CHAPTER 27

THE CRISIS OF PUBLIC ADMINISTRATION THEORY IN A POSTGLOBAL WORLD

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Nearly a generation ago and soon after the collapse of Soviet Marxism, writers such as Francis Fukuyma (2006) proclaimed in the 1992 *The End of History and the Last Man* that Western capitalism had won. More specifically, Fukuyma and Thomas Friedman in *The World Is Flat* (2005), supported by other neoliberal scholars, heralded that free markets had emerged as the winner in the cold war and that the future was one of less government intervention in market activity and an increasingly globalized capitalist economy. The winners would be those with flat economies fully integrated into the market, the losers those outside.

But the Western banking crisis that began in 2008 and the global recession produced as a result are historic events on two counts. First, state intervention to save the banks and the free market from itself undermine whatever remaining legitimacy there is in the intellectual foundations of neoliberal ideology, setting the stage for a new vision of the world in ways that have not been seen since the 1930s. Second, the crisis and collapse of the financial sector challenge public administration, specifically the role that the government and government officials have in regulating the economy and in delivering goods and services.

Theories of the economy, state, and public administration are interrelated. As conceptualizations of how markets operate change, so do theories about the role of the state or government in relation to economic activity. This then demands a rethinking of the role of public administrators and government officials. The global recession of 2008 has challenged more than a generation of beliefs about free markets and global trade, thereby necessitating a rethinking of the role of governments in promoting policies such as deregulation and privatization. This chapter examines the role of public administration in a postglobal world. Specifically it explores how prevailing public administration theory is challenged and changed by a potentially new global economic order.

WHAT IS THEORY?

A threshold question to ask is, What is meant by theory? The answer is not so clear, and theory can be approached or examined on many different levels. Lynn's "Public Administration Theory: 'Which Side Are You On?'" (chapter 1 in this volume) cogently explores this question across several dimensions. He argues that theory, or at least theorizing, is important to the articulation of a sense of professionalism and necessary to the guidance of practice. Lynn also describes types of theorizing, and he indicates that it may be critical for interpreting, explaining, and criticizing social and political phenomena. Finally, he notes that theorizing, at least in public administration, addresses questions about the uniqueness of the public sector, better achieving client outcomes, ensuring bureaucratic accountability, improving organizational performance, linking policy to implementation, and improving government performance overall. A theory of public administration certainly can do that, and one level of theorizing can be instrumental in securing all these goals.

But there is a deeper sense of theorizing that needs attention. It addresses what philosopher Leon J. Goldstein called the object of inquiry of what we are studying (Goldstein and Schultz n.d.). Specifically, he asks, What are social scientists studying when they are engaged in their disciplinary work? What, for example, is the object of inquiry in economics, sociology, or political science? The same question can be asked about public administration. What is the object of inquiry in the field of public administration? On one level it is policy implementation, organizational performance, or client performance, but all of these queries are guided by an even deeper set of questions about the practice and theory of public administration. The deeper or first-level object of inquiry or theory, which this chapter is directed at, is the state. It contends that the crisis of public administration is ultimately a theoretical question about the nature of the state.

Public administration is really a study about the state. It examines, for example, some basic questions about political power, government, and the officials who operate within it. Daniel Bell in *The Cultural Contradictions of Capitalism* (1996) once delineated the parts of a nation or culture into three entities—society, state, and economy. He argued that each part operated according to a different logic. Society was based on a concept of actualization or growth, the economy on efficiency, and the state on legitimacy. His tripart distinction is reminiscent of arguments by G.W.F. Hegel in *The Philosophy of Right* (1967) that one needs to look at interconnections with the state, civil society, and the economy when seeking to comprehend freedom. The point Bell and Hegel are making is that a theory of the state explicates the relationship among government, society, and the economy. Even more important, their arguments suggest that a study of the state is ultimately a matter of political philosophy and theory, asking fundamental questions about the nature of government. Public administration theory, then, is about theories of the state and how it relates or connects to society and the economy.

