

DEVELOPMENT ADMINISTRATION

I. CONCEPTS AND DEFINITIONS



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Universitas Pasundan
Bandung
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WHAT IS PUBLIC ADMINISTRATION ?

PUBLIC ADMINISTRATION IS A SPECIES BELONGING TO THE GENUS **ADMINISTRATION**, WHICH GENUS IN TURN BELONGS TO A FAMILY WHICH WE MAY CALL **COOPERATIVE HUMAN ACTION**

(WALDO, 1955)

WHAT IS ADMINISTRATION?

- ❑ ADMINISTRATION IS A TYPE OF COOPERATIVE HUMAN EFFORT THAT HAS A **HIGH DEGREE OF RATIONALITY.**
- ❑ HUMAN ACTION IS COOPERATIVE IF IT HAS EFFECTS THAT WOULD BE ABSENT IF THE COOPERATION DID NOT TAKE PLACE.

(WALDO, 1955)

WHAT IS ADMINISTRATION?

*THE SIGNIFICANCE OF **HIGH DEGREE OF RATIONALITY** LIES IN THE FACT THAT HUMAN COOPERATION VARIES IN EFFECTIVENESS OF GOAL ATTAINMENT, WHETHER WE THINK IN TERMS OF FORMAL GOALS, THE GOALS OF LEADERS, OR OF ALL WHO COOPERATE*

(WALDO, 1955)

WHAT IS ADMINISTRATION?

- ❑ ADMINISTRATION IS **A PART OF THE CULTURAL COMPLEX**; AND IT NOT ONLY IS ACTED UPON, IT ACTS. INDEED, BY DEFINITION A SYSTEM OF RATIONAL COOPERATIVE ACTION, IT IN-AUGURATES AND CONTROLS MUCH CHANGE.
- ❑ ADMINISTRATION MAY BE THOUGHT OF AS THE MAJOR INVENTION AND DEVICE BY WHICH CIVILIZED MEN IN COMPLEX SOCIETIES TRY TO CONTROL THEIR CULTURE, BY WHICH THEY SEEK SIMULTANEOUSLY TO ACHIEVE—WITHIN THE LIMITATIONS OF THEIR WIT AND KNOWLEDGE—**THE GOALS OF STABILITY AND THE GOALS OF CHANGE.**

(WALDO, 1995)

WHAT IS ADMINISTRATION?

ADMINISTRATION IS **A PLANNED APPROACH** TO THE SOLVING OF ALL KINDS OF PROBLEMS IN ALMOST EVERY INDIVIDUAL OR GROUP ACTIVITY, BOTH PUBLIC AND PRIVATE

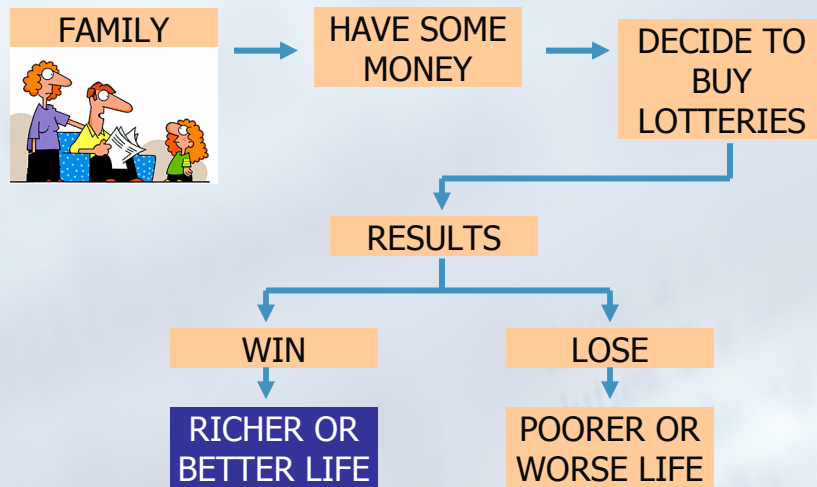
(DIMOCK, DIMOCK, AND KOENIG, 1960)

WHAT IS ADMINISTRATION?

IN ITS BROADEST SENSE ADMINISTRATION CAN BE DEFINED AS THE ACTIVITIES OF GROUPS COOPERATING TO ACCOMPLISH COMMON GOALS.

(SIMON, 1991)

ILLUSTRATION...

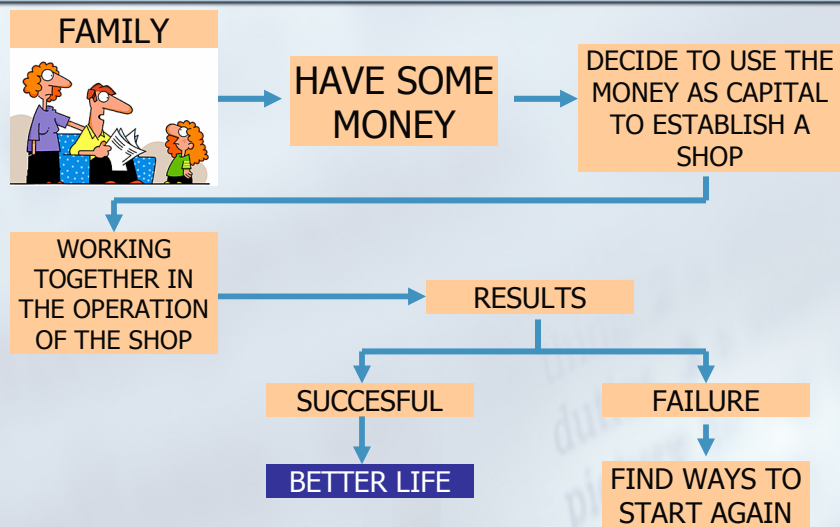


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ILLUSTRATION...

