Chapter 4

Types of State Organizations: Arguments, Doctrines and Changes Beyond New Public Management

Paul G. Roness

Introduction[1]

The topic of this chapter is the development of organizational forms in central government in four countries (Australia,[2] New Zealand, Norway and Sweden) since the mid-1980s. What are the main arguments and doctrines behind the comprehensive reform efforts in these countries, and what kind of structural changes have occurred? What, for instance, were the arguments and doctrines used to bring about changes in the handling of regulatory tasks? What kinds of solutions have been prevalent in national administrative policies and how have these been justified? And finally, how and to what extent have national policies affected the actual changes that have taken place?

The structural anatomy of the state can be described in terms of a vertical and a horizontal dimension (Egeberg 1989; Christensen and Egeberg 1997; Lægreid and Roness 1998; Lægreid et al. 2003). The *vertical dimension* concerns the distribution of responsibility among different levels of the hierarchy and describes how political and administrative tasks and authorities are allocated among organizations at different levels. The *horizontal dimension* focuses on how tasks and authorities are distributed among different organizations at the same hierarchical level. Thus, reform efforts and changes may involve specialization (devolution) or de-specialization (integration) along both the vertical and horizontal dimension in a number of possible variants.

The analysis will be based on a transformative approach (see Chapter 1), which is also reflected in the outline of the chapter. Thus, after clarifying some relevant categorizations of state organizations in the academic literature, I will briefly outline some international trends in administrative and regulatory reforms, particularly those connected with New Public Management (NPM). I will then present the main

2   Only the federal (or Commonwealth) level.

arguments and doctrines supporting administrative policies in the four countries. This is followed by a section describing the actual changes that have taken place in these countries. In the conclusion I will discuss how and to what extent the observed patterns can be explained in terms of the factors emphasized in a transformative perspective, such as global trends, national cultural–institutional traditions, national polity features and instrumental action.

The Variety of State Organizations

Attempts to map the pattern of state organizations raise three main questions: first, what constitutes a *state* organization? Second, what constitutes *one* state organization? Third, what constitutes *different types* of state organizations? In the academic literature, there are no clear and straightforward answers to these questions, which concern the boundaries of the state, units of analysis and categorization.

This chapter chiefly addresses the third question. Attempts to explore different types of public-sector organizations using the vertical dimension have been many and various (Thynne 2003; Wettenhall 2003). In order to categorize different types of organizations one must first decide which organizations are to be included. For example, in discussing what since the late 1970s have been called '*quangos*', one needs to define the boundaries of the population. Definitions vary, but a woolly (or inclusive) one would be: 'Any body that spends public money to fulfil a public task but with some degree of independence from elected representatives' (Flinders 1999, 4). Within these boundaries, the territory of quangos may be mapped along two axes: 1) degree of control by ministers, and 2) public vs. private (Flinders and McConnel 1999, 19).

Recently, academic discussions on state organizations addressing the vertical dimension have focused on the development of *agencies*. For example, in a comparative study on semi-autonomous state organizations, Pollitt et al. (2004, 10) use the following working definition of an agency as an organization which (see also Talbot 2004a, 5):

- Has its status defined principally or exclusively in public law (though the nature of that law may vary greatly between different national systems)
- Is functionally disaggregated from the core of its ministry or department of state
- Enjoys some degree of autonomy which is not enjoyed by the core ministry
- Is nevertheless linked to the ministry/department of state in ways which are close enough to permit ministers/secretaries of state to alter the budgets and main operational goals of the organisation
- Is therefore not statutorily fully independent of its ministry/department of state
- Is not a commercial corporation

This definition may, however, be regarded as being too hard (or narrow), failing to take into account softer (or broader) versions and sub-types of what may be

called 'non-departmental public bodies' (NDPBs) that have existed for a long time (Wettenhall 2005a). In contrast to recent discussion on agencies Wettenhall (2005a) defines 'the NDPB field' as follows:

> A focus on organizational characteristics indicates, however, that there are two major categories. The first embraces non-departmental, non-ministerial bodies created by statute, known variously as statutory authorities or, in the incorporated form, as statutory, public, government or crown corporations. (...) The second embraces government-owned companies established through regular company formation procedures, (...) The executive agency – whether loosely within the departmental frame or outside that frame – has to be seen as another organizational category, now undoubtedly much better known because of the interest of the agencification theorists, but also long known to students of administrative organization generally and of NDPBs in particular because of its 300-year Swedish manifestation (Wettenhall 2005a, 624–5).

Summing up, with regard to the first question, state organizations comprise more than what Pollitt et al. (2004) call agencies. In addition to other NDPBs, like government-owned companies, (core) ministries/departments must also be included. On the other hand, some quangos lying towards the private end of the public–private axis may fall outside the boundaries.

With regard to the horizontal dimension, probably the most famous categorization based on *specialization* is the one provided by Gulick (1937). He presented his four principles of purpose, process, people and area in a section on 'aggregating the work unit'. With regard to later applications of this typology along the horizontal dimension, it may be noted that the first principle does not contain any mention of function, and that the third principle includes things (or 'materiele') as well as persons (or 'clientele'). Moreover, Gulick showed that ordering based on one principle at one level is often combined with ordering based on another principle among sub-units at a lower level. He also discussed quite comprehensively the advantages and disadvantages to be expected from the application of one or another of the principles. His conclusion was that there is no best solution and that all the principles are interrelated within an organization. However, these four principles of specialization do not cover all relevant questions. In practical organizational design the question, for example, of which purposes should be linked or kept apart arises just as often as the question of choosing between the principle of purpose and other principles, such as area (Egeberg 1984, 2003).

Although Gulick did not explicitly mention *regulation*, many recent contributions presenting categorizations based on tasks, state activities, and functions or roles discuss this issue more directly. This is particularly the case for contributions rooted in different versions of economic organization theory. For example, the point of departure for Dunleavy (1991) in his 'bureau-shaping model' is the different types of budgets (that is, expenditures) that agencies have (see also James 2003). According to this model, 'the relative sizes of core, bureau and program budget levels fluctuate systematically across agencies, creating an important basis for distinguishing theoretically based agency types' (Dunleavy 1991, 183). More specifically, he distinguishes between five basic agency types:

Delivery agencies are the classic line bureaucracies of Weberian theory and economic analyses. They directly produce outputs or deliver services to citizens or enterprises, using their own personnel to carry out most policy implementation. (...) *Regulatory agencies* … key tasks are to limit or control the behaviour of individuals, enterprises or other bodies, (...) *Transfer agencies* handle payments of some form of subsidy or entitlement by government to private individuals or firms. (...) *Contract agencies* are concerned with developing service specifications or capital projects for tendering, and then letting contracts to private sector firms. (...) *Control agencies* are the last of the basic agency types. Their primary task is to channel funding to other public sector bureaus in the form of grants or inter-governmental transfers, and to supervise how these other state organizations spend the money and implement policy (Dunleavy 1991, 183–6).

