

# **The Global Influence of New Public Management: Case Studies from Africa**

**Matthew Baird**

**Master's Program for Public Administration  
Villanova University**

*Edited by Ray Heitzmann*

## **Introduction**

In the last quarter century there has been a significant shift within the field of Public Administration. Traditional values and norms have been undermined in a number of ways. One aspect of this trend has been the emergence of a concept which has come to be known as the New Public Management (NPM). At the most basic level this concept promotes the public sector use of private sector management techniques. Due to a number of pressures, NPM has spread across the world influencing a wide range of states. However, there are reservations over the general applicability of NPM, especially in the developing world. Those who favor a more traditional approach believe that more must be done to address the issues of capacity building before NPM reforms are implemented.

This paper outlines the rise of NPM in the context of Africa, with reference to the administrative reforms which have been carried out in Ghana, Nigeria and Uganda. It begins with a definition of NPM and the concept of capacity building before briefly describing the spread of NPM throughout the world. The paper will address the issue of NPM with reference to the overlapping terms of privatization, decentralization and civil service reform, commenting on the influence they have had in Ghana, Nigeria and Uganda. Each section will outline examples of NPM guided reform before offering a brief critique. This paper will demonstrate that more must be done to improve capacity in the developing world, before NPM reforms can be considered.

## **New Public Management and Capacity Building**

NPM is guided by the principle that the economic market should be used as a model for political and administrative relationships<sup>1</sup>; however, there is no clear consensus in the precise definition of NPM<sup>2</sup>, with different scholars and practitioners focusing on different aspects.

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<sup>1</sup> Kempe R. Hope Snr., (2002) From Crisis to Renewal: Development Policy and Management in Africa (Leiden, Netherlands: Koninklijke Brill), 157; Linda Kaboolian (1998) 'The New Public Management: Challenging the Boundaries of the Management vs. Administration Debate' Public Administration Review Vol. 58, No.3 189-193, 190

<sup>2</sup> Ole Therkildsen, (2001) 'Efficiency, Accountability and Implementation: Public Sector Reform in East and Southern Africa' United Nations Research Institute for Social Development – Democracy, Governance and Human Rights Programme Paper Number 3, 5

One basic definition that encompasses the major themes is developed by Hope<sup>3</sup>. It outlines five key factors: ‘(1) the adoption of private sector management practices in the public sector; (2) an emphasis on efficiency; (3) a movement away from input controls, rules and procedures toward output measurement and performance targets; (4) a preference for private ownership, contestable provision and contracting out of public services; and (5) the devolution of management control with improved reporting and monitoring mechanisms.’

In addition, another important aspect of NPM is the rigid separation between policy-making and service delivery<sup>4</sup>, which signifies a shift away from the policy-administration continuum developed by Svava.

When taken together, these six factors will form the definition of NPM which will guide discussion in this paper. Alongside this concept is the concept of capacity building which is extremely important in any discussion of public administration in the developing world. ‘Capacity building’ relates to the enhancement of capacity, where ‘capacity’ means ‘the ability to carry out a particular task or function’.<sup>5</sup> As defined by Larbi it has two dimensions: ‘internal organizational capacity, which is a function of human resources, management/leadership, financial resources, physical/logistic resources, and information resources; and external/institutional context within which the mobilization and use of organizational capacity occurs – factors emanating from the economic, social and political environment.’<sup>6</sup>

In this context the task or function which is to be carried out, is that of administration, and as such ‘capacity building’ refers to the enhancement of the resources and environment necessary for administration.

While NPM deals with the *content* of reform, capacity speaks to the *process* of administration as a whole.<sup>7</sup> For many scholars who study the developing world, NPM should be a secondary thought, which can only be addressed once capacity building measures have been introduced, enhancing the basic skills and tools of administration. After steps have been taken to improve capacity then it may be appropriate to advocate NPM reforms, but for many people the initial goal should be limited to the establishment of traditional administration.<sup>8</sup>

## The spread of New Public Management

The development of NPM grew out of the economic and fiscal crises which afflicted a number of Western states in the late 1970’s. The bureaucratic failures of the Keynesian welfare state were highlighted in the UK, Canada, Australia and New Zealand, with private sector solutions sought to remedy the public sector problems. Influenced by New Right ideology, policies were developed which were designed to improve the efficiency, economy and effectiveness of government. These included civil-service reform, privatization, management decentralization and a host of other measures which focused on the rolling-back of the state.