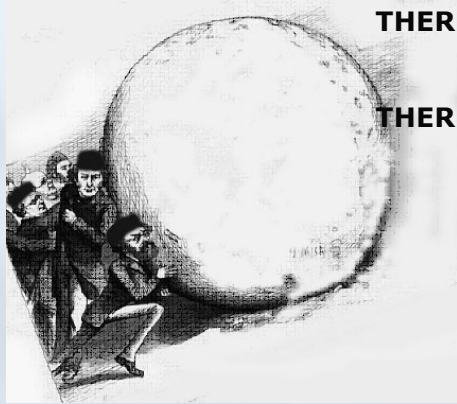


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WHAT IS ADMINISTRATION?



THERE IS PURPOSE:

MOVING THE STONE

THERE IS COOPERATIVE ACTION:

SEVERAL PERSONS USING COMBINED STRENGTH TO ACCOMPLISH SOMETHING THAT COULD NOT HAVE BEEN DONE WITHOUT SUCH A COMBINATION

WHAT IS ADMINISTRATION?

THE STUDY OF ADMINISTRATION IS CONCERNED WITH QUESTIONS SUCH AS:

1. HOW THE METHOD WAS CHOSEN,
2. HOW THE MEN MOVING THE STONE WERE SELECTED AND INDUCED TO COOPERATE IN CARRYING OUT SUCH A TASK,
3. HOW THE TASK WAS DIVIDED BETWEEN THEM,
4. HOW EACH ONE LEARNED WHAT HIS PARTICULAR JOB WAS IN THE TOTAL PATTERN,
5. HOW HE LEARNED TO PERFORM IT,
6. HOW HIS EFFORTS ARE COORDINATED WITH THE EFFORTS OF THE OTHER

(SIMON, 1991)

THE UNIVERSALITY OF ADMINISTRATION

- ❑ *SINCE ADMINISTRATION IS CONCERNED WITH ALL PATTERNS OF COOPERATIVE BEHAVIOR, IT IS OBVIOUS THAT ANY PERSON ENGAGED IN AN ACTIVITY IN COOPERATION WITH OTHER PERSONS IS ENGAGED IN ADMINISTRATION.*
- ❑ ***SINCE EVERYONE HAS COOPERATED WITH OTHERS THROUGHOUT HIS LIFE, HE HAS SOME BASIC FAMILIARITY WITH ADMINISTRATION AND SOME OF ITS PROBLEMS.***

(SIMON, 1991)

THE UNIVERSALITY OF ADMINISTRATION

- ❑ *MUCH OF THIS ADMINISTRATION IS UNCONSCIOUS- THAT IS, NOT DELIBERATELY OR FORMALLY PLANNED- BUT IT IS ADMINISTRATION NEVERTHELESS.*
- ❑ ***THE FATHER IS OFTEN CONSIDERED THE HEAD OF THE HOUSEHOLD, BUT HE IS NOT CONSCIOUSLY SELECTED AS SUCH BY A FORMAL VOTE. HE CERTAINLY PERFORMS ADMINISTRATIVE FUNCTIONS, MAKING DECISIONS FOR THE FAMILY AND ASSIGNING TASKS TO ITS MEMBER***

(SIMON, 1991)

THE UNIVERSALITY OF ADMINISTRATION

- ❑ *MOST PERSONS, WHILE THEY ARE ENGAGED IN ADMINISTRATION EVERY DAY OF THEIR LIVES, **SELDOM** THINK FORMALLY ABOUT THE PROCESS.*
- ❑ *THEY **SELDOM** DELIBERATELY SET OUT TO CONSIDER THE WAYS IN WHICH THE COOPERATIVE ACTIVITIES OF GROUPS ARE ACTUALLY ARRANGED; HOW THE COOPERATION COULD BE MADE MORE EFFECTIVE OR SATISFYING; WHAT THE REQUIREMENTS ARE FOR THE CONTINUANCE OF THE COOPERATIVE ACTIVITY*

(SIMON, 1991)

CHARACTERISTICS OF ADMINISTRATION

THE CHARACTERISTICS OF ADMINISTRATION ARE BEST SUBSUMED UNDER THE TWO TERMS **ORGANIZATION** AND **MANAGEMENT**

(WALDO, 1955)

ORGANIZATION AND MANAGEMENT ARE THE TWO FACES OF THE SAME COIN.