According to him, some additional categories need to be included to achieve comprehensive coverage: '*Taxing agencies* raise government finances. (...) *Trading agencies* were defined for the UK central government analysis as full governmental bodies. (...) *Service agencies* are very similar in function, providing services or facilities to other government bodies' (Dunleavy 1991, 186–7).

However, contributions rooted in other traditions are also interested in regulation and regulatory agencies as a specific type of state organization. Bouckaert and Peters (2004), for example, distinguish between different types of activities and functions that autonomous agencies may perform:

- Implementation
  - Direct service delivery
  - Transfer of funds
- Regulation
- Advice and policy development
- Information
- Research
- Tribunal and public enquiries
- Representation

Here, too, a relevant question in practical organizational design is which activities and functions should be linked within one organization and which kept apart in different organizations.

While most academic categorizations related to the vertical dimension constitute attempts to make sense of existing organizations, many categorizations related to the horizontal dimension are deduced from theoretical perspectives.

International Trends

Like in the academic literature, many different bases for categorization and specific categories have been used in practice across the world. When it comes to activities and purposes, the United Nations *Classification of Functions of Government* (COFOG)

now seems to have become the international standard. This categorization lists ten main types of activities, each having between five and nine sub-types:[3]

- General public services
- Defence
- Public order and safety
- Economic affairs
- Environmental protection
- Housing and community amenities
- Health
- Recreation, culture and religion
- Education
- Social protection

The OECD is often cited as a producer, certifier and carrier of arguments and doctrines in administrative and regulatory reforms (for example, Sahlin-Andersson 2001; Marcussen 2002; Halligan 2003c). With regard to the vertical dimension, this organization recently (OECD 2002a) presented the concept of 'distributed public governance' as a common denominator for agencies, authorities and other governmental bodies outside ministerial departments, a concept that is now also used in the EU (Flinders 2004a) as well as in the United Kingdom (Flinders 2004b). The OECD report identified three main types of bodies (OECD 2002a, 17–19):

- Departmental Agencies: They are part of ministries, and do not have their own separate legal identity from the state.
- Public Law Administrations: They function mostly under public law, but they are partially or completely institutionally separate from the ministries and/or can be partially separate or fully separate legal bodies.
- Private Law Bodies: They are not companies, but function mostly under private law, usually with a full separate identity from the state.

In addition to generally contributing to the diffusion of NPM arguments and doctrines all over the globe (for example, OECD 1995, 1996), the organization has also focused on the handling of *regulatory* tasks (see Christensen and Lægreid 2006a). In 1995, the OECD launched a regulatory reform programme in which the regulation of the market, competition policy and the establishment of independent regulatory agencies were main components. It has advocated regulatory policy in all member countries with the aim of improving regulatory quality by fostering competition, efficiency and performance. The doctrine is to have regulatory agencies that are independent of the ministry, operate according to a clear regulatory policy and are staffed by experts (OECD 1995, 1997b, 2002b).

Some academics have emphasized the diversity and inconsistency of elements of NPM, reflected in conceptions of NPM as a 'hybrid' (for example, Christensen and Lægreid 2001a) and a 'package' (for example, Pollitt 2003a). However, with regard

---

3   <unstats.un.org/unsd/cr/registry/regcst.asp?Cl=4>

to categorizing state organizations, NPM quite consistently prescribes increased specialization along the horizontal as well as the vertical dimension (see Chapter 2). Increased horizontal specialization implies single-purpose organizations and a differentiation (inside or between state organizations) between the government's roles and functions as owner, administrator, regulator, purchaser and provider (Boston et al. 1996). Increased vertical specialization implies structural devolution and more autonomy for agencies and other state organizations outside the (core) ministries, where authority and responsibility are delegated or transferred to lower hierarchical levels.

How, then, have the recent international trends in administrative and regulatory reform been adopted in the national policies of specific countries? This will be discussed in the following section.

National Administrative Policies

Comparing arguments and doctrines about public administration across countries and languages is no easy task. In some countries, national administrative policies are expressed in the form of authoritative governmental documents, while in others they are part of a political–administrative culture that is simply taken for granted by reformers and leaders. Thus, where no concrete reform programmes have been launched, one has to draw on more general presentations. It is not always easy to translate concepts used in one country and language into another language and national setting, and concepts may also be used in different ways in countries having the same (or quite similar) language(s). In practice, I have translated the Norwegian and Swedish concepts for organizational forms into English, but sometimes the original is kept in parentheses [ ].

New Zealand

Until the mid-1980s, the core public service in New Zealand was quite homogeneous, based on vertically integrated government departments. By contrast, the doctrines informing the reform efforts launched by the Labour governments from 1984 onwards, and continued by the National governments in the 1990s, imply a large degree of fragmentation. The distribution of functions among several organizations that took place during this period was primarily based on ideas from economic organization theory, such as public choice theory, agency theory and transaction cost analysis. These theories prescribe several de-couplings, which were largely implemented in New Zealand's reform efforts (see also Martin 1995b, 46–68; Scott, Ball and Dale 1999, 57; Shaw 1999, 192–202; Norman 2003, 67):

- The de-coupling of commercial and non-commercial functions
- The de-coupling of policy and operational functions
- The de-coupling of the funder, purchaser and provider roles
- The de-coupling of ministerial responsibility from managerial accountability
- The de-coupling of the Crown's ownership and purchase interests

The main administrative doctrine for organizing government departments in this period was probably the split between policy advice, regulation and service delivery (Boston et al. 1996, 81–6; see also Halligan 1997, 23–4). With few exceptions, New Zealand's initial reforms were consistent with the ideas, principles and doctrines of NPM (Boston and Eichbaum 2005).

The reforms in New Zealand were rooted in new or amended laws. The State-Owned Enterprises Act 1986, for example, provided the basis for converting several trading departments into devolved, state-owned enterprises. The reforms implemented in the following years (based primarily on the State Sector Act 1988 and the Public Finance Act 1989) provided for a horizontal de-coupling of functions between government departments as well as a vertical de-coupling between ministers and the chief executives of government departments. This created an ambiguous situation regarding parliamentary accountability of ministers – not only for devolved organizational forms, but also for government departments (Martin 1995b, 48–56).