One way to think about the question of public administration theory or the object of inquiry within this discipline is to approach the topic from an ontological perspective: "Democratic theories have ontologies. Each defines its object of inquiry, the critical components of what makes a political system work, and what forces, structures, and assumptions are core to its conception of governance. The ontology will not only include a discussion of human nature but also an examination of concepts such as representation, consent, political parties, liberty, equality, and a host of other ideas and institutions that define what a democracy is and how it is to operate" (Schultz 2002, 74).

An ontological discussion of democracy, as with public administration, implicates the most fundamental of all questions regarding government. The most basic questions are, Why government? or Why is government necessary? Addressing these questions goes back to Socrates and the ancient Greeks, including Plato and Aristotle, and addressing them is a salient topic to the present discussion. The Greeks approached these questions by theorizing about human nature. Socrates, Plato, or Aristotle all described humans as social creatures with a desire for knowledge and self-perfection. Plato believed that the task of government was to achieve justice and to find the best role for everyone's talents or skills. His assumptions about human nature led him in his *Republic* to argue for rule by "philosopher kings," who were guided by reason. The ideal republic—one where one's harmony or balance in the soul matched one's soul position or duties—was one where reason as embodied in the philosopher kings ruled the republic.

Other philosophers reached different conclusions about the proper role of government, also based on the differing views they had about human nature. St. Augustine and many of the early Christian thinkers saw humans as basically base and sinful creatures. Accordingly, their view of government was less noble and optimistic than the Greeks'. Government was often viewed as a "punishment and remedy" for human sin. This meant that the primary job of government was to keep peace, maintain order, and, as necessary, enforce moral and religious laws to prevent individuals from sinning, if possible. In the sixteenth century, the famous British philosopher Thomas Hobbes's *Leviathan* deployed a social contract theory to explain the origins of government; like Locke and Rousseau, he envisioned that there was once a state of nature before there was government and civil society. However, this state of nature was a state of war, where life, as Hobbes described it, was "solitary, poor, nasty, brutish, and short." It was a war of all against all. Individuals thus formed a social contract in order to protect themselves. What resulted, though, was a social contract to create a near-absolute monarchy. For Hobbes, only a strong king with unlimited powers could keep order, given how contentious human nature was. John Locke, writing in his *Two Treatises of Government,* described humans as basically good but subject to misjudgments in how they enforce and protect their natural rights to property. Government was instituted to help clarify and protect these and other natural rights of individuals. In contrast to Hobbes, though, the social contract that individuals in the state of nature execute does not produce a monarchy. Instead, it is more of a limited government subject to what now might be called constitutional limits.

Turning to the United States, the best statements regarding the political views and assumptions about human nature and politics that went into the Constitution can be found in *The Federalist Papers.* Government is necessary, as Madison stated in *Federalist* 51.

> But what is government itself but the greatest of all reflections on human nature? If men were angels, no government would be necessary. If angels were to govern men, neither external nor internal controls on government would be necessary. In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed; and in the next place oblige it to control itself. A dependence on the people is, no doubt, the primary control on the government; but experience has taught mankind the necessity of auxiliary precautions (Madison et al. 1937, 337).

Government is necessary to protect property and check against factions and quarrels that are rooted in human nature. The only way to do that is by construction of an elaborate constitutional system of checks and balances, separation of powers, federalism, and other mechanisms meant to break up and limit political power.

Madison's claims about human nature drive a political theory about government, explaining why it is necessary and what some of its critical functions need to be. Within the field of public administration these basic questions have importance too. If political theory or philosophy is about asking, Why government?, a first-order question, there are then a variety of other ordered levels of theory. A second-order level of theory investigates the specific functions of government, asking not, Why government?, but, What should governments do? This question looks to specific functions or tasks to be performed by the government. A third-level of theorizing is about ideology, querying, What values or interests should a government promote? This level of theorizing looks to how majority preferences are translated into public policy or how the public interest is defined. Finally, there are fourth and fifth levels of theorizing, the former investigating what public administrators should do and the latter asking questions such as, How can public organizations or policies perform more efficiently?

