Public Value: Conjecture and Refutation, Theory and Ethics

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ABSTRACT

This paper explores the theory of Public Value and the recent debate it has created in public management theory and practice. Public Value was first articulated by Mark Moore in *Creating Public Value* (1995) arising out of Harvard University's Kennedy School of Government programs for public managers. Recently, distinguished scholars of public administration have argued, on the one hand, that Public Value can 'solve the puzzle' of 'balancing democracy and efficiency' in democracies (Stoker, 2006a; Wallis and Gregory, 2009) and, on the other hand, that Public Value constitutes a dangerous return to the justification for public managers as 'Platonic guardians' of political systems (Rhodes and Wanna, 2007). While important, this debate neglects the ethical dimensions of Moore's theory. We argue that an understanding of the relevance of Moore's ethical prescriptions for public managers is central to grasping his project for a reinvigorated public sector.

Keywords: Public management, public value; business ethics; strategic management theory

1. PUBLIC VALUE – CONJECTURE AND REFUTATION

Like all areas of academic inquiry, public administration is subject to currents and trends in theory, which are debated, analysed and flow through to policy cycles (Howlett and Ramesh, 1997). One such recent controversy has been that surrounding Moore's recently articulated idea, or theory of Public Value[1] (1995). On the one hand, as interpreted by some, Public Value has been lauded as 'resolving' the problem of 'leadership and accountability in 'New Governance' – at least potentially (Wallis and Gregory, 2009) as well as 'solving the puzzle' of 'balancing democracy and efficiency' (Stoker, 2006a). On the other, Rhodes and Wanna (2007; 2008) have labelled it as a justification for increased authority of public sector managers, largely independent of ministerial (or political) oversight. More specifically, Rhodes and Wanna (2007) have suggested that, as an idea imported from the U.S., where prescribed public management roles are invested with more authority than in the Westminster system, Public Value is inappropriate outside the United States, and in any event borrows too heavily from theories of private sector management to constitute an appropriate model for public managers.

Beyond theoretical dispute, the idea of Public Value has nevertheless been worked into public administration rhetoric and practice in a number of different contexts. For example, the BBC deployed it as a central organising principle in the major review to its operations conducted in 2004, naming the review *Building Public Value* (see Alford and O'Flynn, 2009: 181). Scholars of public administration have identified and investigated similar uses of the term in various policy settings, including in developing countries (Samaratunge and Wijewardena, 2009), in labour markets (Meynhardt and Metelmann, 2009), in management control systems (Spano, 2009) and public-private networks (Weihe, 2008). The sheer volume of this work demands our attention. This is more so the case when we note that the original text (Moore, 1995) is, arguably, best described as a *handbook* for public managers that developed out of training courses run by Harvard University's Kennedy School of Government, in much the same way that Chester Barnard's (1938) *The Functions of the Executive* was for private sector managers at the time of its publication.

In this context, rather than presenting a comprehensive survey and assessment of this literature, we provide a synoptic account and discussion of Public Value and argue that Moore's original idea is given short shrift if public administration theory *writ large* is allowed to take precedence over the ethical dimensions contained in the original formulation of the theory. Moreover, we assert that the theory of Public Value does provide a defensible account of the changing practice of public sector management, such that managers can legitimately adjudicate between ranges of policy options and take the initiative to both initiate and implement policy.

The paper is divided into six main parts. Part two provides a synoptic account of Public Value by distinguishing between what we refer to as a 'simple' meaning of the term in

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[1] For the purposes of this discussion, we have capitalised 'Public Value' to denote that we are referring to the [contestable] concept first developed by Moore (1995) thereby distinguishing it from more prosaic uses of the phrase. Moreover, we have refrained from using an acronym (for example, 'PV' or 'NPV') as these have been deployed by some writers only, and as such are initiative of their understandings and development of the term (see, for example, Stoker, 2006).

Moore's (1995) original work, which the author provides by way of an example, and a more complex idea, amounting to a distinct justification of a particular kind of action by public managers that rests on Moore's definition. Drawing on the work of O'Flynn (2007), we compare Public Value to its 'predecessor culture' namely New Public Management (NPM) and provide some examples to flesh out this comparison. Part three of the paper engages with contesting 'emergent meanings' of Public Value, using Alford and O'Flynn's (2009) discussion to critically examine developments and deployments of Public Value. Part 4 examines the explicit criticisms of public value, in particular the charges laid by Rhodes and Wanna (2007; 2008), also the charge that Public Value is principally a self-serving rhetorical tool of public sector executives., Part five of the paper revisits Moore's original theory and suggests that the ethical content of Moore's original work has been significantly overlooked, despite it offering valuable insight into the normative basis of public management practices. The paper ends in part six with some concluding remarks.