In New Zealand, the comprehensive administrative reform efforts that began in the mid-1980s first focused on government departments and state-owned enterprises. New Zealand has also traditionally had many quangos and other organizations at the boundaries of the state (Wistrich 1999), which from the early 1990s onwards were officially defined as 'crown entities'. Since this term covered such a wide variety of organizations (Boston et al. 1996, 60–64), the State Services Commission undertook a comprehensive review of crown entities. Unlike departments or state-owned enterprises, crown entities are not a homogeneous group in terms of their legal form or their relationship with their ministers. Crown entities have separate legal personality, but as state-sector organizations they are all part of the executive branch of government. Hence the State Services Commission's identification of: 'a need for strong and well-understood governance, accountability and other arrangements for Crown entities that strike the right balance between autonomy and responsibility' (State Services Commission 2000a, 1).

As a result, a new law was prepared where the relationship to central political authorities was differentiated according to the organizations' functions. One report that formed the basis for the Crown Entities Act identified four categories of crown entities (State Services Commission 2000b, 1):

- *Crown Companies* – entities that carry out functions that are commercial in nature within the framework of the Companies Act.
- *Non-company Crown entities* – further subdivided, based on closeness to the Crown, into three categories, tentatively labelled:
  - *Crown Agents* – those entities required to give effect to the policy of the government of the day (e.g. the Land Transport Safety Agency).
  - *Autonomous Crown Entities* (ACEs) – those required to have regard to the policy of the government of the day (e.g. the Film Commission).
  - *Independent Crown Entities* (ICEs) – typically quasi-judicial or investigative bodies, such as the Police Complaints Authority, that clearly require greater independence from the Crown.

A proposal for assigning most of the existing crown entities to the four categories was also made in the review (State Services Commission 2000b, 12–13).

Later on, the crown entities reform was linked to a more comprehensive 'Review of the Centre', initiated by the new Labour-led government in 2001:

> An important issue for the *Review of the Centre* was fragmentation in the state sector, and the loss of focus on the big picture that fragmentation could cause. The Review recommended a range of initiatives to address fragmentation and improve alignment of state sector agencies with the Government's objectives. A major recommendation was to improve the governance of crown entities, with particular attention to improving the clarity of relationships between Ministers, departments and crown entities, and strengthening those elements of the public management system that enable whole-of-government action.[4]

The 'Review of the Centre' resulted in several legislative changes, including the Crown Entities Act 2004 (see Gregory 2006, 141). Through this law, the Labour-led government intended to enhance central control over the large number of crown entities established in the 1980s and 1990s as single-purpose, stand-alone agencies. Following structural devolution these agencies now maintained an arm's length relationship with the political executive, having been separated off from their original departmental conglomerates. Crown entities and state-owned enterprises almost invariably have their own individual empowering acts of parliament. However, these usually say little or nothing about the potential role of the minister of state services and the minister of finance in fulfilling whole-of-government requirements, nor do they specify the respective roles of ministers, crown entity boards and departments relevant to their functions and activities.

Since 1999, the Labour-led government has also questioned the principle of de-coupling between policy and operational functions. Nevertheless, structural reorganization was deemed to be an option to be used sparingly, not as the default: 'In short, the point of departure for structural reorganization in phase two has been less to do with theory, and much more to do with addressing the problem of fragmentation' (Boston and Eichbaum 2005, 25–6).

Summing up, while the reforms in the NPM period (1986–1999) prescribed a variety of smaller organizations with a flat structure and separation of policy and delivery, since then there has been a pendulum swing towards a new set of doctrines: 'concern about fragmentation of service delivery, leading to proposals for networks of similar agencies and some mergers', and 'concern that policy advice has become too distant from service delivery' (Norman 2003, 211–14).

Australia

After the Labor government was re-elected in 1987, its microeconomic reforms were followed by machinery of government reforms, providing a new structure for the conduct of Commonwealth government administration:

---

4   <www.beehive.govt.nz/mallard/public-finance/04.cfm#2>

They were designed to improve overall management of the public service by reducing the number of departments while enabling them to be represented in cabinet, and to provide a framework within which the internal structure of departments could be rationalized and decisions made concerning the appointment of senior officials, thus serving the continuing agenda for reinforcing political control over the public service. By grouping closely related functions, the changes were expected to enhance the quality and coherence of both policy advice and programme delivery (Halligan 1996a, 104–5).

Since then, the concept of 'portfolio department' (and 'portfolio minister') has been used to characterize Australian central government. In contrast to the reforms in New Zealand, which were taking place at the same time, the Australian doctrine combined policy and implementation roles, offering effective feedback from those delivering services. However, since the mid-1990s there has been a growing acceptance of de-coupling policy-making and service delivery. According to the new Conservative government, which took over in 1996, the role of public administration should shift from service provision and prescriptive regulation to managing change, providing frameworks and overseeing the protection of the public interest. Its view was that the Australian public service (APS) should move towards a separation of functions and a combination of greater role specialization and new roles (Halligan 2000, 56–7, 2003a, 103).

For state organizations outside government departments, several concepts have been used in Australia. According to Wettenhall (1995, 166), in Australia's administrative history, the term 'statutory authority' has very often been used synonymously with 'non-departmental organization'. There has, however, been some ambiguity concerning the content of and boundaries between different organizational forms. During the last decade, several new and amended laws (for example, the Commonwealth Authorities and Companies Act 1997, the Financial Management and Accountability Act 1997, and the Public Service Act 1999) have tried to clarify these forms and to specify how and to what extent they are autonomous from or regulated by government departments. The internationally more widespread terms '(executive) agency' and 'non-departmental public body' have also recently been used to a larger extent than before (for example, Wettenhall 1997, 2000, 2005b).

While statutory authority has been the most common term, most of Australia's public enterprises have been managed by a special form of legally incorporated authority, called a 'statutory corporation'. In addition, 'government-owned company' has long existed as an alternative form and 'government business enterprise' (GBE) has been used as a term covering both forms of corporations/companies (Wettenhall 2005b, 81). The prescription of public enterprises or companies has been strengthened during the last two decades:

This process began under the Hawke and Keating Labor Governments, and was pursued vigorously after the election of the first Howard Government. Indeed, it was now pushed further, for the company form was extended to some regulatory and other activities that did not have the characteristics of a government business enterprise.

Indeed, the company form emerged again and again as it has been extended to activities that would once have been vested in statutory authorities or, indeed, performed by departments themselves. Whereas the statutory authority and corporation was much more obviously a creature of the public sector, ensuring that public values were not neglected as governments went into business, the company form accords better with the desire of conservative governments and NPM reformers generally to bring private sector methods into the public sector (Wettenhall 2005b, 83).

