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Neoliberalism for the Common Good? Public Value Governance and the Downsizing of Democracy

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This article raises a set of cautions regarding public value governance along two dimensions. First, it questions the common claim that public value governance poses a direct challenge to the economistic logic of neoliberalism. Second, although public value is often presented as a democratizing agenda, leading works sidestep foundational questions of power and conflict and advance prescriptions that are at odds with important democratic values. Without attending to these problems, the public value concept risks producing a new variant of neoliberal rationality, extending and strengthening the de-democratizing, market-oriented project that its proponents seek to overturn.

The language of “public value” has emerged in recent years as an influential new idiom for efforts to reform governance. The concept blends old commitments to the common good with newer aspirations for performance-centered public management. As a political project, it mounts a challenge to the market models and interests that have transformed governance over the past several decades. This “neoliberal turn” prevails today, public value scholars argue, because public authorities lack a coherent alternative to discourses that frame governance in exclusively economic terms. Older notions of the public good have been too vague to provide practical direction and evaluative criteria for governance (Bozeman 2002). Public value passes this litmus test and, at the same time, allows for a robust defense of the public sector against its critics (Benington and Moore 2011). By grounding governance in the pursuit of public value, proponents aim to displace neoliberal rationalities that privilege market solutions, diminish democracy, and serve private interests at the expense of the common good.

We question the extent to which public value governance challenges the economistic logic of neoliberalism.

“governance” (Pierre 2000). Along with its many practical consequences, this shift has had significant implications for democratic theory. Dissatisfied with the limits of representative government, scholars have pursued democratizing reforms in a host of extra-electoral realms such as public budgeting, service provision, planning, and policy implementation (Fischer 2009, 67). In the process, they have taken up questions of participation, citizenship, inclusion, and equality that were previously of interest mainly to democratic theorists (Fung 2006; Quick and Feldman 2011). New modes of “governance-driven democratization” have also encouraged democratic theorists to confront new questions and practical considerations related to their concepts. Because these governance models locate democratic politics outside the formal institutions of liberal democracy, they represent a relatively new frontier in democratic theory (Bevir 2010; Warren 2009). Thus, for democratic theorists as much as for scholars of governance, the time is ripe for dialogue regarding the political implications of public value governance.

Against this backdrop, our article raises questions and concerns along two dimensions. First, we question the extent to which public value governance challenges the economistic logic of neoliberalism. Although they oppose laissez-faire efforts to roll back the state, public value models derive much of their logic from market templates. The resulting parallels make public value less of a challenge to neoliberalism than one would

surmise based on the stated intentions of its proponents. Because their logics are congruent, public value governance is highly vulnerable to assimilation into the dominant rationality of neoliberal governance. In this

manner, public value models may ultimately reinforce and extend neoliberalism by embedding market logics more deeply in progressive uses of state power.

Second, although public value is often promoted as a democratizing agenda, leading works sidestep

The rise of public value models also reflects a longer historical shift in public authority from “government” to more collaborative, multisector modes of

foundational questions of power and conflict and advance prescriptions that are in tension with contemporary theories of democracy. Without attending to these problems, public value models run a high risk of folding citizen-centered deliberative and participatory procedures into a broader mode of governance that (1) leaves political inequalities undisturbed, (2) subordinates open-ended democratic contestation to the production of specific ends, and (3) substitutes “managed democracy” for more democratic forms of rule based on shared power.

To open a space for critical thinking about public value governance, we “trouble the waters” a bit by presenting a reading of the literature that differs from prevailing interpretations. As many scholars in the field acknowledge, the public value concept is ambiguous, and leading arguments have been dynamic enough to be read in multiple ways. Our objective is not to debate the desirability of authors’ intentions. Rather, it is to draw a more critical reading to the surface that clarifies the limits of public value governance and its potential to be assimilated into the dominant political projects of neoliberalism.