CHARACTERISTICS OF ADMINISTRATION

- ❑ ORGANIZATION IS THE **ANATOMY**,
MANAGEMENT THE **PHYSIOLOGY**, OF
ADMINISTRATION.
- ❑ ORGANIZATION IS THE **STRUCTURE**;
MANAGEMENT IS THE **FUNCTIONING** OF
ADMINISTRATION.

(WALDO, 1955)

ORGANIZATION

Directorate General



Directorate/Bureau



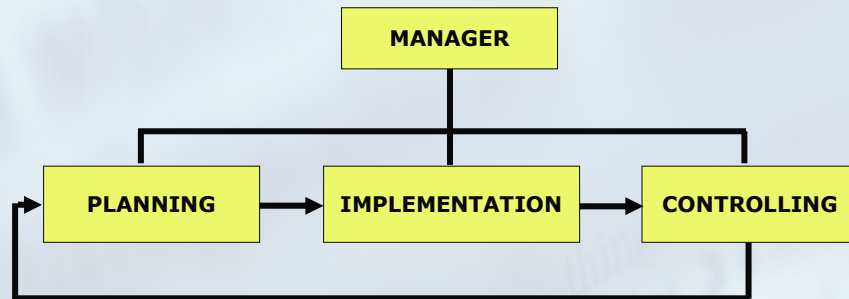
Division



Section



MANAGEMENT

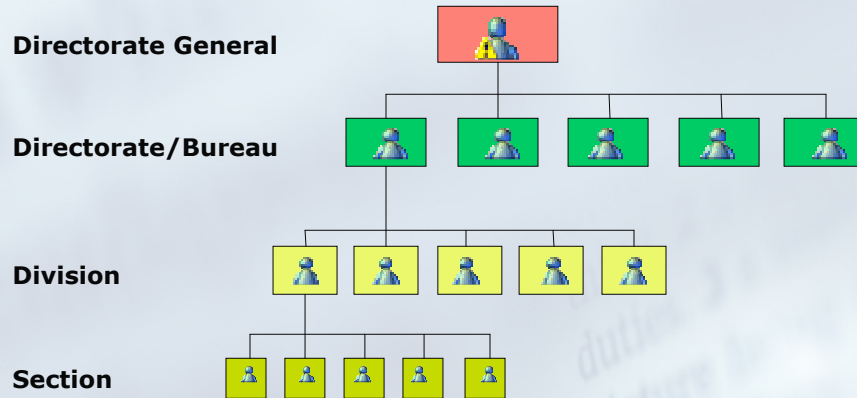


ORGANIZATION

THE STRUCTURE OF AUTHORITATIVE
AND HABITUAL PERSONAL
INTERRELATIONS IN AN
ADMINISTRATIVE SYSTEM

(WALDO, 1955)

ORGANIZATION



- ❑ IN GENERAL, ORGANIZATIONAL THEORY IS "GENERIC" IN THE SENSE THAT IT DOES NOT MAKE DISTINCTIONS BETWEEN PUBLIC AND PRIVATE ORGANIZATIONS

(BOZEMAN, 1987)

ORGANIZATION IS A GROUP OF PEOPLE, WORKING TOWARD OBJECTIVES, WHICH DEVELOPS AND MAINTAINS RELATIVELY STABLE AND PREDICTABLE BEHAVIOR PATTERNS, EVEN THOUGH THE INDIVIDUALS IN THE ORGANIZATION MAY CHANGE.

(TOSI, RIZZO, AND CARROLL, 1998)

- ❑ THE STRUCTURE OF AN ORGANIZATION AFFECTS THE BEHAVIOR OF ITS WORKERS, PARTICIPANTS, AND PERHAPS EVEN CASUAL MEMBERS,
- ❑ ORGANIZATIONAL PROCESSES ALSO AFFECT ORGANIZATIONAL AND INDIVIDUAL BEHAVIOR

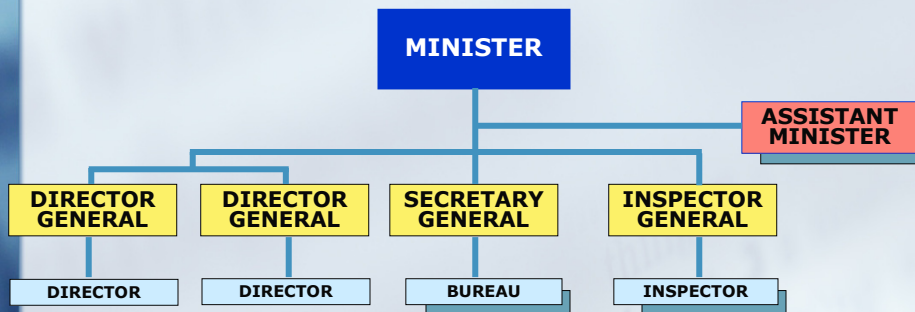
- ❑ ORGANIZATIONS MAY HAVE CULTURES THAT PARTIALLY DEFINE HOW THEIR MEMBERS CONCEPTUALIZE ORGANIZATIONAL ACTIVITY AND THE ENVIRONMENT

(MARCH, 1965)