From the late 1980s onwards, reform packages were devised for various public enterprises (Halligan and Power 1992, 110). By contrast, the form now internationally known as an executive agency has only recently been introduced in the Australian Commonwealth administration:

Because Australia had been a leader in other features of NPM, many assumed it had been a leader here too. In fact, however, the Australian move came when, almost as an afterthought in the long process of drafting new public service legislation through the later 1990s, a new part was inserted in the bill before Parliament authorising the establishment of such agencies.

The new Australian executive agencies differ importantly from the British forebears in that they are unambiguously outside departments, so they introduced a third basic category of NDPBs (Wettenhall 2005b, 84).

Recently, a review has been conducted of the corporate governance of Commonwealth statutory agencies and office holders (Uhrig 2003). The resulting report prescribes tighter control and more direct control by ministerial departments over public agencies (Halligan 2006, 174). According to some commentators, the reviewer showed a very limited appreciation of the great variety of public tasks that are handled by statutory agencies, and was criticized for drawing exclusively on private-sector governance models (Wettenhall 2004, 66; Bartos 2005, 95). As a follow-up to the Uhrig report, the Department of the Prime Minister and Cabinet and the Department of Finance and Administration are now reviewing all statutory authorities and agencies to assess whether they are to be abolished or included in their parent department.

Summing up, while the reforms in the late 1980s prescribed that departments should manage as well as provide policy advice, in the mid-2000s the emphasis is on enforcing effective delivery as well as policy advice, with the latter defined in terms of outcomes. 'Departmentalisation is expressed through absorbing statutory authorities and reclaiming control of agencies with hybrid boards that do not accord with a particular corporate (and therefore private sector) governance prescription' (Halligan 2006, 174).

Sweden

As mentioned above, Swedish arrangements for non-departmental public bodies go back for centuries, and the current division of the central administration into ministries and agencies [*myndigheter*] is the result of the 1809 Instrument of Government (Larsson 1993, 2002; Premfors 1999a). While they are outside the

ministries, the central agencies[5] are part of the state as a legal entity. Sometimes the concept of central agencies is reserved for agencies [*centrala ämbetsverk*] that report directly to the government, cover the whole country, are divided into sub-units, have a certain size and are not temporary, while other agencies [*andra myndigheter*], like commissions and delegations, are seen as a separate category (for example, Petersson and Söderlind 1992; Premfors et al. 2003, 164).

In addition to central agencies, two other main forms have also been common for some time in Sweden: public enterprises[6] [*affärsverk*] and state-owned companies [*statliga aktiebolag*]. They may be distinguished along the vertical dimension:

> The agencies are the most tightly controlled and regulated by the government. State-owned companies enjoy a very free position and are meant to function more or less as any private company, at least so long as they make a profit. Public enterprises occupy a middle position. They are agencies, but that part of their activities which is exposed to competition is regarded in the same way as in a private company (Larsson 2002, 187).

While public enterprises are part of the state as a legal entity, state-owned companies constitute separate legal entities. Sometimes, a fourth main organizational form is also included: (governmental) foundations [*stiftelser*], which are also separate legal entities. This form is normally used when it is considered desirable to limit government influence even more than in the case of state-owned companies (Larsson 2002, 189).

Until the end of the 1970s, central agencies were seen as the main alternative, while public enterprises and state-owned companies might be used in special cases (Premfors, 1999a, 67). However, arguments related to the use of central agencies have changed when taking a more long-term view:

> The creation of the Swedish welfare state in the 1950s and 1960s increased the importance of agencies since the welfare state was to a large extent manifested by the activities of the expanding central government agencies. (...)

> In the 1980s things changed drastically. The very idea of strong central agencies to uphold the welfare state was questioned. Instead, the importance of far-reaching decentralisation and deregulation of the state's activities was discussed, and concepts such as market forces and competition became more important in the organisation of public activities (Larsson 2002, 182–3).

---

5   In Sweden (and in Norway), the term 'central agency' is the usual English translation for these state organizations, which are outside the ministries (for example, Pierre 2004). This usage is different from New Zealand (and Australia), where the term 'central agency' is used to mean co-ordinating government departments, like the Department of the Prime Minister and Cabinet, the Treasury and the State Services Commission (see Boston et al. 1996, 59–64).

6   In Sweden, the term 'public enterprise' is the usual English translation of a specific type of state organization (for example, Larsson 2002, 187). This usage is different from Australia, where 'public enterprise' is used in a broader sense and comprises several more specific types of state organization (for example, Wettenhall 1995, 1997).

Around 1990, a new doctrine became prevalent, based on the principle of streamlining [*renodling*] (Premfors 1998, 152, 1999b, 161–2). Public enterprises, which previously were established as a hybrid for combining political steering and productivity, came to be regarded as obsolete, reducing the number of main alternatives to two: central agencies and state-owned companies (Premfors 1999b, 162).

With regard to the horizontal dimension, an adapted version of the COFOG categorization was introduced relatively early in Sweden by the Swedish Agency for Public Management (for example, Statskontoret 1996). In addition to categorizing state organizations in this way according to their goals and objectives [*verksamhetsområden*], some Swedish political scientists also began categorizing them according to the means employed to attain these goals [*verksamhetsformer*] (Premfors et al. 2003, 96–111):

- Exercising authority
- Regulation and control
- Information and advice
- Production of goods and services
- Production of knowledge
- Planning, steering and co-ordination
- Policy-formulation

During the 1990s, the principle of streamlining was expanded to include horizontal specialization, which involved distinguishing between courts and other agencies, or between judicial power and other forms of exercising authority (Premfors 1999b, 162). In the new millennium, this tendency went further, and a distinction was introduced between regulation and other forms of exercising authority (Statskontoret 2005, 22–3).

Compared with the creation of central agencies vs. state-owned companies, reforms in the ministerial structure have received little public attention. This might to some extent be due to the Swedish principle of dualism and collective responsibility of the ministers in government (see Larsson 1993; Premfors et al. 2003).

Norway

A main issue in Norwegian administrative history from the mid-nineteenth century onwards was internal structural devolution. Debates took place about whether central administrative bodies should be organized in the form of (divisions within) ministries or as agencies [*direktorater*] outside ministries (Christensen and Roness 1999; Lægreid et al. 2003). From the mid-1950s on, a dominant administrative doctrine concerning the vertical dimension was that the ministries should be relieved of routine tasks, deemed to be administrative and technical in nature, and that these should be transferred to subordinate central agencies. From the early 1970s, there was a stronger focus on political decentralization to counties and municipalities at the expense of the central agencies.