Public Value and Neoliberal Rationality

Public value governance is generally understood to encompass two broad traditions (Alford and O’Flynn 2009). The “creating public value” approach, exemplified by Moore (1995), defines “public value” as the public sector equivalent of private value in corporate management. In this view, public managers should pursue their own visions of positive change, guided by (1) their own professional expertise and moral values and (2) citizens’ desires for efficient and just public organizations that achieve collectively valued social outcomes. The second tradition, exemplified by Bozeman (2002, 2007), seeks to derive “public values” from intersubjectively held principles that define a society’s “normative consensus” regarding (1) the rights and benefits of citizens; (2) the obligations that link state, citizen, and society; and (3) broad principles of policy formation. Adopting a stance of “pragmatic idealism,” Bozeman seeks to make the public interest ideal more tractable by expressing it in terms of public values with “specific, identifiable content” (2007, 12–13). Under this “procedurally oriented notion of the public interest” (143), public values are identified and measured in the citizenry and then deployed as benchmarks for evaluating governance.

There are significant tensions between the two frameworks (e.g., on the issue of pursuing what the public values versus what is valuable for the public), yet they converge on a shared agenda (Alford and O’Flynn 2009): governance should be recast as the public-spirited pursuit of collectively valued goals, and these goals should be specified as measurable standards for evaluating performance. A chief aim of this agenda is to displace neoliberal modes of governance that privilege markets, empower self-serving economic actors, and reduce the public good to an aggregation of private interests.

Public value scholars generally equate neoliberalism with (1) laissez-faire efforts to limit state powers so that markets can flourish independently and (2) market-based innovations in governance, such as privatization and the New Public Management. Described

as a challenge to “neo-liberal agendas to roll back the state” (Smith 2004, 69), scholars agree that public value governance represents a sharp departure from “the dominance of neo-liberal ideology which emphasize[s] models based on individual consumers within a private competitive market (where the state is seen as an encroachment upon, and potential threat to, individual liberty)” (Benington 2011, 31). The agenda originated, Benington and Moore (2011) explain, as an effort to contest discourses that privileged markets over politics during the Ronald Reagan and Margaret Thatcher eras.

In this regard, public value scholarship succeeds on some important fronts. By stressing collective agency and shared values, it challenges the “diminution of the collective as an idea” and the elevation of individuals as the “most important arbiters of value” (Benington and Moore 2011, 7–8). By stressing the enlistment of “citizens to co-create public value,” it carves out a positive role for public engagement (Moore and Benington 2011, 273). It rejects a narrow focus on exchange value (Meynhardt 2009) and challenges the dominance of competitive market mechanisms (O’Flynn 2007). Seeking a vital role for public managers, it opposes efforts to shrink “government so that more choices about how to use resources [are] guided by individuals acting through markets” (Benington and Moore 2011, 7–8).

On these fronts, public value scholars restore priority to substantive commitments devalued by neoliberalism. By equating neoliberalism with a laissez-faire desire to roll back the state, however, these same scholars misconstrue its logic and, thus, the nature of its challenges to contemporary governance. In Milton Friedman’s (1962, 1970) vision of laissez-faire, a small, constrained state keeps its hands off the market as private firms focus on profit as their only motive. Each sector has its own distinct role to play, and society is best served when actors from each realize they cannot improve things by meddling in the other. Friedman’s vision was influential but, despite perennial calls to shrink government, it was not the agenda that came to fruition in the decades surrounding the turn of the twenty-first century. The activist state was not dismantled; it was reorganized and turned to new purposes (Pierson and Skocpol 2007). The neoliberal turn in governance did not strengthen the boundary between state and market or shift its location. It *blurred* the boundary between state and market and reorganized their relation.

Neoliberalism today operates as a *political rationality*, not an attempt to drive politically controlled institutions out of the market (Brown 2003).¹ Under neoliberal modes of governance, the state does not cede its coordinating activities and it is not “rolled back.” It is rolled out through modes of governance that fuse political and economic powers and apply market-based logics to diverse networks of governing actors (Peck and Tickell 2002). Neoliberalism does not banish politics; it uses market models to reframe politics and

reorganize governance as a pursuit of “the bottom line.” Instead of pitting state against market (or public against private) in a zero-sum relationship, neoliberalism embraces their integration. The state actively creates markets and works to foster market modes of subjectivity and governance.² Conversely, market actors are identified as socially responsible contributors to the achievement of societal goals previously seen as the purview of government (Sadler and Lloyd

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2009). Competitive processes that pit actors against one another in quasi-market relations mesh with collaborative processes that position state, market, and civil society institutions as actors sharing power.