2. DEFINING PUBLIC VALUE

2.1: Moore (1995): Simple and Complex Accounts of Public Value

At one level, Moore's account of Public Value is relatively simple. In the introduction to *Creating Public Value* (1995) Moore presented the hypothetical example of a city librarian faced with the problem of the library being used as a *de facto* childminding facility for latch-key children waiting fro their parents to pick them up after they finish work. In the example, the librarian's initial reaction is to stop this use of the library occurring: After all, the library is not a childminding facility. The librarian contemplates publishing a letter in the local newspaper or introducing rules limiting the access of children to the library. For Moore (1995) this (traditional) response is based upon what he labels as the 'important doctrine' mandating that the librarian's actions are prescribed by statute: The librarian is obliged to exercise an administrative/bureaucratic mindset: '*downward*, toward the reliable control of organisational operations, rather than either *outward*, toward the achievement of valuable results, or *upward*, toward the achievement of re-negotiated political mandates' (Moore, 1995: 17). Game over, as it were.

Yet Moore explores this hypothetical scenario further: In her deliberations concerning the problem of the latch-key children (Moore's librarian is gendered) the librarian conceives of other courses of action leading to alternative sets of outcomes: [i] the librarian thinks the presence of the latch-key children can be used as a justification for asking for more funds for the library; [ii] she also conceives of implementing a user-pays system based on a cost-recovery model of the children using the library; [iii] the option of consulting the community about the use of the library occurs; [iv] as does the idea of harnessing volunteer effort, a complex undertaking that the librarian is unsure of, but recognises that potentially this could produce 'community spirit' around a reinvigorated library; [v] or restructuring her own organisation to accommodate the latch-key children. At this level, Moore's point is a relatively simple one: That we miss out on the potential value public managers can create if they do not exercise this 'imagination' or 'entrepreneurial spirit', to the extent that the librarian begins to 'think about her organisation differently'. Indeed,

Moore suggests that many public managers think like this anyway, thus it's foolish to discourage them from so doing.

Moore points out that in one sense the librarian, by exercising her imagination and acting upon a particular course of action, is simply an application of private sector principles to the public sector wherein the moral justification of the pursuit of a course of action is the production of value measured in financial terms. The librarian is, after all, attempting to respond to the demand for an after-school childcare facility and exploiting an existing situation in this regard. However, acting this way is problematic precisely because the library is a public facility and the librarian a public manager. In a public sector context, we simply do not have a justification for managers acting this way; we assume they are the mere servants, or conduits, of public policy – however unrealistic this assumption is. This is important because public sector organisations need to justify their actions, whether they be relatively insignificant (such as the library in Moore's initial example) or entities which consume vast quantities of valuable public resources (Moore uses many other examples throughout his text – the Environmental Protection Agency (EPA) in the United States, for one). Moore seeks a justification for managers not merely exercising their imagination, but *acting upon it* without turning to the polity for justification, and *acting upon it all the time* as the most important and valuable part of their job. For Moore, this justification relies upon an account of value, but not private value (which is measured in money, and produced through the mechanism of the market) but Public Value, which, due to various legitimate perspectives, is more difficult to measure. As Moore (1995: 21) stated. '[T]his is the piece of work that has not yet been done.'

Further, Moore (1995: 22) noted that traditionally, we have many criteria that are used to assess Public Value: the satisfaction of elected overseers (in turn assessed by those who elected them); techniques of program evaluation; benefit-cost analysis. However, 'the different standards are not necessarily consistent with one another, and each of these methods has its own weaknesses'. More problematic than this, however, is to arrive at a concept of Public Value which is not merely measurable but can also provide the basis for managerial behaviour in conditions where they are faced with the problem of the plurality of values due to [i] different ideas about what is valuable, and [ii] the fact that these perspectives are context-dependant. To do this, Moore takes what we think is an ingenious step: He re-describes the status of value from an *output* measured in quantity (gold; money) into a *procedure* which is nonetheless inclusive of tangible outputs, and of which managers are at the centre. This conceptual scheme (our phrase), which he refers to as a 'strategic triangle' has been represented by Alford and O'Flynn (2009: 173):

Figure 1: Moore's 'strategic triangle' (Alford and O'Flynn, 2009: 173)