The Hermansen Commission (NOU 1989, 5) changed the focus from internal structural devolution and the relations between ministries and central agencies

to external structural devolution, concerning state-owned companies (SOCs) and governmental foundations. It distinguished between different *forms of affiliation*[7] *[tilknytningsformer]*, where the main distinction was between organizations that are part of the state as a legal entity and organizations that are separate legal entities. The commission discussed the coupling between tasks and organizational forms based on the role of the state in:

- Societal steering and exercise of authority
- Interest mediation and conflict resolution
- Handling values and culture
- Service delivery
- Distributing grants
- Economic affairs
- Partnership with other actors
- Administration and service provision for the state itself

Some organizational forms (that is, forms of affiliation) were seen as more appropriate for certain tasks than others, depending on the priority accorded to concerns and values related to the handling of these tasks. The commission suggested more active use of different standardized forms of state-owned companies. Governmental foundations were not recommended because of the accountability and steering problems connected to this form of affiliation. Based on this work and some later reports and commissions, the set of forms of affiliation envisaged by the prevailing doctrines was adjusted. A recent report from Statskonsult (2001) lists the following types:

Within the state (i.e. part of the state as a legal entity): civil service organizations [*forvaltningsorgan*]

- Ordinary civil service organizations (including central agencies) [*ordinære forvaltningsorgan*]
- Civil service organizations with extended authority [*forvaltningsorgan med særskilte fullmakter*]
- Government administrative enterprises[8] [*forvaltningsbedrifter*]

Outside the state (i.e. a separate legal entity): state-owned companies[9] and foundations [*statsselskaper* and *stiftelser*]

---

7   In Norway, the term 'form of affiliation' is the usual English translation of the formal relationship between a state organization and the central political authorities (for example, Christensen and Lægreid 2003a; Lægreid et al. 2003).

8   In Norway, the term 'government administrative enterprise' is the usual English translation of a specific type of state organization similar to the Swedish-style public enterprise (for example, Lægreid et al. 2003).

9   In Norway, the term 'state-owned company' is the usual English translation of all types of companies, while the terms 'government-owned company', 'government limited company' and 'hybrid company established by special laws' denote specific types of companies; the

- Government-owned companies [*statsforetak*]
- Government limited companies [*statsaksjeselskaper*]
- Hybrid companies established by special laws [*særlovselskaper*]
- Governmental foundations [*statlige stiftelser*]

The Hermansen Commission recommended establishing the category 'civil service organizations with extended authority', thus giving them more leeway in financial matters than ordinary civil service organizations. Government administrative enterprises also received extended authority in property and personnel matters. The category 'government-owned companies' was established by law in 1992, partly to replace a former special category of state-owned companies. Government limited companies are covered by a general law for limited companies, but with specific paragraphs concerning companies where the government owns all or a majority of the stocks. The hybrid companies are in each case established on the basis of specific legislation. Like other foundations, governmental foundations are self-owned, but the government may provide funds and statutes when they are established.

In 2003 the Centre–Right minority government put forward a White Paper to the parliament (St. meld. nr. 17 – 2002–2003) proposing changes in regulatory agencies (see Chapter 2). The White Paper aimed to change the reform process from ad hoc and piecemeal changes in individual central agencies to an overarching and comprehensive regulatory policy. The argument was that even though there were no major problems with the way regulatory agencies worked, it was important to face future challenges. The government formulated several ideals or goals concerning the organization and functioning of regulatory activities. The basic idea was that regulatory agencies should have unambiguous roles, thus breaking with the Norwegian tradition of integrating different roles and functions. This was an argument for more horizontal specialization in the form of non-overlapping roles, as in the principle of 'single-purpose organizations' in New Zealand.

With regard to the horizontal dimension, the COFOG categorization was recently used in a report by Statskonsult (2003). However, so far there is no authoritative typology of state activities in Norway. Instead, some government organizations make their own lists. An example based on state activities is the Handbook of the National Archives of Norway (Johannessen, Kolsrud and Mangset 1992), where organizations subordinate to the ministries (except for defence) are divided into six categories:

- Finance, statistics
- Justice and police, municipal affairs
- Culture, education, research
- Economic affairs, communications
- Social affairs
- Foreign affairs

---

same goes for 'government limited company with the state as majority owner', which is not included here (see Christensen and Lægreid 2003a; Lægreid et al. 2003, for more information on the specific types).

Even if Norway also has some examples of the use of principles of (horizontal) specialization, no attempts have so far been made to produce a more comprehensive map of all state organizations according to this kind of categorization.

While reforms in the ministerial structure received a lot of public attention in the early 1970s, the form and extent of horizontal specialization at this level has not been discussed systematically over the last three decades. However, arguments related to ministers' workloads, the political priorities accorded to specific policy areas and the co-ordination of some policy areas still seem to be taken for granted (Christensen and Roness 1999).

Comparisons and Summary

In all four countries, reform efforts have been launched concerning the vertical dimension over the last two decades. In New Zealand, Australia and Norway, comprehensive reviews have been undertaken, resulting in the clarification of possible organizational forms and an assessment of the conditions under which the various forms are relevant. The use of different organizational forms has also been discussed in Sweden, but here the set of alternatives has remained stable and more limited. In general, the prevailing doctrines from the late 1980s onwards prescribed increased structural devolution (vertical specialization). However, in the 2000s, doctrines in New Zealand and Australia have tended to reverse the trend, prescribing decreased structural devolution (or vertical de-specialization).

With regard to the horizontal dimension, the extent of specialization prescribed has varied over time and across countries. From the late 1980s onwards, the administrative doctrines for organizing government departments in New Zealand implied a high degree of fragmentation via de-coupling between different types of functions and roles, but in the 2000s this to some extent reverted to the previous situation. In Australia, by contrast, the late 1980s saw a combination of different roles, followed, from the mid-1990s onwards, by prescriptions of more specialization, and more recently, a reversion to less specialization. In Sweden and Norway, there was a certain tendency to prescribe increased specialization from the late 1980s onwards, a trend strengthened for non-departmental public bodies in the 2000s.

In all four countries, many of the ideas on streamlining and single-purpose organizations from the late 1980s onwards were related to the handling of regulatory tasks, involving the vertical as well as the horizontal dimension. Arguments and doctrines concerning these forms of specialization originated in New Zealand and Australia, but soon became prevalent in Sweden and Norway as well. However, while the split between policy advice, regulation and service delivery, as well as the autonomy of regulatory agencies, has to some extent lost its dominant position in recent years in New Zealand and Australia, it seems to have become stronger in the Scandinavian countries.