All of these five levels of questions are forms of theorizing and involve questions of public administration. One cannot probe fourth- or fifth-level questions without presupposing answers to the previous levels. At one time public administration did explicitly discuss the higher-order questions. *The Federalist Papers* examined first- and second-order levels of theory, and Alexander Hamilton's famous reports, such as the *Report of Manufactures,* are second- and perhaps third-order levels. Both are definitely tracts in public administration because they examine questions about the state and government and have implications for what the public interest is and what public servants should do. Public administration theory now seems to address lower-order questions. It assumes government is necessary and it takes functions and perhaps even ideology as givens.

When in the late nineteenth century Woodrow Wilson and American public administration scholar Frank Goodnow articulated the politics-administration dichotomy, or described neutral competence, they were addressing perhaps fourth-level questions. The new public administration movement of the 1960s did the same. Much of the contemporary public administration scholarship now seems relegated to fifth-level theorizing that examines how specific program or organizational performance can be enhanced. This is the thinnest level of theorizing, directly concerned with translating theory into practice and performance. These questions are important, but recent public administration scholarship focusing on these types of questions ignores deeper levels of theorizing, which are the object of this chapter. Public administration theory, then, cannot be understood without reference to how government is connected to society and, more important for the purposes of this chapter, to the economy. Thus, as will become clear, the crisis of public administration theory is ultimately one rooted in theories of the state and the economy.

MARKETS AND GOVERNMENT

Governments and the economy or markets are intertwined and connected in at least four ways. First, they represent the two dominant ways to distribute goods and services (Lindblom 1980). Except in the case of face-to-face barter economies, the free market and government distribution of goods and services provide rival ways to coordinate their production and distribution. They do that either by decentralizing and privatizing these decisions (in the case of market mechanisms) or by centralizing them (as with planned economies). Often these decisions are not dichotomized, and instead in most societies there is a continuum or hybrid of market-government and decentralized-centralized mechanisms at work.

Second, public power is necessary to create free markets. Polanyi (2001) argued that free markets are not architectonic. They did not just arise and develop on their own. Their establishment, especially during the nineteenth century in Europe, was the product of significant uses of governmental authority and power in order to enforce the rules of free markets. Even Milton Friedman (2002), a conservative free market economist from the United States who was best noted for his arguments in favor of privatization and minimal governmental intervention into the economy, conceded that public authority is necessary to enforce the basic rules of the marketplace. Max Weber's (1979) writings on bureaucratic behavior are often read as lessons for organizational theory. But it should be remembered that he discussed bureaucracy and authority within the context of capitalism and the role of the former in helping to sustain it.

Third, governmental authority is required to address and regulate market failures, such as free-rider problems, (negative) externalities, information asymmetries, and monopolies (Cassidy 2009). For many economists, unregulated free markets produce problems that only government regulation can correct. These may be problems surrounding maintenance of demand (Keynes 1964), distributional issues (Okun 1975), or other pathologies that impede efficiency or the ability of markets to react to disequilibrium.

Fourth, government intervention may be necessary to provide public infrastructure investment

(Smith 1937) or ensure profitability of private businesses (O'Connor 1973). While Adam Smith's *The Wealth of Nations* is best remembered as the first statement defending free markets and capitalism, the book also offers an important defense for government investment in basic infrastructure (roads and canals in Smith's day and perhaps schools and telecommunications today) in order to sustain and support private investment. Moreover, James O'Connor has argued that modern capitalist states serve two basic functions—promoting legitimization or support for the regime and undertaking activities that make it possible for private businesses to maintain profitability or maintain capital accumulation.

Describing these four theories of market-state connection is important for two reasons. First, it establishes an interdependence or connection between markets and governments (or public and private power) that is often overlooked. Second, if markets and government are interconnected, it suggests then that as the relationship between the two changes, so must theories of state, public administration, and the specific role of public administrators.

THE RISE OF NEOLIBERALISM

The twentieth and twenty-first centuries witnessed significant evolution and change in theories regarding the relationship of markets to the state. The most notable point of contrast between the two was highlighted in the ideological struggle between Soviet communism and American capitalism in the post–World War II and cold war eras. The USSR and the United States represented rival theories about economies and politics, creating a bipolar world that divided along a host of principles that extended beyond markets and the state. Fukuyma (2005) described the two models offered by the USSR and the United States as competing metanarratives to structure the world. With the fall of the Berlin Wall in 1989 and soon thereafter the collapse of the Soviet Union, Fukuyma declared the West (capitalism) as having won, leaving it as the lone metanarrative to order and structure the world.