Authorising environment — Legitimacy and support

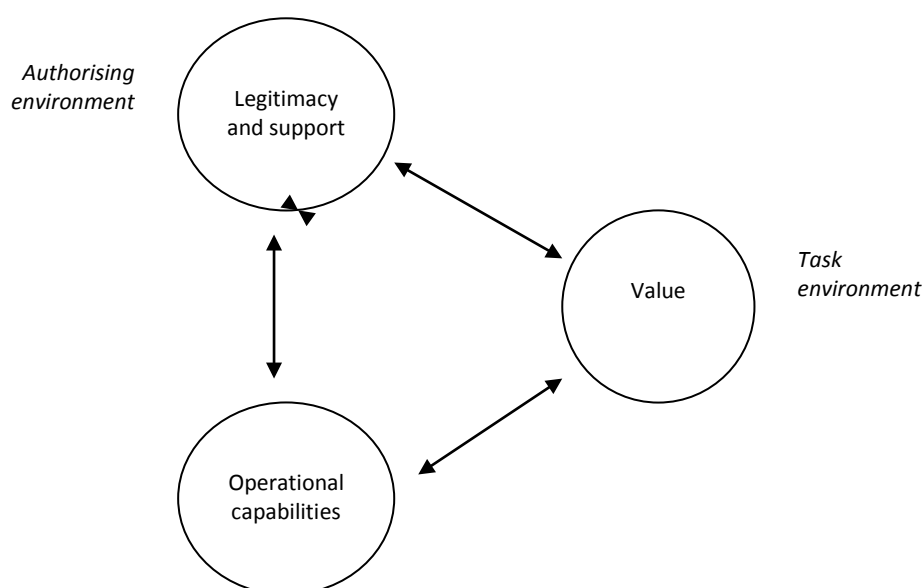Value — *Task environment*

Operational capabilities

Figure 1 belies the complexity of Moore's theory and the thoroughness of his explanation. Nevertheless, Alford and O'Flynn (2009) have done us a service in representing its basic elements, wherein [i] the *operational capabilities* represent the organisation itself; [ii] the *authorising environment* represents the complex political realm (inclusive of the underlying justification of public sector activity, whereby actions are in continual moral assessment from multi-various perspectives) interact with [iii] – the day-to-day 'task environment' of public managers, such that they are in a position to create Public Value. In other words, for Moore's (1995) librarian to *legitimately* decide upon and pursue a course of action other than exercise an 'administrative/bureaucratic mindset'.

The key point is that while many of the moral justifications for government remain intact around the creation of Public Value, much now becomes contingent upon the role of public managers. This is why, even though the vast majority of Moore's text is a series of prescriptions for managers, or what he refers to as 'a normative (rather than a positive) theory of managerial (rather than organisational) behaviour' (Moore, 1995: 1) at the same time it necessarily has 'to set out a *philosophy* of public management. That is, an idea of what we citizens should expect of public managers, the ethical responsibilities they assume in taking office and what constitutes virtue in the execution of their offices' (Moore, 1995: 1) Importantly, it is to this foundational task that he initially attends before moving to consider what others have made of his work, we pause to contextualise our understanding of Public Value by comparing it to its 'predecessor culture'[2], New Public Management (NPM).

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[2] We use this phrase in the sense developed by Alasdair MacIntyre's (1981) account of 'emotivism' in his *After Virtue. A Study in Moral Theory*.

2.2: 'Predecessor Culture': NPM and Public Value

Within the debate surrounding Public Value there has been some contestation about whether Public Value constitutes merely a normative goal, or indeed has been inscribed and enacted in the public sector such that the idea constitutes a broad descriptive category for empirical events. Before examining this controversy in any detail, it is useful to provide a brief account of how Public Value has been juxtaposed against its 'predecessor culture', namely New Public Management (NPM). Drawing on a number of authors, O'Flynn (2007) has provided a convenient comparative table in this regard:

Table 1: Paradigms of Public Management (O'Flynn, 2007: 361)

	New Public Management	Public Value Management
Characterisation	Post-bureaucratic, Competitive Government	Post-Competitive
Dominant focus	Results	Relationships
Managerial Goals	Achieve agreed performance targets	Multiple goals including responding to citizen/user preferences, renewing mandate and trust through quality services, steering network
Definition of Public Interest	Individual preference[s] are aggregated	Collective preferences are expressed
Performance Objective	Management of inputs and outputs to ensure economy and responsiveness to consumers	Multiple objectives are pursued including service outputs, satisfaction, outcomes, trust and legitimacy
Dominant Model of Accountability	Upward accountability via performance contracts; outward to customers via market mechanisms	Multiple accountability systems including citizens as overseers of government, customers as users and taxpayers as funders
Preferred System of Delivery	Private sector or tightly defined arms-length agency	Menu of alternatives selected pragmatically

Source: O'Flynn (2007: 361).

