% (Alvarado *et al.*, 2018).

Such a development has at least two long term, very highly negative consequences for a nation's economic and social progress beyond the obvious one of limiting the government's capacity to address immediate needs. First, as numerous scholars have argued, most notably Mariana Mazzucato (2013) in 'The Entrepreneurial State', the critical underpinning of modern technology is in almost all cases the product of government conducted or financially initiated research and development activities. This has been true of everything from radar, to the computer and the internet, as well as more controversial innovations such as drilling for oil through the use of fracking technology.

Equally consequential in terms of the negative impacts of declining government capacity is its impact in terms of limiting national growth capacity. The experience of the United States over the course of the past 90 years represents a quite unique and revealing natural experiment in terms of the importance for national economic growth of a strong state with a robust and effective government. The period from 1932 to 1976, even when Republicans held the presidency in the 1950s and the 1970s, involved the highest levels of taxation, the most significant government regulation and oversight and the greatest government engagement, often in a very guiding manner, with the private sector in US history.

The almost total reverse, in terms of both public policy and national government action, characterized the period from 1977 to 2020 in the US. This generally tended to be the case even during the Clinton and Obama administrations, which often either lacked the political leverage or were very reluctant to confront private sector power. The economic productivity and social consequences that have been a product of these very different policy approaches are both revealing and profoundly consequential. During the period from 1932 to 1976 inequality in the United States dropped dramatically and a large, prosperous and strong middle class developed. During the period from 1977 to 2020, inequality in the US increased dramatically, especially during the past fifteen years, the nation's middle class has been under increasing threat, with many analysts arguing that it is in significant decline.

One important driver of this development has been a significant decline in national growth and/or a stagnation in that growth. In that regard, comparative data is profoundly revealing. From 1932 to 1976, the average annual growth in national economic productivity, as reflected in gross domestic product (GDP), was 4.79 percent per year. In contrast, for the period from 1977 to 2020 the average GDP growth was dramatically lower — 2.69% per year. In essence, when a more robust government served as an energetic and engaged force in the nation's life, economic productivity soared with all benefitting and doing so in a manner that led to a very significant decline in inequality. Equally signifi-

cant, citizen confidence in government seemingly has been profoundly impacted by such developments. In the late 1950s, early 1960s, when pollsters in the US first started to ask questions about citizens' trust in their government to do the right thing and solve important national problems, seventy percent of those queried would respond in the affirmative. Today that question is frequently only answered in the affirmative by 20 to 30 percent of the US population.

Not surprisingly, as national policy changed, so also did the discipline of public administration, especially as reflected in the United States. In the period from the 1930s to the 1960s, most of that country's leading figures in public administration had a foot in both scholarship and practice. As regards the latter, in some cases it was as government administrators, in other instances, as scholars writing about and advocating for major innovations in and/or reform of government. Many of the founders of the American Society for Public Administration, like Louis Brownlow and Luther Gulick, were equally active as both scholars, often writing about how to improve government, and practitioners of public administration.

Beginning in the mid-1960s — and reflecting changing academic practice and a changing national political climate — the focus within the US academic discipline upon active advocacy for significant government reform, not to mention government service as a major part of the preparation for a successful academic career in the field, began to drastically decline. A continuing increase in university tenure requirements, as well as the slow — soon to begin to dramatically increase — growth of frontal attacks upon the effectiveness and, ultimately, the legitimacy, of government accelerated changing practice in the field. Increasingly, public administration scholars both disappeared from the governmental reform arena and refocused their research and teaching agenda to less directly engage the broader political context in which the field inevitably worked. Simultaneously, scholars in the field, in the face of increasing political conflict, focused ever more inwardly on describing and analyzing minute details of public organizations and agencies.

During the 1970s and the 1980s, less and less attention was given to the arguably more difficult and complicated task of examining and better understanding the large array of political, economic, social and administrative factors that were imposing ever greater limits upon the capacity of government to obtain the resources required to function effectively in an increasingly complex technological society.

Academic research and teaching focused upon topics like cut back budgeting and the use of collaborative governance, co-production and public-private partnerships — essentially means to compensate for the declining capacity of government and its institutions to fulfill badly needed public service responsibilities. Perhaps the one exception to this general trend has been the emergence of a growing concern within the discipline about matters of social equity and inclusion.

No doubt the increasing attention given by some parts of the discipline to issues of equity and inclusion has been a major step forward (Gooden, 2014). However, the growing inclination of the field to act as if the broader economic and societal conditions, which frequently result in significantly limiting government resource availability, are beyond its

scope, has had profoundly negative consequences. Too often, scholars in the discipline fail to address those contextual realities which serve to greatly undermine government capacity and effectiveness, as well as issues of equity, in public service delivery. Frequently, it would appear that many in the field have assumed that declining resources are the natural outcome of private sector power and economic reality and, thus, not of immediate relevance to research and teaching in the field of public administration. The result has been the failure of many of those who both write about and practice public administration to recognize that the decline in government resources is a central issue for the field and that it has had a profoundly negative impact upon government service delivery capacity — with very significant consequences in terms of declining public confidence in government.