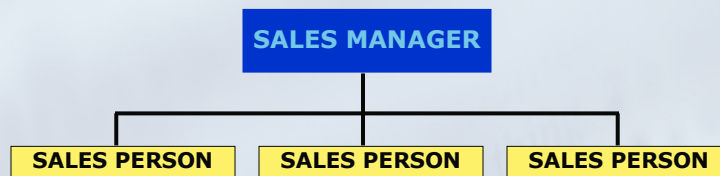
TYPES OF ORGANIZATION

1. STAFF ORGANIZATION
2. LINE ORGANIZATION
3. LINE AND STAFF ORGANIZATION

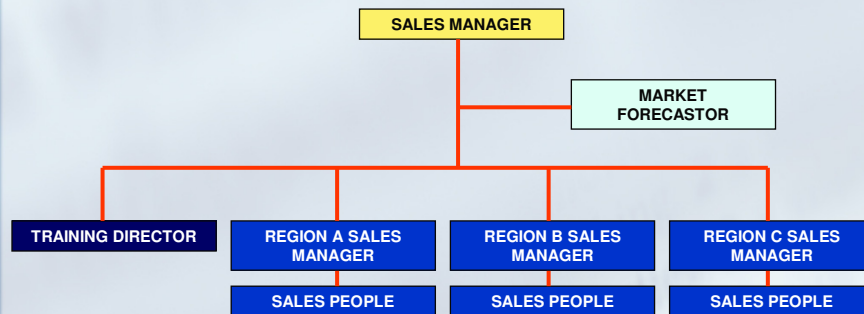
STAFF ORGANIZATION



LINE ORGANIZATION



LINE AND STAFF ORGANIZATION



MANAGEMENT

- ❑ GETTING THINGS DONE THROUGH THE EFFORTS OF OTHER PEOPLE.
(TAYLOR, 1912)
- ❑ ACTION INTENDED TO ACHIEVE RATIONAL COOPERATION IN AN ADMINISTRATIVE SYSTEM.
(WALDO, 1955)
- ❑ MANAGEMENT REFERS TO THE PROCESS OF RUNNING AN ORGANIZATION AND THE USE OF RESOURCES TO ACCOMPLISH ITS GOALS. THE TERM ALSO REFERS TO THOSE INDIVIDUALS WHO ARE FORMALLY AUTHORIZED TO RUN THE ORGANIZATION.
(LEMAY, 2002)

❑ MANAGEMENT FUNCTIONS :

- PLANNING
- ORGANIZING
- STAFFING
- DIRECTING
- COORDINATING
- REPORTING
- BUDGETING

(LUTHER GULICK AND LYNDALL URWICK, 1932)

WHAT IS PUBLIC?

- ❑ THE CLASSIC MEANING OF PUBLIC DERIVES FROM TWO SOURCES. THE FIRST IS THE GREEK WORD *PUBES*, OR "*MATURITY*," WHICH IN THE GREEK SENSE MEANS IN THE BOTH PHYSICAL AND EMOTIONAL OR INTELLECTUAL MATURITY AND EMPHASIZE MOVING FROM THE SELFISH CONCERNS OR PERSONAL SELF-INTEREST TO SEEING BEYOND ONE'S SELF TO UNDERSTAND THE INTEREST OF OTHERS. IT IMPLIES AN ABILITY TO UNDERSTAND THE CONSEQUENCES OF ONE'S INDIVIDUAL ACTIONS ON OTHER PEOPLE. THE DERIVATE *PUBLIC* MEANS MOVING TO AN ADULT STATE, UNDERSTANDING THE RELATIONSHIP BETWEEN ONESELF AND OTHER INDIVIDUALS, AND BEING ABLE TO SEE-THE CONNECTIONS.

(PALMER, 1981; MATHEWS, 1994)

WHAT IS PUBLIC?

- ❑ THE MODERN USAGE OF THE WORD PUBLIC REFERS TO ALL THE PEOPLE IN A SOCIETY, WITHOUT DISTINGUISHING BETWEEN THEM.
- ❑ A PUBLIC SCHOOL, FOR EXAMPLE, IS OPEN TO ALL AND IS THOUGHT OF AS A PLACE WHERE THE COMMON KNOWLEDGE OF THE PEOPLE IS PASSED ALONG.
- ❑ THE PUBLIC PRESS IS AVAILABLE TO EVERYONE, TOO, AS IS THE PUBLIC LIBRARY.
- ❑ PUBLIC FIGURE DESCRIBES A PERSON WHOSE RESPONSIBILITIES, AND THEREFORE LIFE, ARE VISIBLE TO ALL.

(H. GEORGE FREDERICKSON, 1997)

WHAT IS PUBLIC?

- ❑ FREDERICKSON'S FIVE PERSPECTIVES OF *PUBLIC* IN PUBLIC ADMINISTRATION:
 - 1) THE PUBLIC AS INTEREST GROUPS (THE PLURALIST PERSPECTIVE)
 - 2) THE PUBLIC AS RATIONAL CHOOSER (THE PUBLIC CHOICE PERSPECTIVE)
 - 3) THE PUBLIC AS REPRESENTED (THE LEGISLATIVE PERSPECTIVE)
 - 4) THE PUBLIC AS CUSTOMER (THE SERVICE-PROVIDING PERSPECTIVE)
 - 5) THE PUBLIC AS CITIZEN

WHAT IS PUBLIC?