At the same time the developing world was also experiencing similar economic and fiscal crises. Administrative reform was promoted, and for a number of reasons, NPM style reform was

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<sup>3</sup> Hope Snr *From Crisis to Renewal: Development Policy and Management in Africa*, 157

<sup>4</sup> Hope Snr *From Crisis to Renewal: Development Policy and Management in Africa*, 157; Kaboolian, ‘The New Public Management: Challenging the Boundaries of the Management vs. Administration Debate’, 190

<sup>5</sup> George A. Larbi (1998) ‘Management decentralization in practice: a comparison of public health and water services in Ghana’ in Martin Minogue, Charles Polidano and David Hulme (eds) *Beyond the New Public Management: Changing Ideas and Practices in Governance* (Northampton, MA: E. Elgar), 188

<sup>6</sup> Ibid

<sup>7</sup> Ibid

<sup>8</sup> B. Guy Peters (2001) *The Future of Governing* 2<sup>nd</sup> edition (Lawrence, KA: University Press of Kansas), p176

the most commonly adopted. In his review of the globalization of NPM<sup>9</sup>, Common examines a number of contributory factors including: consultants who promoted NPM with a ‘missionary zeal’; the growth in New Right ideology and the global influence it began to exert and the internationalization of privatization. He also describes the role of international organizations, such as the OECD, EU, World Bank and IFM, that influence Structural Adjustment Programs (SAPs) and have great power in determining the reform agenda in the developing world. He sets these factors in the context of the debate between policy convergence and policy transfer; however, this paper does not have the scope to address those issues fully.

## Privatization

Privatization is a broad term that encompasses a variety of practical policy options. In its most extreme form privatization is associated with divestiture. This process relates to ‘the outright or partial sale of state holdings to private sector interests or the liquidation of the assets of some public enterprises.’<sup>10</sup> However, privatization is not limited to divestiture, it also relates to the implementation of performance contracts or the process of contracting out.

Performance contracts are an attempt to introduce enforceable standards to public sector provision, through written agreements between central government and those responsible for service delivery.<sup>11</sup> Performance contracting is often used when outright divestiture is not a viable option, it allows the introduction of market-type forces, while maintaining state ownership. Between 1978 and 1988, 11 African countries adopted performance contracting under World Bank programs, more recent studies show that the process has been extended, with at least 136 contracts across 14 different African countries.<sup>12</sup>

Related to this limited introduction of market forces is the process of contracting out. This concept ‘refers to the out-sourcing or buying in of goods and services from external sources instead of providing such services in-house’.<sup>13</sup> It is hoped that this mechanism will stimulate competition that will in turn lead to cost-savings and increased efficiency. Contracting out can be implemented in different ways, with some contracts relating to management functions, while others deal with general staffing.

However, the form of privatization, which represents the most radical endorsement of NPM principles, is the process of divestiture. It is this aspect of privatization that will be examined with reference to Ghana, Nigeria and Uganda.

In Ghana public or state-owned enterprises (SOEs) have had a major economic role since the 1950’s. However, by the start of the 1980’s the poor performance of SOEs had come to represent a huge drain on government resources. In 1982 this was demonstrated by the fact that the combined operating deficit of all SOEs represented more than 3% of GDP, a figure which was close to total government expenditure on health, education, social security and welfare. In 1987, influenced by the World Bank, the government unveiled a program of reform with a heavy

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<sup>9</sup> Richard Common (1998) ‘Convergence and transfer: a review of the globalisation of new public management’ International Journal of Public Sector Management Vol. 11, No. 6, 440-448