Actual Changes

It is not always easy to get information on the number of state organizations in each category or about the changes these organizations have gone through. While the data for Norway are quite comprehensive, the data for the other countries are somewhat incomplete. This means that the extent of linkage between doctrines and actual changes cannot always be fully examined.

New Zealand

As noted above, a main administrative principle for organizing the core public service along the horizontal dimension under NPM was the split between different functions, like policy advice, regulation and service delivery. It is thus possible to categorize most government departments in New Zealand according to a limited set of functions. The 39 agencies considered by Boston (1991, 250) as of 1 August 1990 to be departments were categorized into six fairly distinct groups: central agencies; policy ministries; departments performing a variety of functions but primarily involved in delivering services and/or transfer payments; departments mainly concerned with regulatory, review and audit activities; taxing agencies; and a residual category comprising mainly trading agencies (see also Boston et al. 1996, 83, for an updated review with a slightly different set of categories). Since then the number of categories has been reduced still further. Thus, according to Halligan (1997, 24), by the end of 1995, the new principles had been applied to most of the core public service, thus reformulating the departmental structure:

> In addition to the three central agencies (Prime Minister and Cabinet, State Services Commission and Treasury), there were now 17 policy ministries, 11 delivery departments, and three which combined both (Halligan 1997, 24).

As described by Boston et al. (1996), major changes also took place along the vertical dimension:

> Corporatization began with the State-Owned Enterprise Act 1986, which established nine new SOEs and provided for further SOEs to be established. The focus then shifted to privatization, which began in Labour's first term and then gathered pace after 1987, despite an election commitment to the contrary (Boston et al. 1996, 67).

In addition, by the end of 1995, 24 state organizations had been wholly or partly privatized (Halligan 1997, 23).

By the late 1990s, the central government in New Zealand consisted of nearly 40 departments (including three central agencies), more than a dozen (mainly small) state-owned enterprises, three Offices of Parliament and around 2,850 crown entities (Boston and Eichbaum 2005, 6–7). Government departments also underwent some additional changes in the second phase of reform (that is, since 1999), with policy and operational functions being brought back together in areas like education, health, social services and justice (Boston and Eichbaum 2005, 26).

Outside the government departments, three crown entities companies have been converted into state-owned enterprises since 1999 and some crown entities have moved from one category to another. On average, one or two crown entities have been established each year, but this has become less common and more difficult to do than before. In an updated review, the State Services Commission (2005a) listed the existing state organizations as follows (the number of organizations in each category is given in parentheses):

PUBLIC SERVICE
- *Public Service Departments (35)*

OTHER STATE SERVICES
- *Non-Public Service Departments (4)*
- *Crown Entities*
   - Crown Agents (CAs)
   - Individual Statutory Bodies (25)
   - District Health Boards
   - Autonomous Crown Entities (ACEs) (22)
   - Independent Crown Entities (ICEs) (15)
   - School Board of Trustees
   - Crown Entity Companies
   - Crown Research Institutes (CRIs) (9)
   - Other Crown Entity Companies (3)
   - Crown Entity Subsidiaries
   - Other Organizations subject to the Public Finance Act (4th Schedule) (7)
   - Reserve Bank of New Zealand

WIDER STATE SECTOR
- *Non-Public Service Departments (2)*
- *Office of Parliament (4)*
- *Crown Entities*
   - Tertiary Education Institutions (mainly universities, polytechnics)
- *State-Owned Enterprises (21)*

While the number of government departments, crown entities and state-owned enterprises is approximately the same in the mid-2000s as it was in the mid-1990s, the few changes that have been made, such as the reduction in the number of special purpose agencies (see Norman 2003, 20), is generally in accordance with the administrative doctrines of the Labour-led government since 1999.

Australia

The machinery of government reforms of 1987 converted the 28 existing departments into 18 portfolio departments (Halligan 2003a, 103). Since then, the main principles have been maintained. The cabinet has normally consisted of 16 or 17 portfolio ministers, with most departments represented. However, the configuration of

departments and the allocation of functions have changed for a variety of reasons, like including different policy priorities, redistribution of workloads and fine-tuning of particular arrangements (Nethercote 2000, 98). Thus, the first three Conservative Howard governments from 1996 onwards have had 16 ministerial (portfolio) departments, albeit with some changes from one government to another regarding the specific functions included in the portfolios (Halligan 2005b, 40).

With regard to public enterprises, the company form of incorporation was chosen for a number of these. Some new government business enterprises were created from parts of departments, and from the early 1990s some public enterprises were privatized. The most important reform packages implemented were those made by the Labor government for the eight major enterprises in the Transport and Communications portfolio (Halligan and Power 1992, 110). The new general preference for the company form of organization for commercial enterprises was reflected in several conversions made or commenced during the first Howard government (Wettenhall 2000, 71).

One of the major changes in the Australian public service identified by Davis and Rhodes (2001, 79) concerns regulation. While in the traditional Australian public service regulation was a core part of agencies and was integrated into agency structures, in the reformed APS from the mid-1990s onwards there was more separation of regulatory arms from APS agencies.

As indicated above, the Public Service Act 1999 introduced the executive agency as a new category of non-departmental public body. However, by mid-2004 only ten agencies had been created with this form, and two of those were dissolved or converted into another form (Wettenhall 2005b, 84–5). A recent overview of agencies covered by the Financial Management and Accountability Act 1997 shows that, by the end of January 2006, only four executive agencies existed.[10] Based on the recommendations of the Uhrig Report, the fourth Howard government has, since 2004, brought a number of agencies under the umbrella of the Department of Human Services and abolished a number of boards and agencies (Bartos 2005, 97; Wettenhall 2005c, 47–8). The ongoing assessment of statutory authorities and agencies, including agencies with regulatory tasks, might increase this number in the near future.

In Australia it has never been easy to produce a reliable, comprehensive list of non-departmental public bodies (Wettenhall 2005b, 78). According to a map produced by the Senate Finance and Public Administration Legislation Committee, in 1994, the Public Service Act covered 96 agencies: 20 departments of state, five parliamentary departments and 71 statutory authorities and other bodies (Wettenhall 1997, 71). However, the Australian Commonwealth administration goes beyond the Australian public service. Thus, in 1993 this Senate committee noted the existence of 358 statutory bodies/offices, 397 'non-statutory bodies' and 551 companies or associations with substantial Commonwealth interest (Wettenhall 1995, 173). A more up-to-date and comprehensive listing entitled 'List of Australian Government Bodies 2002–2003' was later produced by the Department of Finance and Administration

---

10   <www.finance.gov.au/finframework/fma_agencies.html>

(DoFA 2004a; see also Wettenhall 2005b, 78). This department made a second list in 2005, suggesting that this might become an annual document.[11]

Even if information on changes in non-departmental public bodies in Australia during the last two decades is somewhat incomplete, some major tendencies regarding the relationship between reform efforts and actual changes are apparent. First, the main principle of portfolio departments has not changed since the machinery of government reforms were implemented in 1987, despite some reshuffling of functions between government departments. Second, the mid-1990s reform efforts, which extended the company form to regulatory activities, led to the establishment of several companies of this type, while the reverse policy in the new millennium, of bringing regulatory organizations back into the APS and closer to ministerial authority, has to some extent been implemented. Thus, in both instances the actual changes taking place seem to reflect the prevailing doctrine. Third, although the NPM-inspired form of executive agency was introduced in 1999, it has not been implemented in practice to any great extent, and many of the agencies created were subsequently abolished or converted into divisions within departments.