This account of neoliberalism—which, broadly, prevails among scholars who study it as a political rationality—runs parallel to public value governance in ways that are rarely acknowledged. Indeed, a signature feature of public value scholarship is its use of market templates as starting points for reconstructing governance. As Benington and Moore point out, the concept was originally designed with “particular attention to corporate strategy”: “Just as the private sector executive had to keep an eye focused on changing market conditions, so the public sector executive had to keep their eye on changing political, economic and social conditions” (2011, 9–10). The “market environment” is to the corporate manager what the “authorizing environment” is to the public manager.

Mark Moore’s (1995) landmark work established this parallel early on. Public value, he argues, should be seen as the public sector’s categorical stand-in for private value (or shareholder value) in the corporate sector. Public managers should pursue public value by cultivating an entrepreneurial and managerial imagination modeled after the mentalities of corporate managers. The substitution of public-spirited ideals for their private interest counterparts does indeed mark a significant shift in substantive goals. Emphasizing this change, however, Moore (1995) offers no reflection on the ways that changes in content can coincide with deeper continuities in form and logic. To be sure, concepts and categories can be reconfigured in ways that sever them from their original uses and logics. But when scholars model one concept after another—explicitly developing B to function as a counterpart to A, encouraging new actors to think about and pursue B in just the manner that old actors thought about and pursued A, and so on—the likelihood that the logic of the original concept will leave its imprint on the derivative concept is quite high.

Barry Bozeman develops his influential model of “public value failure” through a similar strategy of conceptual mirroring. Bozeman writes, “I suggest several criteria for identifying public failure. Where do these particular criteria come from? To some extent, they mirror the thinking of market failure” (2002, 150). Indeed, despite their substantive opposition (based on a public–private distinction), the logics underlying the two concepts are so parallel that Bozeman is able to construct a table illustrating how each public-failure term equates to its market-failure counterpart. Emphasizing the need to place public and market value on “commensurate levels of theory and application,” Bozeman summarizes his project by stating, “My goal is to develop a model that is analogous in many respects to market failure, but that eschews concerns for price efficiency and traditional utilitarianism in favor of a public value focus” (2002, 146).

In these and other instances, public value theorists shift the substantive goals of governance in a way that pushes back against laissez-faire efforts to disparage public ends and roll back the state. But they also construct a new model of the public good that *incorporates*

market logic—that is, a logic that organizes collective endeavors around the production of value and deems these endeavors to be failures when their production of value falls short. As an analogy, consider how one can substitute new numerical terms into an algebraic equation and, thus, produce new results without disturbing the underlying relations of the equation. Or consider how rational choice models can accommodate private *or* public goals, self-interested *or* other-regarding motives, yet retain the economic logic of a rational choice model.³

Similarly, public value theorists insert new terms into market models and, stressing the shift in what is valued, fail to note that they have extended market rationality in a novel way. They challenge the narrow focus on values set by the market but embrace the instrumental pursuit of value that is at the heart of market models of governance. This consonance of form matters because it makes it relatively easy to assimilate the public value concept into neoliberal agendas and use it as a public-spirited frame for market-centered pursuits.

Indeed, business-minded writers who take up public value themes demonstrate the ease of this transition. In *Unlocking Public Value*, for example, Cole and Parston reduce governance to a process in which authorities are “in the business of delivering various *public goods*” (2006, 45). To improve governance, they propose the “Accenture Public Service Value Model,” which “adapts the principles of commercial shareholder value” to focus evaluations of governance on just two criteria of “citizen value: outcomes and cost-effectiveness” (xvi). Other authors work the gray areas created by value production models in more profit-minded ways. Schwab urges corporate managers to generate “value for both the companies and the global space in which they engage” (2008, 108) and explains how socially responsible corporations can pursue the “transformation of socially responsible principles and ideas into commercial value” (1118). Porter and Kramer use the concept of “shared value” to ease the tensions between public and private values and explain how socially responsible businesses can cultivate “disadvantaged communities and developing countries ... as viable markets” (2011, 68).