<sup>10</sup> Fuat M. Andic (1990) ‘The Case for Privatization: Some Methodological Issues’ in Dennis J. Gayle & Jonathan N. Goodrich (eds) Privatization and Deregulation in Global Perspective (Westport, CT: Quorum Books), p37

<sup>11</sup> George A. Larbi (1999) ‘The New Public Management Approach and Crisis States’ United Nations Research Institute for Social Development Discussion Paper Number 112, 23

<sup>12</sup> *Ibid*, 25

<sup>13</sup> *Ibid*, 27

focus on divestiture. Of the 260 SOEs owned both directly and indirectly by the government, a total of 120 SOEs were divested in the period from 1988 to 1995.<sup>14</sup>

A similar pattern can be found in Nigeria where the destruction caused by civil war (1967-1970) and the oil-boom of the 1970's paved the way for the dominance of statist policies and the creation of a range of SOEs. By the end of 1980's there were 600 federally owned SOEs with a further 1200 enterprises owned by the various regional and local governments.<sup>15</sup> As was the case in Ghana these SOEs performed poorly, with annual net outflows from government to public enterprises estimated at \$2billion.<sup>16</sup> In Nigeria the reform program was detailed in the Privatization and Commercialization Decree of 1988 which formed part of a broader SAP which had been outlined in 1986. These measures saw 82 SOEs undergo partial or complete divestiture by 1993. However, following this period the privatization program stalled due to the political instability of alternating civilian and military rule. During the period of 1993-1999 the number of SOEs rose from 518 to 588, close to the pre-reform level. Since the most recent transfer of power from military to civilian rule, the policy of divestiture has been renewed. 12 SOEs have been sold to the private sector, with ongoing negotiation over the divestiture of a further 30 enterprises.<sup>17</sup>

In Uganda the picture is somewhat different. The Museveni government which came to power in the late 1980's inherited a relatively small number of approximately 100 SOEs. However, as with Ghana and Nigeria there was a commitment to reducing this number due to the economic problems of the country and the burden of supporting these enterprises. By 1998, 63 SOEs had been privatized with others undergoing commercialization or liquidation, leaving only ten SOEs under government control and ownership.<sup>18</sup>

For many advocates of NPM the divestiture of SOEs, contracting out and performance contracting have been huge successes, reducing the role of government, allowing the market to play a greater role in resource allocation. However, there are a number of factors which suggest that there should be more caution in the wholesale endorsement of privatization.

One common problem is that of corruption and a lack of transparency in the privatization process. In Ghana government officials have seen direct personal benefits through acting as front men for foreign investors.<sup>19</sup> In Nigeria there is widespread public skepticism generated by government flaunting its own rules for the privatization process<sup>20</sup>, and in Uganda a number of top-ranking government ministers were forced to resign due to privatization scandals.<sup>21</sup>

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<sup>14</sup> Joseph Ayee (1999) 'Ghana' in Ladipo Adamolekun (ed) Public Administration in Africa (Boulder, CO: Westview Press), 263

<sup>15</sup> Ejeviome Otopo (2002) 'Policy Process in a Democratic Context: A Glimpse at Nigeria's Privatization Program' in Dele Olowu & Soumano Sako (eds) Better Governance and Public Policy: Capacity Building and Democratic Renewal in Africa (Bloomfield, CT: Kumarian Press), 163

<sup>16</sup> Peter Lewis (1990) 'The Political Economy of Privatization in Nigeria' in Dennis J. Gayle & Jonathan N. Goodrich (eds) Privatization and Deregulation in Global Perspective (Westport, CT: Quorum Books), 279

<sup>17</sup> Otopo, 'Policy Process in a Democratic Context: A Glimpse at Nigeria's Privatization Program' 163-164

<sup>18</sup> Mohammad Kisubi (1999) 'Uganda' in Ladipo Adamolekun (ed) Public Administration in Africa (Boulder, CO: Westview Press) p353

<sup>19</sup> Ayee, 'Ghana', 265; BBC News – Africa – Ghana Former Finance Minister Arrested (Monday, 16 April, 2001, 14:24 GMT) <http://news.bbc.co.uk/1/hi/world/africa/1280373.stm>