THE PUBLIC AS INTEREST GROUPS: THE PLURALIST PERSPECTIVE

- PLURALISM DESCRIBES THE NATURAL DEVELOPMENT OF INTEREST GROUPS OF BRINGING TOGETHER INDIVIDUALS WITH SIMILAR CONCERNS. INTEREST GROUPS INTERACT AND COMPETE IN THE GOVERNMENTAL SETTING, SEEKING THE ADVANTAGES AND PREFERENCES OF THE INDIVIDUALS THEY CONSTITUTE. INTEREST GROUPS FURTHER THE RIGHT OF THE CITIZEN TO ORGANIZE TO ADVANCE THEIR INTERESTS IN THE GOVERNMENTAL MARKETPLACE.

WHAT IS PUBLIC?

- THE PUBLIC IS MANIFESTED IN THE PROCESSES OF GROUP INTERACTION. IT CAN ALSO BE ARGUED THAT THE NET RESULT OF GROUP INTERACTION CONSTITUTES A DEFINITION OF THE PUBLIC INTEREST.

(FLATHMAN, 1966; SCHUBERT, 1960)

WHAT IS PUBLIC?

THE PUBLIC AS RATIONAL CHOOSER: THE PUBLIC CHOICE PERSPECTIVE

- THIS VIEW, COMMONLY KNOWN AS THE UTILITARIAN PERSPECTIVE, PURSUES INDIVIDUAL INTEREST, PLEASURE, AND HAPPINESS WITHOUT PARTICULAR CONCERN FOR COMMUNITY VALUES AND NOTIONS SUCH AS ETHICS, A "GREATER GOOD," OR THE POSSIBILITY OF A PUBLIC INTEREST. THEREFORE, THE DOMINANT PERSPECTIVE MUST BE INDIVIDUALISTIC.

WHAT IS PUBLIC?

- THE PRIMARY ASSUMPTION IS THAT PUBLIC ACTION MUST BE UNDERSTOOD AS THE ACTION OF MOTIVATED INDIVIDUALS WHOSE INTERESTS TYPICALLY DIFFER. EACH INDIVIDUAL IS A RATIONAL CALCULATOR PURSUING HIS OR HER OWN INTERESTS. GOVERNMENT AND SOCIAL ORDER SIMPLY PROVIDE A STABLE ENVIRONMENT IN WHICH FREE INDIVIDUAL CHOICE MAY BE EXERCISED.

WHAT IS PUBLIC?

THE PUBLIC AS REPRESENTED: THE LEGISLATIVE PERSPECTIVE

- ❑ MODERN DEMOCRATIC GOVERNMENT IN PRACTICE HAS BEEN REPRESENTATIVE RATHER THAN DIRECT.
- ❑ BECAUSE ELECTED OFFICIALS DIRECTLY REPRESENT THE PUBLIC, THEY HAVE THE MOST LEGITIMATE CLAIM FOR A PUBLIC PERSPECTIVE ON PUBLIC ADMINISTRATION, AND PUBLIC ADMINISTRATORS ARE EXPECTED TO OPERATE THE AGENCIES THAT LEGISLATORS ESTABLISH AND TO OBEY AND ENFORCE THE LAWS THAT LEGISLATORS PASS.

WHAT IS PUBLIC?

THE PUBLIC AS CUSTOMER: THE SERVICE-PROVIDING PERSPECTIVE

- ❑ ONE OF THE MOST INTERESTING PERSPECTIVES ON THE PUBLIC IS THAT OF THE CUSTOMER. HERE *CUSTOMERS* IS DEFINED AS THE INDIVIDUALS AND GROUPS SERVED BY SO-CALLED STREET-LEVEL BUREAUCRATS.

WHAT IS PUBLIC?

- ❑ SCHOOL-CHILDREN, ARE THE CUSTOMERS OF TEACHERS, COUNSELORS, PRINCIPALS, SUPERINTENDENTS, AND SCHOOL BOARDS; VICTIMS OF CRIME (AS WELL AS THOSE WHO COMMIT THE CRIMES) ARE THE CUSTOMERS OF THE POLICE; AND THOSE WHO ARE ILL OR HANDICAPPED, EITHER PHYSICALLY OR EMOTIONALLY, ARE CUSTOMERS OF THE WIDE RANGE OF MEDICAL PROFESSIONALS IN PUBLIC HEALTH AGENCIES. ALL CITIZENS ARE AT ONE TIME OR AN OTHER CUSTOMERS OF GOVERNMENT.

WHAT IS PUBLIC?

THE PUBLIC AS CITIZEN

- ❑ THE CONCEPT OF CITIZENSHIP IS CLOSELY TIED TO THE ORIGINS OF THE MODERN FIELD OF PUBLIC ADMINISTRATION.
- ❑ IN EARLY CONCEPTS OF PUBLIC ADMINISTRATION CITIZENS WERE THE PUBLIC (FREDERICKSON AND CHANDLER, 1984).
- ❑ IN THE 1930s, PUBLIC ADMINISTRATION BEGAN TO DRIFT AWAY FROM ITS EMPHASIS ON CITIZENSHIP AND MOVE MOSTLY TOWARD ADMINISTRATIVE ISSUES.