But Fukuyma was not the first to describe the end of history or the triumph of capitalism. During the 1950s, American sociologist Daniel Bell (2000) wrote of the end of ideology. Capitalism won, and those in the West had figured out how to live the good life. The question was not about ideology, only technique; not the ends, but only the means to secure the good life.

The conclusions reached by Fukuyma and Bell were rooted in the belief that the post–World War II rising prosperity of the United States was proof of its superiority. This prosperity, based on liberal-democratic political values and Keynesian economic theory, placed Western governments at the "commanding heights" of the economy (Yergin and Stanislaw 2002). This model of the state and public administration included regulation of many aspects of the economy, a social welfare safety net, limited economic redistributions though transfer payments, and use of government investments and purchasing power to stimulate demand.

But the 1970s shook the foundations of the post–World War II political economic order of the capitalist West. A combination of high unemployment and inflation produced what James O'Connor argued was a fiscal crisis of the state. For O'Connor, the "tendency for government expenditures to outrace revenues" is what he calls the fiscal crisis of the state (O'Connor 1973, 2). The reason for this crisis is rooted in contending class interests that make demands upon the state, necessitating that the government perform two mutually contradictory functions. The first, the accumulation function, demands that the state create the conditions that help to maximize the accumulation of private profits. Accumulation is articulated on behalf of one class, and it involves the socializing of certain investment costs or making other expenditures or purchases that increase profitability. While the government may be pressured into increasing spending or cutting expenditures to maintain profit accumulation, this profit is not socially consumed but is retained by businesses.

While the state is pressured to support business profitability, there is a contradictory demand to make some expenses, such as for welfare, in order to maintain social harmony and peace among unemployed workers. O'Connor sees expenditures for this purpose as fulfilling a legitimation function (O'Connor 1973, 6–7). From capital's perspective, legitimation expenditures are not productive; they are simply expenditures to purchase peace.

O'Connor contended that the capitalist state faced a short- and long-term fiscal crisis that perhaps could not be remedied. Yet the rise of Thatcherism and Reaganism, as a response to the legitimacy and solvency of the post–World War II order, provided one avenue to addressing the fiscal crisis. Their solution was to shed many core state functions, which would reduce expenditures. This was a privatization strategy. Additionally they advocated deregulation, a cutting back of the social welfare system, an anti-union strategy, and tax cuts. The combination of all these was meant to cut expenses businesses had to bear, thereby increasing their profitability and mitigating the fiscal crisis.

The apparent and temporary resurgence of the U.S. and UK economies led many to believe that the strategy had worked. Their economic resurgence, along with the fall of the Berlin Wall, the collapse of European communism, and the apparent triumph of capitalism led some to conclude that the West had won, liberalism had vanquished all its foes, and the end of history had arrived. It is out of these twin events that the core of neoliberalism emerged, along with a theory of public administration.

NEOLIBERALISM PUBLIC ADMINISTRATION

Neoliberalism is a political economic theory committed to the laissez-faire market fundamentalism ideology that traces back to Adam Smith and David Ricardo (Plant 2009). It includes a belief in comparative advantage, a minimalist state, and market freedom, and is, as articulated in the 1990s and 2000s, driven by finance capital. At the state level, neoliberalism defines a theory of public administration. If neoliberalism includes a commitment to market fundamentalism, then that also means that it is dedicated to a politics of limited government. This includes privatization, deregulation, and a scaling back of many traditional functions that capitalist and communist states had performed since at least World War II.

As a theory of public administration, neoliberalism dictated specific roles for government officials. It meant, in the case of privatization, that managers would become contract administrators who oversaw previously performed state functions now being delivered by private actors, or they would be in charge of the sale of state-run businesses to private entities. A neoliberal public administration theory commits managers to cutting regulations or making them more business friendly, crafting them in ways to encourage private capital accumulation. In the United States, one example of this meant adoption in 1999 of the Gramm-Leach-Bliley Act, which deregulated banking. Finally, a neoliberal theory of public administration would also facilitate anti-union rules and those that would make it more difficult for individuals to secure welfare benefits from the state.