<sup>20</sup> Otopo, 'Policy Process in a Democratic Context: A Glimpse at Nigeria's Privatization Program' 168-169

<sup>21</sup> BBC News – Africa – Corruption mars Uganda Privatisation (Sunday, December 20, 1998, 13:54 GMT) <http://news.bbc.co.uk/1/hi/world/africa/239072.stm>

Corruption is a common problem in the developing world, and privatization programs often offer the phenomenon an unhealthy breeding ground.<sup>22</sup>

A second major problem with a shift towards privatization is the lack of functioning markets in the developing world.<sup>23</sup> This problem has a double impact on the process of privatization. Firstly, the lack of a developed market-based private sector inhibits the use of mechanisms such as contracting out, and hinders divestiture. A practical example of this can be found in Ghana where the contracting-out of auxiliary hospital services was severely hampered due to a lack of private sector firms operating in this area.<sup>24</sup> The second impact is that a weak market often means there will be a lack of capital for investment in the privatization process. In the late 1980's, during the early phase of Nigerian privatization, the total value of shares to be issued was estimated at N\$2.3billion, while the total value of all transactions in Nigerian government securities had only been N\$2.1billion in the period 1981-1986. When this fact was combined with questions over the stability of the Nigerian economy and the profitability of the enterprises which were being privatized, it contributed to the lack of progress in the divestiture process.<sup>25</sup>

The final major problem is that privatization often means an expansion of government in areas which it is not familiar. Although privatization removes government from the role of service provider, it creates a new role for government as service regulator. In states which have been accustomed to an emphasis on public sector provision, there is often a lack of expertise relating to the management of the private sector. Government capacity is challenged by the proliferation of private enterprises which need to be monitored in order to ensure adequate service provision and the development of monopoly free competition.<sup>26</sup>

## Decentralization

Decentralization is defined by Olowu as 'the deliberate and planned transfer of resources away from the central state institutions to peripheral institutions.'<sup>27</sup> This is a broad term which even encompasses privatization as a form of market decentralization. However, this section will draw from the discussion of Olowu, concentrating on deconcentration, devolution and federation.

Deconcentration is the most limited form of decentralization. It operates through the intra-organizational transfer of responsibility, attempting to increase the efficiency and effectiveness of the central state. This method allows the central state to retain ultimate control through processes of management decentralization. Devolution, on the other hand, is based on the principle of inter-organizational delegation of responsibility where the central state cedes a degree of power to local communities allowing them to engage in limited self-government. Related to this is Federation, which describes a process where there is a firm constitutional delimitation of responsibility between two separate political entities. It is more commonly found

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<sup>22</sup> Peters, *The Future of Governing*, 170

<sup>23</sup> Ali Farazmand (1994) 'The New World Order and Global Public Administration' in Jean Claude García Zamor & Renu Khator *Public administration in the global village* (Westport, CT: Praeger), 73

<sup>24</sup> Larbi, 'The New Public Management Approach and Crisis States', 29

<sup>25</sup> Lewis, 'The Political Economy of Privatization in Nigeria', 284

<sup>26</sup> *Ibid*, 30; Ejeviome Otobo (1999) 'Nigeria' in Ladipo Adamolekun (ed) *Public Administration in Africa* (Boulder, CO: Westview Press), 301

<sup>27</sup> Dele Olowu (2001) 'Decentralization Policies and Practices under Structural Adjustment and Democratization in Africa' *United Nations Research Institute for Social Development – Democracy, Governance and Human Rights Programme Paper Number 4*, 2

operating at the regional level, as opposed to the local level which is often associated with less formal devolution.<sup>28</sup>

In recent years there have been increasing moves toward the promotion of devolution and federation in a number of African states; however the majority remain confined to the level of deconcentration. A prime example of this is Ghana which has focused on the use of management decentralization, without the development of concrete political structures.