WHAT IS PUBLIC?

- ❑ IN PUBLIC ADMINISTRATION, THERE HAS BEEN RENEWED INTEREST IN THE CONCEPT OF CITIZENSHIPS.
- ❑ GENERALLY, THE MODERN DEVELOPMENT OF THE CITIZENSHIP PERSPECTIVE IN PUBLIC ADMINISTRATION ASSUMES THAT A VIGOROUS CITIZENRY IS COMPATIBLE WITH AN EFFECTIVE PUBLIC ADMINISTRATION. INDEED, CITIZENSHIP THEORISTS ARGUE THAT AN INFORMED AND ACTIVE CITIZENRY IS ESSENTIAL TO EFFECTIVE GOVERNMENT ADMINISTRATION.

WHAT IS PUBLIC?

- ❑ STRONG DEMOCRACY REQUIRES UNMEDIATED SELF-GOVERNMENT BY AN ENGAGED CITIZENRY. IT REQUIRES INSTITUTIONS THAT WOULD INVOLVE INDIVIDUALS AT BOTH THE NEIGHBORHOOD AND THE NATIONAL LEVEL IN COMMON TALK, COMMON DECISION MAKING AND POLITICAL JUDGEMENT, AND COMMON ACTION.

(MARONE, 1990)

DEFINITIONS OF PUBLIC ADMINISTRATION

- ❑ THE ORGANIZATION AND MANAGEMENT OF MEN AND MATERIALS TO ACHIEVE THE PURPOSES OF GOVERNMENT
- ❑ THE ART AND SCIENCE OF MANAGEMENT AS APPLIED TO AFFAIRS OF STATE

(WALDO, 1955)

OTHER WAYS TO DEFINE PUBLIC ADMINISTRATION

PUBLIC ADMINISTRATION MAY BE DEFINED AS THE COORDINATION OF INDIVIDUAL AND GROUP EFFORTS TO CARRY OUT **PUBLIC POLICY**

IT IS MAINLY OCCUPIED WITH THE DAILY WORK OF GOVERNMENTS

OTHER WAYS TO DEFINE PUBLIC ADMINISTRATION

PUBLIC ADMINISTRATION CONCERNS ITSELF MORE WITH HOW POLITICIANS IN GOVERNMENT AND NON-ELECTED PUBLIC SECTOR EMPLOYEES DEVISE POLICY, SUSTAIN THE MACHINERY OF GOVERNMENT AND ENSURE POLICIES ARE PUT INTO PRACTICE.

(CHANDLER, 2000)

OTHER WAYS TO DEFINE PUBLIC ADMINISTRATION

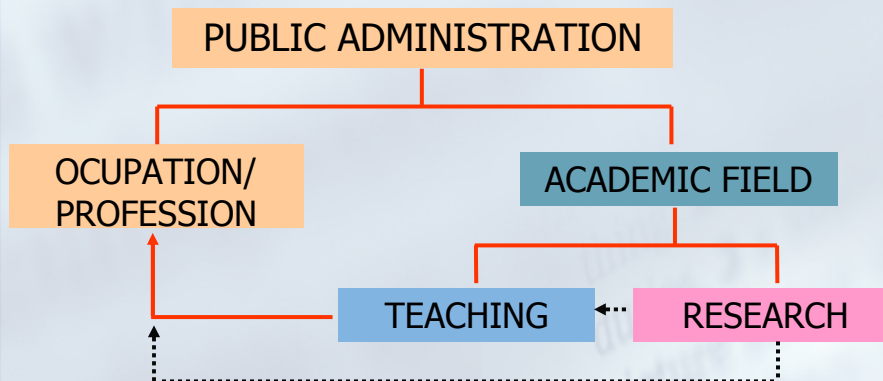
- ❑ THE OCCUPATIONAL SECTOR, ENTERPRISES, AND ACTIVITIES HAVING TO DO WITH THE FORMULATION AND IMPLEMENTATION OF POLICY OF GOVERNMENTAL AND OTHER PUBLIC PROGRAMS AND THE MANAGEMENT OF ORGANIZATIONS AND ACTIVITIES INVOLVED
- ❑ THE ACADEMIC FIELD CONCERNED WITH THE STUDY OF IMPROVEMENT OF, AND TRAINING FOR THE ACTIVITIES MENTIONED IN NO 1 (ABOVE)

(MARTINI, 1998)

OTHER WAYS TO DEFINE PUBLIC ADMINISTRATION

- THE ADMINISTRATION OR MANGEMENT OF MATTERS WHICH HAVE PRINCIPALLY TO DO WITH THE SOCIETY, POLITY, AND ITS SUBPARTS WHICH ARE NOT ESSENTIALLY PRIVATE, FAMILIAL, COMMERCIAL, OR INDIVIDUALISTIC.
- DISCIPLINED STUDY OF SUCH MATTERS.
 - ***IN ITS SIMPLEST MEANING, PUBLIC ADMINISTRATION HAS TO DO WITH MANAGING THE REALM OF GOVERNMENTAL AND OTHER PUBLIC ACTIVITIES***