Sweden

As noted above, definitions of agencies vary somewhat in Sweden. Taking a narrow view, some Swedish political scientists reckon that in the early 1990s there were about 70 central agencies [*centrala ämbetsverk*] (Petersson and Söderlind 1992, 67; Pierre, 1995, 142) and this number was said to have remained constant into the early 2000s (Premfors et al. 2003, 165). However, if a more inclusive definition is taken as the point of departure, the number of agencies [*myndigheter*] is much higher. Thus, Premfors (1999b) identifies 195 agencies in 1975, 245 in 1990 and 205 in 1995, and the Swedish Agency for Public Management identifies 552 agencies in 2005 (Statskontoret 2005, 17). Rothstein (2005) compares the agencies established in the 1970s (186) with the agencies established in the 1990s (120). While many of the new agencies in the 1970s were related to labour affairs and economic life, many of those created in the 1990s were related to education and only a few to labour. Moreover, while a majority of the new agencies in the 1970s were established to implement a new law (or set of laws), only 27 per cent of the new agencies in the 1990s had this objective. Since the 1980s, a large number of agencies have been set up whose chief aim is to 'produce ideology' (Lindvall and Rothstein 2006, 51–2).

Premfors (1999b) also examines the form and extent of changes in the Swedish central government in the 1975–1995 period. He finds that the number of changes in the formal structure increased markedly in the first half of the 1990s. However, the changes primarily concerned rebuilding (for example, through mergers), while only a few agencies were created and not many were dismantled (see also Statskontoret 1996, 105–32).

Since 1990, the changes have been even more marked for other organizational forms (Statskontoret 1996, 101). Thus, in 1991–1994, five large public enterprises were converted into state-owned companies (Premfors 1999b, 159). In the early

---

11 <www.finance.gov.au/finframework/list_of_australian_government_.html>

2000s, only three public enterprises still existed, while there were about 30 state-owned companies (Premfors et al. 2003, 166, 179). Some agencies, or parts of agencies, were also converted into state-owned companies, and some of the state-owned companies were privatized (Statskontoret 1996, 133; Larsson 2002, 183).

Reform efforts involving streamlining have also to a large extent been implemented. The central agencies that were not converted into public enterprises or state-owned companies often saw their roles redefined: 'The agency was no longer cast as supervisor and inspector, but more often as evaluator, adviser and consultant to the subordinate agencies, regional and local governments' (Larsson 2002, 183).

The number of ministries varied between 12 and 14 in the 1975–1995 period (Premfors 1999a, 56; Larsson 2002, 183), but have since decreased and numbered only nine in 2006.[12] While the ministerial structure was quite stable until 1990, since then there have been several mergers and re-couplings. The ministries and the Prime Minister's Office are referred to as the Government Offices [*Regeringskansliet*]. This consolidation is also reflected in the fact that the Government Offices are now formally considered to be an agency [*myndighet*], where the Prime Minister's Office and the specialized line ministries are supplemented by two staff units: the Office for Administrative Affairs and the Permanent Representation of Sweden to the EU.

Norway

In the case of Norway, information on actual changes in the formal structure of the state apparatus is available in the Norwegian State Administration Database (NSA) [*Forvaltningsdatabasen*].[13] This includes information on the form of affiliation and type of organizational change for all relevant state organizations since 1947 (see Rolland and Ågotnes 2003). Since 1990, the number of units in the various forms of affiliation mentioned above is as follows:[14]

The reduction in the number of central agencies in the last five years is mainly due to mergers. For many of the other ordinary civil service organizations there have also been extensive merger processes, and in the last decade also some conversions into civil service organizations with extended authority. The category 'government-owned companies' has not been used to any large extent since it was introduced in 1992, and hybrid companies established by special laws are also quite rare. On the other hand, there has been a growth in the number of (100 per cent state-owned) government limited companies during the last five years and during the 1990s the number of governmental foundations also increased.

An analysis of the number of units within the various forms of affiliation and of the organizational changes related to these units between 1947 and 2003 reveals some developments in accordance with the dominant administrative doctrines, while others diverge (Lægreid et al. 2003). For example, while there was a steady growth

---

12 <www.regeringskansliet.se/sb/d/385>

13 <extweb3.nsd.uib.no/data/polsys/> Forvaltningsdatabasen'

14 Groups of similar civil service organizations in different geographical areas, reporting directly to one or more ministries (for example, county governors, colleges) are counted as one unit.

in the number of central agencies from the mid-1950s to the early 1970s, the number remained quite stable (or slightly increased) during the next two decades, followed by a decrease (through mergers) since 2000. In contrast to the number of civil service organizations, the number of state-owned companies and governmental foundations has increased over time, especially since 1990 and 1983, respectively. While the growth in the number of state-owned companies reflects the recommendations by the Hermansen Commission and prevalent doctrines, the growth in the number of foundations does not.

Table 4.1 Numbers of units in various forms of affiliations, Norway 1990–2005

	1990	1995	2000	2005
Central agencies	80	73	75	57
Other ordinary civil service organisations	178	144	112	74
Civil service organisations with extended authority	6	2	14	35
Government administrative enterprises	7	9	8	5
Government-owned companies	0	5	6	4
Government limited companies (100%)	19	18	18	29
Hybrid companies established by special laws	2	4	6	5
Governmental foundations (formed by ministry)	42	50	52	47

This analysis also reveals that during the 1989–2003 period, about 50 state organizations changed their form of affiliation in the direction of more devolved forms, which accounts for new forms of affiliation with more market competition and commercial freedom and less political control. This number includes external structural devolution from civil service to state-owned companies as well as conversions of state-owned companies into a more devolved form (for example, from hybrid companies established by special laws to government limited companies, or from government limited companies to partly privatized companies) and internal structural devolution from ministerial divisions to central agencies or from ordinary civil service organizations to civil service organizations with extended authority or government administrative enterprises.