This policy is most evident in the Ghanaian Ministry of Health (MoH), which was a totally centralized component of the traditional civil service. Over a number of years, the MoH was subject to reform that was aimed at creating a flatter organization with a streamlined hierarchy. The board of director and agency models were emphasized as the two state teaching hospitals were placed under the control of autonomous hospital boards, the regional and district health management teams were given greater autonomy and the Ghana Health Service was created as an executive agency separate from the civil service.<sup>29</sup>

Financial control was also decentralized. In 1992 head office administered 66% of the total non-wage recurrent expenditure, with the districts controlling 10% and the teaching hospitals 8%. By 1995 these figures had shifted to 28%, 23% and 17% respectively, with head office controlling less than half its 1992 figure, while both the districts and the teaching hospitals had doubled their share.<sup>30</sup>

These trends toward decentralization have not been replicated in the political sphere, as devolutionary processes remain weak. Although district assemblies have been created with strong revenue raising powers, budgets are still subject to central approval, with government-appointed district chief executives wielding considerable power and influence over the elected bodies.<sup>31</sup>

In Uganda the picture is slightly different. As with Ghana deconcentration has taken place, with the Customs and Excise and Internal Revenue Departments transformed into agencies separate from the central civil service<sup>32</sup>, but unlike Ghana local governments have been empowered through devolution, representing a further step in the process of decentralization.

This was demonstrated in two pieces of legislation in 1997; the National Constitution, which affirmed the important role of local government, and the Ugandan Local Governments Act which specified the structure and functions of local government. Local authorities were given broad powers to develop their local communities through control over education, health, water, road and other services. Financially, central government still supports local government, however, various local revenue raising powers were introduced and local bodies were given complete control over the approval of their own budgets. Local government units also maintain control of their own personnel, with power over hiring and firing. Some local authorities have also engaged in contracting out, notably in the area of revenue collection.<sup>33</sup>

These measures combine to demonstrate a strong emphasis on devolution in Uganda, taking decision-making power away from the center and transferring it to the localities. In Nigeria the process has been similar, with the arrangements formalized in a federal constitution.

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<sup>28</sup> Ibid, 3

<sup>29</sup> Larbi, 'Management decentralization in practice: a comparison of public health and water services in Ghana', 194-195

<sup>30</sup> Ibid, 197

<sup>31</sup> Olowu, 'Decentralization Policies and Practices under Structural Adjustment and Democratization in Africa', 23

<sup>32</sup> Larbi, 'The New Public Management Approach and Crisis States', 18

<sup>33</sup> Olowu, 'Decentralization Policies and Practices under Structural Adjustment and Democratization in Africa', 19-20

The Nigerian system allows for 36 states and one Federal Capital Territory, with a further 700 local government units operating in the various states. Over the past three decades local government has developed the power to prepare and approve its own budgets. It has control over all aspects of primary education and primary healthcare, including all related personnel and facilities, and it can operate without undue influence from the state level governments. All these developments have fostered enhanced leadership, and improved service delivery.<sup>34</sup> Based on these examples decentralization would appear to be an extremely positive aspect of NPM. However, as with privatization there are other factors which must be considered.

On a political level, leaders and bureaucrats are often reluctant to give up power, as they view decentralization as a zero-sum game, where local actors gain at the expense of the center, rather than a positive-sum game where everyone benefits over time. This prevents the transfer of real power with reform often limited to cosmetic change.

The fear of corruption that was mentioned earlier also play a role in the problems of decentralization. Local elites may use control over local government to further personal gains, rather than promoting community development. While in the more limited form of deconcentration, the decentralization of management, with decreased central control, may make it easier for managers to engage in corrupt practices.<sup>35</sup>

Alongside these political considerations are fears that decentralization may hinder the economic progress of developing countries. Many people argue that central coordination is necessary to promote economic stabilization and that the financial costs of creating new decentralized structures is an unnecessary burden when basic services such as health and education remain under-funded.<sup>36</sup>

The final issue that must be considered is that of management and the capacity to implement reform. As with privatization, decentralization brings both a reduction and an increase in the role of central government. Although its direct decision-making role may be reduced, central government must develop monitoring and inspection procedures to ensure the decentralization is successful. Central government must also build information systems which can be utilized by managers and local government officials and it must ensure there is coordination between the various decentralized units. At the local government level there must be a pool of able and talented people who can handle increased budgetary, personnel and service delivery responsibilities.<sup>37</sup> In his study of Ghana, Larbi notes that the important lesson for all developing countries is that 'the center has to be strong before it decentralizes functions'.<sup>38</sup>