(MARTINI, 1998)



MAIN CONCERNS OF PUBLIC ADMINISTRATION

- 1. ORGANIZATIONAL BEHAVIOR AND THE BEHAVIOR OF PEOPLE IN PUBLIC ORGANIZATIONS;**
- 2. THE TECHNOLOGY OF MANAGEMENT AND THE INSTITUTIONS OF POLICY IMPLEMENTATION;**
- 3. THE PUBLIC INTEREST AS IT RELATES TO INDIVIDUAL ETHICAL CHOICE AND PUBLIC AFFAIRS.**

(BAILEY, 1968)

APPROACHES TO PUBLIC ADMINISTRATION

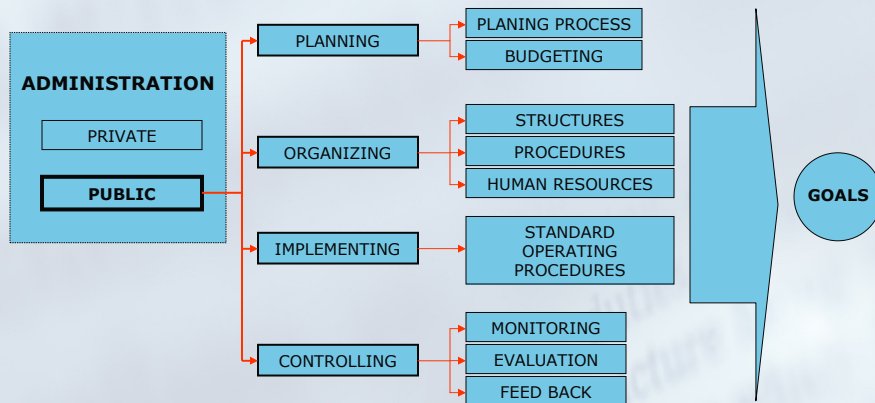
- MANAGERIAL**
- POLITICAL**
- LEGAL**

MANAGERIAL APPROACH

PUBLIC ADMINISTRATION IS GEARED TOWARD THE MAXIMIZATION OF EFFECTIVENESS, EFFICIENCY, AND ECONOMY

(ROSENBLOOM, 2005)

PUBLIC ADMINISTRATION AS MANAGEMENT



POLITICAL APPROACH

- ❑ RESPONSIBILITY AND RESPONSIVENESS OF THE ADMINISTRATIVE AGENCIES AND THE BUREAUCRACIES TO THE ELECTED OFFICIALS (THE CHIEF EXECUTIVES, THE LEGISLATORS).
- ❑ IT IS OF CENTRAL IMPORTANCE IN A GOVERNMENT BASED INCREASINGLY ON THE EXERCISE OF *DISCRETIONARY POWER* BY THE AGENCIES OF ADMINISTRATION.

(ROSENBLOOM, 2005)

LEGAL APPROACH

- ❑ AN ADMINISTRATIVE AGENCY IS A GOVERNMENTAL AUTHORITY, **OTHER THAN A COURT AND OTHER THAN A LEGISLATIVE BODY**, WHICH AFFECTS THE RIGHTS OF PRIVATE PARTIES THROUGH EITHER ADJUDICATION, RULE MAKING, INVESTIGATING, PROSECUTING, NEGOTIATING, SETTLING, OR INFORMALLY ACTING.
- ❑ THE LEGAL APPROACH TO PUBLIC ADMINISTRATION EMPHASIZES **THE RULE OF LAW**.

(ROSENBLOOM, 2005)

PUBLIC vs PRIVATE

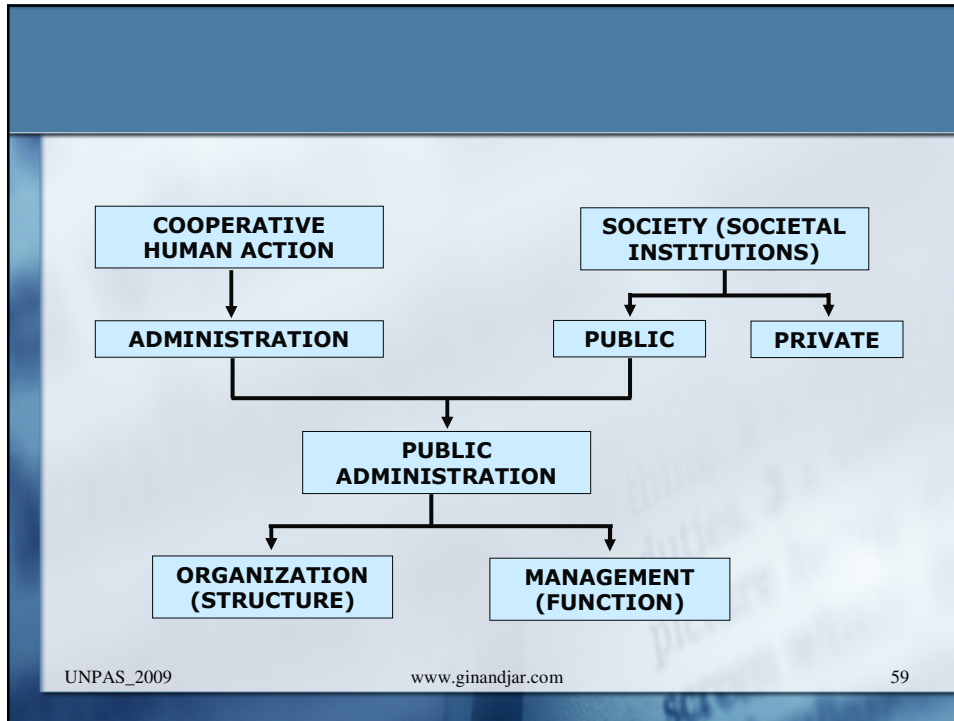
A COMMON USAGE OF 'PUBLIC' IS TO DISTINGUISH BETWEEN THE 'PUBLIC SECTOR' AND THE 'PRIVATE SECTOR', WHICH ESSENTIALLY REVOLVES AROUND DIFFERENCE OF OWNERSHIP (COLLECTIVE OWNERSHIP, IN THE NAME OF ALL CITIZEN, VERSUS INDIVIDUAL OWNERSHIP) AND MOTIVE (SOCIAL PURPOSE VERSUS PROFIT).