Of course, to deploy broad descriptive terms such as 'NPM' and 'Public Value Management' runs the risks of both [i] over-generalising complex empirical phenomena and [ii] at the same time under-describing those same phenomena. Arguably, however, these terms do reflect broad changes in public policy introduced across 'Anglo-American' governments (Dollery, Gracea and LeSage, 2008) as well as elsewhere. Thus, the introduction of NPM was distinctly 'post-bureaucratic' (Table 1; row 1) in the sense that it saw competition forced onto government services such that several players provided goods that were formerly monopoly-provided (e.g. infrastructure, financial services) as well as implementing a purchaser/provider split internal to bureaucracies. For example, since the implementation of National Competition Policy (NCP) in 1995 in Australia, many

government entities have been required to call for tenders for a range of the services they provide, rather than merely providing them themselves (see, for example, Davidson and Grant, 2001). For NPM, the search for efficiencies saw the introduction of sophisticated, multi-bottom line (or 'cost-centre') financial accountability structures. On the other hand, Public Value, as exemplified by the Whole of Government approaches to public sector reform of the past 5 years (the Gershon Review in Australia, for example), still target economies of scope and scale, but reintroduce the idea of broad-based financial accountability to strategic targets, attempting to provide whole-of-career structure for individuals working in ICT, for example. Individual contract, and with it one of the founding hallmarks of NPM as the basis of employment, has been significantly eroded such that a more traditional concept of bureaucracy is asserted as morally valid.

Alongside this, what O'Flynn refers to as 'Public Value Management' has introduced a focus on relationships beyond the contractual (buyers and sellers satisfying sums of user-preferences) to include consensus building and participation in processes of decision-making. Again, while this level of generality may ring hollow, it does signify general trends in public administration practice. For example, all local government acts across Australian states and territories now have community participation mandated as part of their strategic plans (see, for example, Aulich 2009); the view being that it is more, not less, efficient to incorporate stakeholder views before policy implementation. Similarly with respect to accountability: The change, broadly speaking, is one where processes as well as outcomes are required as part of assessments procedures. As such, accountability is multi-streamed and multi-dimensional; at once instrumental and ethical, democratic and efficient, in many instances leaving 'space' for leaders to form and drive opinion. Nor has service provision (or what O'Flynn refers to as 'Preferred System of Delivery', at the bottom of Table 1) been immune from these processes. Where once government provided a vast array of services, then under NPM companies were let into the frame (commonly, where elements of bureaucracies were corporatised), now public-private partnerships are common in service provision arrangements (see, for example, Dollery, Grant and Crase, 2008).

While there are limits to the cogency of this discussion due to its level of generality, following O'Flynn (2007) and accepting that there has been a broad shift from NPM on the one hand to 'Public Value Management' on the other is useful in this context because it provides a comparative, empirical context to view the development of Public Value as a theoretical construct. As such, we now move to examine emerging, disaggregated meanings of Public Value and their cogency.

3. 'EMERGING MEANINGS' OF PUBLIC VALUE

Alford and O'Flynn (2009: 178-185) have identified what they refer to as four 'emerging meanings' of Public Value within the debate since the publication of Moore's (1995) original theory. The first of these was clearly flagged by Talbot (2009) in his introduction to the special, double edition of *International Journal of Public Administration* dealing with Public Value, namely that it constitutes 'the next Big Thing in public administration', or more prosaically, that Public Value is a *post-NPM 'paradigm'* (our emphasis) as suggested

by the comparison provided by O'Flynn (2007) and fleshed out above. Stoker (2006a) has strongly supported this view, arguing, *inter alia*, that Public Value provides the means of 'solving the puzzle of balancing democracy and efficiency'; that in an era of 'networked governance', neither the traditional or NPM paradigms can *explain* change, nor provide a legitimate *model* of management, and more substantively, that Public Value 'rests on a fuller and rounder vision of humanity than does either public administration or new public management. People are, it suggests, motivated by their involvement in networks and partnerships, that is, their relationships with others formed in the context of mutual respect and shared learning' (Stoker, cited in Alford and O'Flynn, 2009: 179). Moreover, Alford and O'Flynn (2009: 179) have argued that 'the paradigm has spread outside the academy to practitioners and think tanks', citing the examples of the recently completed public sector review in New Zealand conducted for the Public Services Association (PSA), *Reviving the Public: A New Governance and Management Model for Public Services*, and this Report's influence on subsequent policy formulation, as well as the recent BBC 'manifesto, *Building Public Value'* (Alford and O'Flynn, 2009179-81) as evidence of the 'emergent paradigm'.