In several areas, the single-purpose organization model has replaced the old integrated civil service model, in accordance with the recent regulatory reform. However, in a survey of all civil service organizations in 2004, most organizations still perceived themselves as having several tasks (Lægreid, Roness and Rubecksen 2007). Based on their own judgement, regulation was singled out as their primary task by 23 per cent of the organizations, and 49 per cent included regulation in their task portfolio (primary or secondary task). The occurrence of regulation as a secondary task was particularly frequent among organizations that perceived exercising other kinds of authority as their primary task (58 per cent), while few of the organizations that saw service delivery or production as their primary task (20 per

cent) included regulation in their task portfolio. Thus, the prevailing administrative and regulatory reform doctrine, combining regulatory tasks with other tasks in the same state organization, is still quite a widespread practice.

The number of ministries has remained quite stable over the last three decades, ranging from 15 to 18. However, even though there have not been any comprehensive reform efforts concerning the ministerial structure in this period, many changes have occurred, particularly through mergers, splits and re-couplings of existing ministries. Somewhat more than half of the changes have been made by an incoming government (Christensen and Roness 1999; Lægreid et al. 2003).

Comparisons and Summary

In all four countries, reform efforts concerning the vertical dimension have to some extent been implemented. Even if information on the actual changes is rather incomplete for several countries, it is evident that many public/civil service organizations were converted into more devolved forms from the late 1980s onwards. This is particularly the case for the large state organizations in transport and communications. Today, only a few primarily commercial state organizations are still inside the public/civil service. In many countries, the number of organizations in the newly established intermediate categories (for example, executive agencies in Australia and government-owned companies in Norway) and some existing intermediate categories (for example, public enterprises in Sweden and government administrative enterprises in Norway) has decreased in the 2000s. Moreover, in all four countries there still exist many organizations at the boundaries of the state, like crown entities in New Zealand, non-statutory bodies in Australia and governmental foundations in Sweden and Norway.

The information concerning actual changes is even more incomplete along the horizontal dimension. However, a general impression is that many reform initiatives based on the principle of streamlining and single-purpose organizations have been implemented, and it is also clear that reversals of these doctrines have made an impact. This is particularly the case for New Zealand – and to some extent for Australia as well. In many countries, reforms concerning the handling of regulatory tasks implied changes along the vertical as well as the horizontal dimension.

In all four countries, the number of ministries/government departments has remained quite stable since the late 1980s, but at quite different levels: New Zealand has around 40, Australia 16–17, Sweden 12–14 (but decreasing to nine recently), and Norway 16–18.

Discussion and Conclusion

The topic of this chapter has been the categorization of state organizations along the vertical and the horizontal dimensions, and the relationship between global trends and national developments with regard to types of state organization. As far as the vertical dimension is concerned, the set of organizational forms in the four countries does not fit easily into the categories presented by practicians (for example, OECD

2002a). With regard to the horizontal dimension, many categorizations have been invented by academics, but none of them have so far been used systematically in these countries. Nevertheless, the United Nations Classification of Functions of Government has recently been used in several countries, including Sweden and Norway.

Transformative approaches on administrative reforms takes international doctrines as the point of departure, and focuses on how they are adopted in national reforms, and on what changes eventually result in each country. NPM may be regarded as a dominant global doctrine from the late 1980s onwards, prescribing increased specialization along the vertical as well as the horizontal dimension. To some extent, this doctrine was based on what has been called 'the New Zealand Model' (see Boston et al. 1996). Thus, in the New Zealand case the first wave of national administrative reforms may also have been a source of more widespread reform efforts. However, regulatory reforms on streamlining and single-purpose organizations have also been reinforced through some recent OECD reports (for example, OECD 2002b). Taking the last two decades as a whole, the adoption of administrative and regulatory reforms nationally is also of relevance in this case.

While the New Zealand reforms from the late 1980s onwards to a large extent prescribed de-coupling of policy advice, regulation and service delivery, the Australian doctrines combined policy and implementation roles until the mid-1990s. In both countries, there have recently been some reversions regarding the extent of autonomy or specialization for regulatory activities, in contrast with OECD prescriptions. In Sweden, streamlining became more prevalent in the early 1990s, but here as well as in Norway, the focus on regulatory agencies was strengthened in the new millennium, in accordance with OECD prescriptions.

Along the vertical dimension, the NPM doctrine prescribes structural devolution and (more implicitly) a set of criteria for the choice of organizational form for specific state organizations. In all four countries, many reform efforts involved conversions of public/civil service organizations into state-owned companies. While in Sweden and Norway more comprehensive assessments of different forms were made around 1990, this occurred about a decade later in New Zealand and Australia, and was then related to new or amended laws (for example, the Crown Entities Act in New Zealand and the Public Service Act in Australia). The set of organizational forms remained stable and limited in Sweden, while in the other countries some new forms were introduced during the 1990s (for example, various types of crown entities in New Zealand, executive agencies in Australia and government-owned companies in Norway). However, in the Australian case, the executive agency form came long after it was introduced in other NPM-inspired countries, like the United Kingdom, with its next steps agencies.

In line with the national administrative doctrines, in all four countries many of the reform efforts involving increased vertical specialization resulted in conversions of public/civil service organizations into (various types of) state-owned companies. However, the use of some of the new organizational forms (for example, executive agencies in Australia and government-owned companies in Norway) has decreased during the 2000s. With regard to regulation, in the Norwegian case the reforms of regulatory agencies based on streamlining have, at least so far, not been implemented

to the extent prescribed, and many central agencies still combine regulatory tasks with other types of tasks in their task portfolio. For the other countries the information is less complete, but the general impression is that new doctrines on regulation have tended to be followed by some actual changes. However, the recent changes in New Zealand and Australia may also to some extent be regarded as adjustments to the previous, more radical reforms that introduced single-purpose organizations and regulatory agencies at arm's length from the political executive.

Summing up, in accordance with the transformative perspective, there is some de-coupling between international administrative doctrines and national reform efforts, and between these reforms and the actual changes taking place. Moreover, the administrative policies and changes are still quite different across the four countries, indicating that nationally based processes are important. For example, in the Australian case it has been noted that the perceived need for a reorganization of the departmental machinery of government in 1987 was essentially based on experience in Australia (Nethercote 2000, 97). Moreover, in Australia learning processes and the transferral of arguments and doctrines from one level to another is just as likely to involve the Commonwealth and the states as the Commonwealth and international organizations (Halligan 1996a, 1996b, 2003b). However, a more comprehensive discussion of the importance of nationally based processes would go beyond the limits of this chapter.