(BOVAIRD AND LÖFFER , 2003)

PUBLIC vs PRIVATE

- ❑ THE GOVERNMENTAL OBLIGATION TO PROMOTE THE PUBLIC INTEREST DISTINGUISHES **PUBLIC ADMINISTRATION** FROM PRIVATE MANAGEMENT. IN A MORAL AND BASIC SENSE, IT MUST SERVE "**A HIGHER PURPOSE**".
- ❑ **PRIVATE FIRMS** ARE THOUGHT TO BEST SERVE THE GENERAL INTEREST BY VIGOROUSLY PURSUING THEIR OWN ECONOMIC INTEREST. THEIR TASK IS TO BE HIGHLY EFFICIENT AND COMPETITIVE IN THE MARKETPLACE. NOT ONLY IS PROFIT THE BOTTOM LINE, THE **PROFIT MOTIVE** IS VIEWED AS A POSITIVE SOCIAL AND ECONOMIC GOOD.

(ROSENBLOOM, 2005)



DISTINCTIONS OF PUBLIC AND PRIVATE ADMINISTRATION

PUBLIC ADMINISTRATION	PRIVATE ADMINISTRATION
1. SERVICE DELIVERY	1. PROFIT MOTIVATION
2. POLITICAL PROCESS	2. BUSINESS ACTIVITIES
3. LEGALISTIC APPROACH	3. PROFIT APPROACH
4. BUREAUCRACY	4. EGALITER
5. INEFFICIENT	5. EFFICIENT
6. NO COMPETITION	6. FREE COMPETITION
7. SOCIAL WELFARE GOALS	7. INDIVIDUAL WELFARE TARGETS

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PUBLIC GOODS

- ❑ THE REMOTENESS OF MARKET FORCES FROM PUBLIC ADMINISTRATION ENABLES THE GOVERNMENT TO PROVIDE SERVICES AND PRODUCTS THAT COULD NOT PROFITABLY BE OFFERED BY PRIVATE FIRMS.
- ❑ SOME OF THESE SERVICES AND PRODUCTS ARE REFERRED TO AS **PUBLIC GOODS** OR **QUASI-PUBLIC GOODS**.

PUBLIC GOODS

WHEN UNIVERSAL ACCESS TO A GOOD, SUCH AS HEALTH CARE OR EDUCATION, SECURITY OR SAFETY BECOMES VIEWED AS AN ESSENTIAL INGREDIENT OF THE KIND OF SOCIETY THE POLITICAL SYSTEM WANTS TO FOSTER, IT IS LIKELY TO BE CONSIDERED **A PUBLIC GOOD**.

PUBLIC GOODS

BROADLY SPEAKING, THESE ARE GOODS, THAT INDIVIDUALS CANNOT BE EXCLUDED FROM ENJOYING, THAT ARE NOT EXHAUSTED OR SIGNIFICANTLY DIMINISHED AS MORE INDIVIDUALS USE THEM, AND FOR WHICH INDIVIDUALS DO NOT COMPETE.

PUBLIC GOODS

- ❑ PRIVATE FIRMS TYPICALLY FACE MARKETS IN A FAR MORE DIRECT FASHION. UNDER FREE-MARKET CONDITIONS, IF THEY FAIL TO PRODUCE PRODUCTS OR SERVICES AT COMPETITIVE PRICES, CONSUMERS TURN TO OTHER SOURCES AND A COMPANY'S INCOME DECLINES.
- ❑ IN BETWEEN THE TYPICAL PUBLIC AGENCY AND THE PRIVATE FIRM IS A GRAY AREA IN WHICH NOT-FOR-PROFIT ORGANIZATION AND HIGHLY REGULATED INDUSTRIES, SUCH AS MANY UTILITIES, OPERATE.