3. Inequality: a growing poisonous reality

In addition to its impact on national economies, the decline in public sector capacity and the vast transfer of resources from the public to the private sector in developed democracies has been a major factor in undermining government's ability to respond to citizen needs and demands. In doing so, this has inevitably served to undermine confidence in democratic government itself. It also has had a significant role in facilitating yet another development that also has played a very important part in undermining popular commitment to democratic governance in many western democracies — the dramatically growing income and wealth inequality which plague almost all of the world's countries (Crow and Suresh, 2011). This reality, which has been driven in very significant ways by government's decreased access to economic resources, has, among other negative impacts, had terrible consequences, often fatal, for those who were most victimized by the pandemic.

Historically, major societal turmoil and trauma has often been an equalizing force in terms of income, wealth and resource distribution. However, even in the midst of the great pandemic, the most well to do of our societies, particularly those individuals who lead and work for the various companies that have driven the technological and communications revolution, have gotten very much wealthier. In contrast, the average worker has seen little gain and the poor, in particular, have been especially victimized (Tiku and Greene, 2021). As the World Bank has reported, one consequence of the pandemic is that, worldwide, 100 million people have fallen from the middle class into poverty.

Indeed, in the US, the average worker has progressed little economically over the past three and four decades, and in some respects is falling further behind. A half century ago, the head of the average US corporation earned fifty times the amount that was paid to the lowest income employees; today, that figure is closer to 350 times. Indeed, a recent study found the head of Walmart earned \$22 million annually, while the annual salary of the company's median employee was only \$19,000. This meant that it would take the median salaried employee working in excess of 1,000 years to equal the CEO's annual salary (Tiku and Greene, 2021). A recent detailed study by the New York Times found that from March of 2020 to March of 2021, nine of the wealthiest men in the US, all founders of tech companies whose stock soared in value, saw their personal assets increase by a total of \$360

billion. This occurred at a time when the lower-level workers in the companies led by these extraordinarily wealthy individuals were seeing either no increase or, in some instances, a significant decline in wealth due to wide scale layoffs (Gelles, 2018).

However, it is not just in the tech sector that vast inequalities in income and wealth resources have become the norm. Over the course of the past half century, the world's great urban areas have become the driving force and the major source of growth for the modern economy. They also have become the generator and locus of great inequalities. In Hong Kong, recently the home of approximately 10,000 individuals possessing wealth of \$30 million or more — more than any other city in the world — over 20% of the city's population, 1.4 million people, live below the poverty line. New York, with the next largest number of individuals (8,800) with financial resources of over \$30 million, had 1.3 million people with incomes below the poverty line. Paris, capital of a country with far greater historic concern about equality than most, had some 4,000 residents with a net worth above \$30 million and 350,000 individuals with incomes below the poverty line.

As the urban data suggests, dramatic growth in inequality is not just a problem of the United States. Today, worldwide the top 20% of the population in terms of annual income receives approximately 80% of the world's income each year, while the bottom 20% receives only 1.5%. This has, understandably, a very profound impact in terms of the consumption of goods and services. The top 20% of the world's population consumes about 80% of the world's annual output of goods and services; the bottom 20% consume only 1.5%. If one looks at the data regarding automobile ownership, the top 20% of the world's population in terms of earned income possess about 90% of the automobiles in the world; the bottom 20% possess about 1% of the world's automobiles (Alvarado *et al.*, 2018).

4. Conclusion

The problems facing many of the world's countries, including American society, obviously are both substantial and not easily resolved — including in terms of the current well-being and the future of democratic government in many parts of the world. To say that there is no simple solution to them or even no single answer to the question of what public administration as a field, or its scholars and practitioners individually or collectively, can or should do as we struggle to address them, is also to say the obvious. However, one first step clearly stands out as a kind of back to the future type of response. It is perhaps best captured in the form of a question. Is it really in the best long-term interests of any society that a profession whose members are experts in matters concerning effective governance in far too many instances have withdrawn from the policy making and implementation process?

If the answer to that question is yes, as a discipline, we are doing fine. However, if it is otherwise, the time has come that we must consider how to reverse the unfortunate pattern that developed in the aftermath of the 1960s. As a field, both academic and practitioner, we need to re-engage with the shaping, advocating and implementing of public policy. Those of us who are academics not only must re-engage in the policy fray, but for most of us, government service would be of great use, both for the well-being of our countries

and of our future students. Our practitioner community likewise needs to become even more engaged both with the policy process and with their communities. To begin thinking about how this may be done, among other things, the American Society for Public Administration has recently established a task group to look at the issue of community engaged research and faculty engagement.

Beyond this however, it is critical that public administration scholars and practitioners keep in mind that even more critical and central to their, and their nation's, wellbeing is their role as citizens. This means not only active involvement in seeking to shape public policy but also strong advocacy of activities designed to encourage democratic development both at home and abroad. This would include support of an array of actions from encouraging civic education and the strengthening of civil society, to the support of programs designed to encourage greater equality in the distribution of public services, including vigorous support of more progressive and equitable tax systems and much more effective implementation of tax collection.

Finally, if the very real societal problems noted above are to be successfully addressed, one very important aspect of any solution is to recognize both the critical, indeed essential role and responsibility of government in the addressing of such matters. No other institution of society is either so central to or has the potential capacity required for effectively addressing the growing economic and resource inequalities that are increasingly characterizing virtually every country of the world. In this regard, the role of both public administration scholars and practitioners is becoming both central and critical. These are issues that, all too often, we have not previously seriously sought to address, but we should. Equally important, we as a discipline need to begin to address the issue of both the declining capacity of and declining citizen confidence in their governments.

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