## Civil Service Reform

The final aspect of NPM is Civil Service Reform (CSR). Although CSR may form part of a broader program of institutional and political reform, when associated with NPM, it is more likely to focus on the basic issue of internal organization, with reference to size, recruitment, remuneration, career management and promotion.<sup>39</sup> In many ways CSR incorporates aspects of

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<sup>34</sup> Ibid, 22-23; Otopo, 'Nigeria', 302

<sup>35</sup> Ibid, 12

<sup>36</sup> Ibid, 13

<sup>37</sup> Larbi, 'The New Public Management Approach and Crisis States', 22-23

<sup>38</sup> Larbi, 'Management decentralization in practice: a comparison of public health and water services in Ghana', 204

<sup>39</sup> Martin Minogue (1998) 'Changing the state: concepts and practice in the reform of the public sector' in Martin Minogue, Charles Polidano and David Hulme (eds) Beyond the New Public Management: Changing Ideas and Practices in Governance (Northampton, MA: E. Elgar), 23

deconcentration and management decentralization outlined above; however in this section I will focus more on retrenchment and pay reform.

As with other aspects of NPM, CSR spread to the developing world through the influence of the World Bank, and 'Northern' states who had undertaken similar policies. CSR has become a global phenomenon, but it has had its most significant impact in Africa. World Bank studies show that between 1987 and 1996, 64% of all CSR operations were conducted in African states.<sup>40</sup>

In Ghana the preparatory work for a program of CSR began in 1983. Some of the main problems which it needed to address were substantial overstaffing, deterioration of real salaries, lack of morale, inadequate training and lack of capacity. However, it was not until 1987, with financial support given through World Bank structural adjustment lending, that CSR became a component of the government economic restructuring program.<sup>41</sup>

As part of the SAP conditions, the Ghanaian government had to commit to an initial retrenchment of 15,000 public servants by 31<sup>st</sup> October 1987, with compensation and retraining programs to be established for those who had been made redundant.

After initial retrenchment began it was found that there were 10,000 ghost workers in the system, this allowed for revision of the target, with 12,000 real positions being eliminated. Severance payments were given amounting to four months salary, plus two months for every year of uninterrupted service. However, where the program did not perform adequately was in the provision for retraining and counseling, with delayed and limited programs.<sup>42</sup>

In Nigeria CSR has been on the agenda for a number of years. In the 1960's limited steps were taken to improve salaries and wages, and reform the grading structure, but the first major reform came with the Public Service Review Commission. Reporting in the mid-1970's this body hoped to achieve wholesale change through more open procedures, a new code of conduct and a range of other measures such as the introduction of a merit-based reward system. However, despite the goal of introducing more modern management techniques the reforms were known for little more than the increase in civil service salaries.<sup>43</sup>

Since this period wages have not increased in line with inflation and it is estimated that in real terms the 1993 salaries of senior officials had fallen to less than half their 1980 value. Despite recognition that reform in this area is necessary, the most recent CSR has focused on staff retrenchment. At its peak in 1990 there were thought to be 273,392 federal civil servants, with the number reduced to 200,000 by 1998.<sup>44</sup>

In Uganda there has also been substantial CSR, with a number of important successes. Initiated in 1982 the program hoped to create a smaller civil service with better-paid, more efficient and effective staff. The first aspect of the program was retrenchment, starting with around 320,000 civil servants, the staff level was reduced to 150,000 by 1996. As in Ghana some of these reductions came through the purging of ghost workers, which accounted for around

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<sup>40</sup> Moses Kiggundu (1998) 'Civil service reforms: limping into the twenty-first century' in Martin Minogue, Charles Polidano and David Hulme (eds) Beyond the New Public Management: Changing Ideas and Practices in Governance (Northampton, MA: E. Elgar), 158