A neoliberal theory of public administration in the traditional capitalist West also elicits theories of management such as new public management and reinventing government (Schultz and Maranto 1998). Both of these theories seek to import traditional private sector management theories stressing efficiency into the public sector. In the former communist countries, neoliberal ideology, especially during the transition period, emphasized cold shock therapy and a rapid conversion from central planning to market economies that included privatization, dismantling of price supports, and rapid sell-off of state-owned industries (Åslund 2007, 2009).

But neoliberalism as a theory transcends the state, providing also an international economic theory committed to free trade and globalism. Steger (2002) distinguishes between two phenomena. He describes globalization as a social process or material process referring to a form of a means of production and attendant social relations to organize the forces of production (13). He contrasts it with globalism, which is the dominant political ideology of the day that serves neoliberal interests. Globalism and neoliberalism are best understood through the lens of *New York Times* columnist Thomas Friedman's work, *The World Is Flat: A Brief History of the Twenty-first Century* (2005).

Friedman is not the first writer to describe the emergence of a world global economy. Historians such as Braudel (1979) and Spufford (2002) describe its development during the Middle Ages. Political sociologists such as Wallerstein (1979) discuss it in terms of the emergence of a world capitalist system, and Marxists including Rosa Luxembourg, Rudolf Hilferding, and Vladimir Lenin charted its rise in terms of emphasizing finance and banking. But Friedman is unique in celebrating globalization's emergence in terms of a neoliberal globalism (in Steger's use of the term).

Friedman sees globalization as having gone through three stages that have metaphorically reduced the world from large to small. Version 1.0 (1492–1800) shrank the world from large to medium. The agent of change was brawn, and it was about countries and muscles. Globalization 1.0 was pushed by "how much horsepower, windpower, or steampower your country had and how creatively you could deploy it" (9). Version 2.0 (1800–2000) shrank the world from medium to small. It was directed by multinational corporations going global for markets and labor. It was first driven by falling transportation costs, and then by the telecommunications revolution and then by the Web. Version 3.0 (2000–present) shrinks the world from small to tiny and flattens the playing field. It is directed by individuals seeking to collaborate and compete globally, and it is made possible by software and fiber-optic networks.

Globalization version 3.0 is driven by what Friedman calls ten flatteners, such as the fall of the Berlin Wall, the creation of Microsoft Windows, and Google. These ten flatteners are subject to three convergences (Friedman 2005, 176–177). Convergence I is the "complementary convergence of the ten flatteners, creating this new global playing field for multiple forms of collaboration" (178). Convergence II is the rise of business schools, information technology specialists, CEOs, and workers comfortable with and able to develop horizontal collaborations who developed "business practices and skills that would get the most out of the flat world" (178). Convergence III is the introduction of new players—3 billion—into a new playing field with new processes and horizons for collaboration. Overall, the ten flatteners and three convergences are yielding a frictionless flat world.

A frictionless flat world is the world of the General Agreement on Tariffs and Trade, the European Union, and open borders. For Friedman it is one that makes it possible and easy for business and commerce to cross borders. The question Friedman says countries need to ask is, How flat do you want to be? How much friction should government remove via deregulation to make for a flat world (Friedman 2005, 216). The line between those who are in a flat world and those who are in a nonflat world is the line of hope (376). Overall, the task for governments and public administrators in globalization version 3.0 is to create a world that is immune to political-geographic borders. It will create a free flow of capital, have minimal government regulation and restrictions, and include the development of tax policies to enhance wealth accumulation and profit taking.

Global neoliberalism takes the theories of state and public administration found at the state level and expands them to the world. It encourages creation of borderless states integrated into a larger national economy. Thus, as a theory of public administration, it almost demands surrender of nationality and the national interest to the service of a world economy. The duty of a public servant then is no longer to serve the public good but instead to sacrifice it to a world economic good.