With regard to this emergent meaning of Public Value, we think that caution ought to be exercised. In the first instance, Stoker (2006a) may well be correct in arguing that Public Value has greater utility in both a descriptive and normative sense than a 'user pays' model of government underlying NPM (see, for example, Haus and Sweeting, 2006), and that in these ways it conforms with his own theory of 'Networked Community Governance' (Stoker, 2006b). Yet in itself 'Networked Community Governance' has recently been criticised for being too general, such that it under-describes empirical events as well as emptying them of any specific, defensible normative content (Dollery and Grant, 2010: 15). In other words, we lose the specific meaning of Public Value. Further, Dollery and Grant (2010: 15) have argued:

> The core of [network governance] is both ethical and empirical: We have to take the model's radical suggestions of, first, a 'hollowed out state' (Rhodes, 1997) and second, accept the idea of 'permanent government failure' as necessary to a defensible theory of government. These are claims of a foundational sort about the nature of the state and of politics generally; not arguments that can be tacked on to a more traditional defence of government founded in representation and participation.

Thus the claim to a 'paradigm shift' may be to significantly overstate the case for Public Value. Rather, it may be that the second emerging meaning of Public Value discussed by Alford and O'Flynn, namely as *political [self-serving] rhetoric*, better reflects its dissemination. In this emergent meaning, Public Value is a phrase which is deployed to defend the sectional interests of public sector organisations and, by definition, the individuals who constitute them. There are three specific claims in this regard. First, that the idea of Public Value can be used as a mechanism to justify greater autonomy for individuals and organisations in the form of 'leave me alone, I'm creating Public Value' (or, more specifically, 'in order for the possibility to create Public Value to exist, your oversight ought to diminish or desist'). The second is that the idea of Public Value forms a broader justification for elements of the public sector to demand a greater share of the public

purse ('Bureaucracies don't just produce goods and services; they create Public Value – a social value whose measure is not captured by cost or price mechanisms – so they ought to be given more money). Third, rhetorically, the idea itself is difficult to argue against. Alford and O'Flynn (2009: 182) cited Crabtree in this regard: 'Public Value: Who could possibly be against it? As an objective for public service modernisation, it gives motherhood and apple pie a good run for their money'. Crabtree also pointed to the opportunism with which a struggling New Labour government in Britain clutched at the term in an effort to reinvent themselves for electoral purposes.

We can add that the idea of Public Value as being rhetorically convenient does not capture the way in which implementation of a program under the guise of Public Value can also be expedient for politicians. Any policy implemented which deploys a Public Value framework necessarily opens up the space for public managers to make decisions and implement them – for the librarian to take one of several options imagined by her when confronting the problem of the latchkey children, to take Moore's (1995) initial example. While it does not, in fact, follow that the public manager is *responsible* for the success, failure, or 'muddling through' of a policy decision, in contexts where public managers assume a high profile (think of police commissioners as a generic example, but also where a high-profile public executive assumes a public role with respect to a specific implementation process), a situation of moral hazard may well develop, where an elected politician will simply hang the executive out to dry. Alasdair Mant (2008) has made this point with respect to the dominance that leadership has risen to prevalence in the public sector, using the case of Terminal 5 at Heathrow Airport (and generalised to the bailouts of Northern Rock, Enron, *et al*.,) stating: 'please God, don't borrow anything to do with "leadership", "motivation", "marketing", "performance pay" or "incentivisation" from big business'. In the Australian context, the Victorian Police Commissioner, Christine Nixon, dining out on the evening of the Black Saturday bush fires is an obvious and recent example. This 'pushing forward' of responsibility onto the public management and service lines is extremely politically convenient.

The third 'emergent meaning' Alford and O'Flynn (2009: 182-3) list is what they refer to as '*Public Value as Narrative*', defined as 'the stories people tell' and 'how they make sense of the world'. Noting the inherent pluralism, and indeed contestability of these narratives, they suggest that Public Value in this sense is a form of self-understanding for public managers, not merely at the level of ethics, but of more broad justification. '[T]he leaders of the enterprise have to have a story, or an account, of what value or purposes that the organisation is pursuing' (Alford and O'Flynn, 2009: 183). Indeed it is precisely at this point – at the level of ethics – that Moore's Public Value moves beyond it's instrumental fashioning. We will return to this observation in the final part of the paper.