<sup>41</sup> Ayee, 'Ghana', 260-261

<sup>42</sup> Willy McCourt (1998) 'Civil service reform equals retrenchment? The experience of "right-sizing" and retrenchment in Ghana, Uganda and the UK' in Martin Minogue, Charles Polidano and David Hulme (eds) Beyond the New Public Management: Changing Ideas and Practices in Governance (Northampton, MA: E. Elgar), 177-178

<sup>43</sup> Otobo, 'Nigeria', 298

<sup>44</sup> *Ibid*, 298-299

40,000 positions, with a further 3,000 who were over the standard retirement age. Around 30,000 staff were made redundant through privatization and other related restructuring.<sup>45</sup>

However, alongside these reductions in staff levels, the wage bill actually rose due to pay reform. The 1993 figure of 65bn shillings increased to 220bn shillings by 1997.<sup>46</sup> This policy was guided by the desire to ensure that all civil servants had a living wage, and it was achieved through various mechanisms such as monetizing non-cash benefits.<sup>47</sup>

The success of reform in Uganda is not typical of the African experience where the majority of countries failing to reduce the size of their civil-service, while allowing real wage levels to deteriorate over time. It is important to place CSR in a broader context, moving beyond the emphasis on retrenchment. As mentioned above, NPM guided CSR often has a narrow focus, which fails to take into account the developmental needs of many African states. In order to create a truly efficient and effective civil service a more holistic approach must be taken which has a longer-term strategic vision.

Another problem often associated with CSR is that it is driven by external actors, which often causes resentment and problems in implementation.<sup>48</sup> The Ugandan success can be attributed to the commitment of the Ugandan government and the steps they took to educate the public on the necessity of reform.

When evaluating CSR, Kiggundu examines inputs, process, outputs, outcomes and impact. The successful measures described above, such as staff retrenchment, operate in the shorter-term level of input and process. However, the medium-term outputs and longer-term outcomes have shown less improvement, with the ultimate goal of impact remaining unknown. Kiggundu argues that for CSR to be truly successful it must lead to improved service delivery, customer satisfaction and overall development. In order to achieve these goals there must be a greater focus on improving the capacity of civil servants through training and other techniques.<sup>49</sup>

## Conclusion

In a recent book Martin Minogue declares that ‘The NPM model is comprehensive, but oriented more to the cost cutting, tax reducing concerns of northern states than the capacity building and developmental concerns of southern states.’<sup>50</sup> In this paper I have outlined the NPM model, described its roots in the developed world and its spread into Africa. I have described the influence it has had in Ghana, Nigeria and Uganda and the limited success these states have had in the areas of divestiture privatization, management and political decentralization, and civil service retrenchment and reform. However, I have also argued that the central issue of capacity building must be considered before NPM is advocated as the universal prescription for administration in the developing world.

Basic human resources must be enhanced, with general improvements in management and leadership in both the public and private sector of the developing world. The financial, physical and logistical support given to the civil service must be strengthened with increased emphasis on information resources. There must be a more holistic approach which

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<sup>45</sup> Kisubi, ‘Uganda’, 351

<sup>46</sup> Kisubi, ‘Uganda’, 352

<sup>47</sup> Therkildsen, ‘Efficiency, Accountability and Implementation: Public Sector Reform in East and Southern Africa’, 25

<sup>48</sup> McCourt, ‘Civil service reform equals retrenchment? The experience of "right-sizing" and retrenchment in Ghana, Uganda and the UK’, 158

<sup>49</sup> Kiggundu, ‘Civil service reforms: limping into the twenty-first century’, 160-168

<sup>50</sup> Minogue, ‘Changing the state: concepts and practice in the reform of the public sector’, 33

recognizes that administration is influenced by broader factors such as the economic, social and political environment of the state. Once these issues have been addressed it may be appropriate to consider NPM, but until that time I agree with the argument stated by Peters that it is 'necessary to build a proper Weberian administration before there are any attempts to break that style down'.<sup>51</sup>

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<sup>51</sup> Peters, 'The Future of Governing', 175

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