THE CRISIS OF NEOLIBERAL AND PUBLIC ADMINISTRATION

The crisis of contemporary public administration theory is intertwined with the failure of neoliberalism. The collapse of market fundamentalism that defined the Reagan-Thatcher worldview has precipitated a crisis in public administration theory in the sense of implicating core questions about the role of the state in the economy and the attitude and functions that public administrators should assume.

For a time from the 1990s until approximately 2006–7, neoliberalism appeared to reign supreme, but now the world economic crash and the rush for state intervention suggest that Fukuyma and Friedman may not be so right and the rumors of the end of history might be premature. Neoliberalism's deregulation and surrender to the market created the forces that led to its own destruction.

One example of that is the Gramm-Leach-Bliley Act, which repealed the 1933 Glass-Steagall Act. Glass-Steagall had created two classes of banks—commercial and investment. The former would be barred from engaging in stock speculation and instead would be limited to making money generally through home and other types of loans. Investment banks would be permitted to speculate on Wall Street. Glass-Steagall was considered a major banking reform; it erected a firewall to prevent the type of speculation that occurred in the 1920s from repeating itself, thereby protecting financial institutions and the public from the problems that destroyed them with the crash of 1929. Some argue that the repeal of this act laid the groundwork for the world economic crash of 2008 as the credit crisis that began in the United States swiftly moved to banks across the world, affecting financial institutions and credit across Europe, including the Russian Federation. The frictionless flat world that Thomas Friedman and other neoliberals desired literally made it impossible to contain the financial problems from jumping across borders. Globalization means not just the good crosses the borders, but also the bad.

The global crash challenged not just neoliberal thought but public administration in several ways. First, the prevailing paradigm of government and its officials taking a minimalist approach to government regulation was questioned. Not only were first-order questions such as Why government? challenged, but the second-order questions about its functions were also implicated. Massive market failure across the globe was made possible not simply because of the reckless behavior of bankers and speculators. The deregulatory and minimalist government posture toward the economy exacerbated the crisis once it began (if not perhaps even making it possible or enabling the behavior to start). Deregulation was not neutral toward the market but perhaps a major cause of the world financial meltdown.

Second, the government responses to the meltdown also raise a challenge to public administration. Specifically, the significant public bailouts of banks and businesses question whether market fundamentalism makes sense, and they also implicate significant questions about the sustainability of such a strategy without bankrupting the state. Third, the world financial crisis beginning in 2007–8 raises questions about the desirability of a frictionless flat world of open borders. Had there been in place circuit breakers or regulations to prevent the spread of the American financial crisis to the rest of the world, the crash might not have occurred. Contrary to Friedman, then, who argued that the winners of the new economy would be those inside the flat world, the real winners are those outside of it.

Finally, one of the other characteristics of neoliberal public administration was the dramatic increase in the gap between the rich and poor, especially in the United States. Kevin Phillips (1991, 2003), for one, has documented this increase, brought on by supply-side economics and the Reagan (1991, 2003), 1981 tax cuts and then again by the 2001 Bush tax cuts. These policies as well as others in the neoliberal state have hurt the poor and damaged American society. Unlike the role defined for them under the 1960s new public administration movement, which emphasized social equity as a criterion to influence governmental decisions, the new public management theories returned singularly to efficiency as the barometer to judge public choices. Market criteria, as Bell (1996) worried about in his *Cultural Contradictions of Capitalism,* had infected and taken over how government decisions were viewed. Neoliberal public administration had become inured to the ethical and social consequences of its decisions, abandoning legitimacy for efficiency.

Taking these points together, the crisis of contemporary public administration goes back to raising some fundamental questions about the role of the state in relationship to markets. Is government merely an inferior partner in the delivery of goods and services? Should government regulate economic behavior only to prevent market failure? Or is government a critical agent to construct and enforce markets and perhaps even serve as a viable and necessary economic participant in services and goods delivery? To ask these questions is to challenge neoliberal orthodoxy for the last twenty to thirty years, including the desirability of deregulation, privatization, and the sell-off of state-owned enterprises. Does public administration thus need a new theory of the state and therefore a new theory of what role government officials have? This is one major challenge that the global crisis portends for public administration.