The fourth 'emerging meaning' that Alford and O'Flynn (2009: 184-5) locate is '*Public Value as performance*'. On the one hand, they noted that authors such as Kelly, Mulgan and Muers (2002) have argued that Public Value can form a 'rough yardstick' and/or 'holistic approach' to measuring public sector performance; on the other hand, Cole and Parston (2006) have developed Public Value into a performance measurement methodology. In this way, Public Value becomes, not a 'performance measurement story', as Alford and O'Flynn (2009: 185) suggest, but rather a *technique* of government (in

Foucault's (1976) sense). As such, our authors' are correct in asserting that there is nothing especially novel about it, particularly when the criteria being measured remain the same and 'Public Value' is tacked on: any unique meaning lapses toward the rhetorical. Nevertheless it ought to be possible to measure what is unique to Moore's original system of ideas – the 'space' for the library manager to make her decision about what to do with the latch-key children, in his original example – and well beyond this, to incorporate criteria that would measure 'whether the public is getting a good return on its taxes'; 'managers in the public sector determin[ing] if they are hitting their targets'; or 'if they are on the right shooting range' (The Work Foundation, cited in Alford and O'Flynn, 2009: 184).

4. PRIMARY CRITICISM OF PUBLIC VALUE

We turn now to the principle criticism of Moore's work, namely, Rhodes and Wanna's (2007) charge that Public Value seeks to reinscribe the role of the bureaucracy as the Platonic guardians of the *polis*. Specifically, Rhodes and Wanna (2007: 413) have asserted that 'if public managers adopt a public value approach they are being asked to rebel against standard politics and usurp the democratic will of governments' leading them to ask: 'who gave these Platonic guardians the right to choose between these perceptions of the public good?' (Rhodes and Wanna, 2007: 415).

While this criticism has been challenged using the empirical example of decision-making in the Murray–Darling basin (see Colebatch, 2010), we argue that more can be said at the level of theory. In levelling their criticism against Moore, Rhodes and Wanna (2007) fail to recognise the 'embedded' nature of Moore's account of Public Value. They also show no sign of recognising that the legitimacy of Plato's idea of 'guardians' relies upon a specific relationship to the absolute truth, similar to Kant's idea of absolute moral knowledge, and Hegel's 'absolutely rational' state as set down in *The Philosophy of Right*. Moore is far too busy and American to even be bothered with such dangerous bunkum. Rather, his exposition *writ large* is a recognition of the vast array of both the *sources of knowledge* for policy and of the *institutional constraints* upon public managers – even those whose authority, under the various constitutions within the Federation of the United States, is decidedly expansive compared with authority prescribed in the Westminster system (we are thinking here of elected executives – see Grant, Dollery and Gow, 2010). It is possible that Rhodes and Wanna misinterpret Moore's account of institutional knowledge because they perceive decisions to devolve to individual managers. Yet the constraints upon any action are circumscribed by the situating elements of Moore's theory (Figure 1, above): The 'operational capabilities' of any organisation, as well as the 'authorising environment'. For example, the potential courses of action for Moore's librarian are heavily circumscribed, although (arguably) the ethical dimension of their behaviour assumes greater significance. We explore this more fully in part five of our discussion.

A second objection to the claims of Rhodes and Wanna, is their implicit assumption that, in the Westminster system, the public service behaves – and indeed ought to behave – as though it is merely a medium, or conduit for policy implementation. This can be dismissed for two reasons. First, this idea of representation as a mere mirror or conduit is really an

artefact of philosophical history in the social sciences (as elegantly argued by Richard Rorty (1991)). The second is that much of the appeal of Moore's arguments is that his account of reality – of *being* a manager, of working in public sector organisations is inherently plausible: Like much good sociology, it's what everybody knows, it's just that it has taken somebody to provide a sophisticated account of the mundane: Public Managers *are* faced with situations such as that of Moore's librarian, and can and will choose a course of action. It's what they are paid to do, within a complex framework of accountability. While Rhodes and Wanna (2007; 2008) might have some aesthetic grounds for objecting to the particular style of politics originating in the United States, the objection ought to be made on these grounds rather than a broad dismissal of Moore's ideas.

Indeed, subsequent to their initial objections to Public Value, Rhodes and Wanna (2008: 367) made much of the distinction between the Westminster system ('hierarchy of strong executive with disciplined political parties and *neutral* public officials' [our emphasis]) on the one hand, and the U.S. system ('divided executive, weak party system and elected or partisan public officials') on the other, arguing that while urging officials to build coalitions outside inside and outside government to legitimise 'their' initiatives on public value may well be understandable in pluralist, fragmented American government, 'it is dangerous in Australian parliamentary government'. Moreover, they argued that 'ministers are the fulcrum of decision-making in Australian politics'. This may well be in the case of the Commonwealth in Canberra. Yet it applies far less to the eight state and territory governments in the country, less to the approximately 500 local governments; and even less to the various governmental fora and service delivery agencies in Australia (right down to Moore's librarian – a generalisable, hypothetical example). Rhodes and Wanna's view – to use a derogatory phrase from the U.S. – is very 'inside the beltway' and does not recognise the fact that Moore has expressed ambivalence toward 'the techniques of entrepreneurial advocacy' prescribed for the public sector by some (Alford and O'Flynn (2009: 178).

5. RECOVERING THE ETHICAL IN PUBLIC VALUE

We have argued that a reading of Moore (1995) reveals both a simple account of Public Value (depicted in his initial example of the librarian; reiterated throughout the text by way of other examples) as the legitimate basis that public managers possess when confronted with and engaging in decision-making, based upon the contingencies of any specific circumstance. In turn, we concur with Alford and O'Flynn's (2009) working through of the (complex) definition of the concept, wherein Public Value is defined as a framework for strategic decision-making (Figure 1, above) incorporating not merely the production of public goods (that are jointly consumed, that are non-excludable and that are indivisible) but also a reinvigorated account of value wherein:

> Value is 'that property of a thing because of which it is esteemed, desirable or useful; worth, merit or importance' (Macquarie Dictionary, 1987). It can be *presumed* that public goods have value for those that receive or enjoy them, but that is an additional step not encompassed by the term. If something is

valuable, it is perceived to be valuable by people... (Alford and O'Flynn, 2009: 175-6).

This idea of value is utilitarian in that it is defined at the level of individual satisfaction (and indeed may have the same consequences – Bentham's famous edict, 'that push-pin is as good as poetry; a point that Alford and O'Flynn (2007) do not explicitly recognise). However, what they do emphasise (Alford and O'Flynn, 2009: 176) is that Moore's idea of Public Value connotes an active sense of adding value, rather than a passive sense of safeguarding interests. As such, a reinvigorated (moral) account of public service is anchored in a thoroughly familiar (modern) moral theory – and therein lays the appeal. Further, in our exploration of Moore's (1995) theory, we have argued above that a useful way to characterise his Public Value is to emphasise the shift in status, from one where value is a tangible entity to be measured, to one where Public Value is a process, incorporating outputs but nevertheless valuing the procedure itself and placing managers at the fulcrum point of this process. Moreover, we have argued that implied in this account of Public Value is an ethics of management which is under-described in the accounts discussed above, and it is to this that we now turn.

At the conclusion of a 300-odd page text, Moore (1995: 308) concurred with Weber's recommendations from 'Politics as a vocation', namely that the public executive should exercise 'passion'; moreover, that it ought not to be the 'sterile excitation' Weber contributed to 'a certain kind of Russian intellectual'. Moore (1995: 308) expanded upon this:

> What makes this observation so interesting is that Weber combines two qualities ordinarily thought to be opposed: the psychological strength and energy that come from being committed to a cause; and a capacity for diagnosis, reflection and objectivity that is associated with disinterestedness. Weber's key insight is that it takes psychological energy to do the hard work of facing up to the reality of conflict and uncertainty and, furthermore, to chart actions realistically adapted to the situation at hand, however favourable or unfavourable that situation might be to one's initial goals.

In discussing what he referred to as 'the psychological challenges of public leadership' Moore counsels public managers not to search for refuge in either their own deep commitments, nor the fellow travellers (our phrase) around them, but to distance themselves from these common sources of comfort'; to 'walk the razor's edge' between two kinds of failure, one derived from lacking courage, the other from being too aggressive and being 'metaphorically assassinated' by political overseers, staff, or both; and to seek partners who must be drawn from the ranks of their opponents as well as their supporters because they are operating in a democracy and as such must learn to take their opponent's views seriously' (Moore, 1995, 306-308).