Another challenge to contemporary public administration theory questions the desirability of a unipolar world lauded by globalism. Might there still be value to regional political-economic structures, even informal ones such as BRIC (Brazil, Russia, India, and China) as distinct entities? Should the European Union be developing its own public administration values? Even within the European Union, the sacrifice of national economies such as Portugal, Hungary, or others in order to sustain cross-national policies to protect the euro might need to be rethought, because public administrators are being asked to second-guess the natural tendency to protect their people in the interest of serving broader global policies. In effect, the global crisis questions the efficacy and desirability of a flat frictionless world. Had circuit breakers existed to prevent problems in one national set of banks from moving to other institutions around the world, the global financial crisis that began in the United States might have been more easily confined. Neoliberal public administration theory as a normative vision of the role of the state in a global economy collapsed in 2008. Efforts in 2010 to redefine a new international banking system thus are part of an effort to rethink the role of government in the economy and also to reconceptualize the wisdom of a truly economically borderless world.

Although China receives criticism for many of its economic policies and efforts to define its own role in the world economy with a unique measure of state-market relations, such a practice might be given a second thought as an effort to readjust public administration in a new era. This remark is not meant to endorse the repression or denial of civil liberties rights brought about by the Chinese government. But contrary to Thomas Friedman's assertion that the winners in the new global economy would be those whose economies were frictionless, the winners, if any in the past few years, were those who protected themselves from the worst features of full integration into the global economy. Creating a world not dominated by one currency, one set of economic values, or one leader might be a more equitable and intelligent way to manage the world. The economic crisis of 2008 prompts the questions, Is globalization or globalism as we presently know it dead, and is it now necessary to envision a postglobal world? If the answer to these questions is yes, then it is time also to think about what a postglobal theory of public administration might be.

TOWARD A POSTGLOBAL THEORY OF PUBLIC ADMINISTRATION

Theories of public administration are inextricably connected to political and economic arguments regarding the relationship of the state and the market. The crisis of public administration is primarily a first- and second-order theoretical problem. It is a crisis that demands a rethinking and questioning regarding the role of the state within a nation and in an international community that had been defined by neoliberalism for nearly forty years.

From the middle of the 1970s until the emergence of the economic crisis of 2008, neoliberalism defined a public administration theory that prescribed minimalist roles for the state and its officials in the economy, and subordination of the national interest or the public good to global imperatives. The financial crisis of 2008 challenges that theory of public administration. For both the traditional Western capitalist states and the former communist ones, the economic crisis demands a rethinking of roles and strategies that have dominated public administration of late, asking whether they remain viable approaches in a postglobal world. This rethinking includes asking first-order questions about why government should exist, second-order questions about the specific functions states should assume vis-à-vis the economy and society, and addressing other lesser-ordered concerns that look to the role of public administrators and implementers in the delivery of goods and services.

What would a postglobal theory of public administration look like? First, it would need to be a theory that returns to first- and second-order questions about the state. Public administration for too long has conceded these questions to political science and the other social sciences, shying away from the bigger theoretical questions and instead contenting itself to look at mostly fifth-order issues about organizational or policy performance. It has ignored questions about the state and its relationship to the economy and society and the rest of the world. Especially at a time when globalization makes it clearer that everything is interconnected, public administration should return to core questions about the state.

Ali Farazmand (2009) offers good preliminary suggestions regarding how public administration should respond to the changes occurring in a postglobal world. He argues that public administration must respond to the problems caused by predatory globalism and corporate capitalism. It (public administration's task) is about challenging the current paradigm of globalism (Steger's term) and conceptualizing an alternative vision that promotes national public interests that are not adverse to one another. It addresses global problems such as pollution, depletion of natural resources, poverty, and aggression. It is a theory of public administration that recognizes that the frictionless world of Thomas Friedman confuses market autonomy with the public good. Thus, it is a theory that rejects neoliberalism as a failed paradigm and articulates a new one by seeking to provide new answers to the higher-order theoretical questions that public administration seems to have abandoned.

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