Yet these recommendations amount to mere platitudes if we do not have an account of the public manager as the *legitimate* creator of Public Value. For Moore, it is the justification that is important, and this is where the deep ethical core of the theory lays. To explain this

core, Moore (1009: 295) pointed out that public managers are constituted by radically inconsistent (indeed incommensurate) 'images of virtue': On the one hand, the classical view mandates that 'public officials are discouraged from having (let alone acting on) their own views of what is right', yet on the other hand, 'officials are morally *obligated* to have (and act on) their moral views'. Moore used the Nuremberg trials as an extreme example, where the defence "we were only following orders" did not stay the executions of Nazi offenders – and it is reasonable enough to extrapolate from this, down to the level of our librarian and her latch-key children. Yet Moore asserts that this is a false dichotomy based upon two misconceptions: First, that the actions of public managers are guided by 'clear, coherent and stable mandates' – this is rarely the case, and in general public managers cannot 're-open' policy debates, rather they adapt to changes during implementation. Second, in general, public managers do not wish to put their views in abeyance, and even if entitled to contribute to the decision-making process, and then forever hold their peace (Moore, 1995: 296) their position will be one of resentment. Moore is forthright in his observations: 'Because traditional images of virtue among public sector managers are founded on sand, they not only fail to provide useful guidance but also foster cynicism and hypocrisy', to the extent that 'the secret image of virtue among government managers becomes one of skilled advocates building powerful dykes protecting themselves... from the political tides that seep over the more gullible, dutiful bureaucrats ... In short, managers are judged by how skilfully they recruit a political constituency to support their preferred policy position, rather than by how creative they are at integrating or adapting to conflicting political forces' (Moore, 1995: 299).

Again, the accuracy of Moore's diagnosis ought to attract our attention, as indeed ought his solution, which is for public managers to contentiously take up their role as 'explorers commissioned by society to search for Public Value' based, in particular, on a principle of openness. While Moore's recommendations may sound glib, this may be because we *assume* that in being 'explorers' (Moore's phrase) public managers act as 'scouts' (our phrase) for potential opportunities of Public Value. This is a fundamental misinterpretation of his prescription (and probably because we are patterned to think of public servants in this way). Rather, we have to re-envisage the policy formulation and implementation process as procedural (continuous) rather than output driven, where accountability (or 'authorisation') is 'after the fact' as well as 'before the fact'; where there are both substantive (ethical) and operational risks in the decisions made, where obligations to one's subordinates have to be recognised and where at times the difficult moral question will not be resource allocation but 'how aggressively, and on behalf of what values, public managers should engage and respond to their political environments' (Moore, 1995: 302). Moore is quite clear that 'in making such choices, managers expose themselves to moral risks' because all voices are entitled to be heard and as such to privilege one by acting upon it or valuing it more highly 'is making an important decision not only about what is publically valuable but about to whom they are democratically accountable' (Moore, 1995: 306). Some may shrug their shoulders and simply assert that 'this is what happens anyway'. But we are talking about a *justification* for action here, not a *post-facto* analysis thereof. Herein lies the fundamental shift, and the core of it is the ethical public manager. Perhaps it was this realisation that frightened the nay-Sayers (Rhodes and Wanna) and it is to this that we turn in our concluding remarks.

6. CONCLUDING REMARKS

On this last interpretation, we think that it is understandable that some criticise and debunk Moore's theory. With so much authority now vested in the public manager, it may well be that accountability to elected politicians, if not gazumped, would fade in time. Yet Moore's primary goal is not to provide a conceptually neat theory; his is not a deductively-driven account of how authority ought to be organised due to stated first principles – Hobbes' 'state of nature' or indeed Rousseau's 'man is born free but everywhere he is in chains'. Rather, Moore was faced with thousands of empirical events to observe – managers attending the Kennedy School of Government program. His theory is first and foremost an ethical prescription. Importantly, the public managers in Moore's theory are imbedded in [i] the 'authorising environment', [ii] their own 'organisational environment' and [iii] the specific 'task environment' – the librarian with her latch-key children, for example. Thought of as embedded, rather than theoretical, the space for autonomy is heavily circumscribed by all three nodes in Moore's conceptual scheme.

As such, viewed as an exercise in American pragmatism, both some of the challenges aimed at Public Value (Rhodes and Wanna) and some of the praise (Stoker; Wallis and Gregory) are misplaced due to a misinterpretation of the exercise that Moore is engaged in. Public Value is first and foremost a theory of ethical behaviour for public managers grounded in the procedure and half-successes that policy implementation is.

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