The compatibility of neoliberalism and public value governance can also be seen in the latter’s emphasis on collaborative problem solving as a frame for conceiving relations between state and market actors (e.g., Benington 2011; Meynhardt 2009; Stoker 2006). A striking feature of the literature to date is how little attention is devoted to the state’s traditional role as a “countervailing power”

that constrains markets and limits powerful market actors (Galbraith 1952). Students of governance *should* explore the benefits of state–market collaboration and specify how such collaboration might best proceed. The problem is that most public value scholarship ignores the other side of the coin: the desirable qualities that flow from a separation of powers and the importance of specifying how one should check the other. The imbalanced

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quality of public value models is precisely the imbalance that marks neoliberalism and advances its erosion of the boundary between state and market. In this regard, the public value movement’s efforts to champion the vital role of the public sector may prove less

politically consequential than its alignment with ideologies that cast government's relation to business in almost entirely collaborative and supportive (rather than countervailing) terms.

Here again, we find more business-minded scholars extending the underlying logic of public value governance. The collaborative view of the state among public value scholars finds its complement in new ideals of collaborative, socially responsible corporate governance.⁴ Porter and Kramer (2011), for instance, present "shared value" as a stand-in for shareholder value that aligns the pursuit of corporate profit with broader public and social goals. Calling for a "new conception of capitalism" based on cooperation among market, state, and civil society actors, they argue that corporate performance should be assessed with an eye toward "expanding the total pool of economic and social value" (64–65). In a similar vein, Schwab advances a model of "global corporate citizenship [that] involves the corporation acting as a stakeholder in global society, together with government and civil society" (2008, 116). Reframing the corporation as a citizen, Schwab provides a complement to the public value assertion that one should "think of citizens as shareholders in how their tax is spent" (Horner and Hazel 2005, 5). At the intersection of these makeovers, the distinction between market status (the corporation, the shareholder) and political status (the citizen) collapses.

In these and other ways, public value governance is easily aligned with what Sheldon Wolin (1989) calls the "economic polity." The *marketized state* of neoliberalism does not abandon coordinating responsibilities to the market. It is a state reimagined in market terms and assimilated into collaborative relations that render it, vis-à-vis the market, less distinct and oppositional. Thus, while public value scholars contest economic individualism, they extend and adapt market logics of governance as tools for pursuing the common good. Indeed, the congruence of the two suggests that public value governance may do something its proponents do not intend at all: expand the power of neoliberal rationality in public life by wedding it to the justification of progressive state power.

Public Value and the Downsizing of Democracy

Public value theorists intend to provide a new foundation for "deepening democracy" and "tackling the democratic deficit" (Moore and Benington 2011, 263; Horner and Hutton 2011, 116). As a democratizing agenda, however, public value governance faces limitations along two dimensions.

First, it fails to confront the concrete forces that have undermined American democracy in recent decades. Leading works say almost nothing about the realities of entrenched power and political bias, the barriers to democratization, or what it would take to overcome them. Second, even if barriers could be overcome, it is not clear that public value governance would actually deepen democracy. Mechanisms of citizen inclusion are often incorporated as source material or procedural addenda to models that do little to democratize the sharing of power (e.g., Bozeman 2002). And some prescriptive models of management are, in fact, quite hard to reconcile with democratic principles (e.g., Moore 1995).

It is helpful to begin with democracy's classical etymology, which combines *demos* (common people) with *kratos* (power). The term defines self-government as a question of power in the first instance. Power, even in its coercive forms, is essential for the functioning of democracy, and the terms of power relations stand at the heart of democratic criteria for evaluating governance (Mansbridge 1996; Piven 2006). Democracies strive for inclusive and equal political participation so that all citizens share the capacity (even if indirectly) to shape the exercise of authority. Democracies strive to position citizens so they are able to check arbitrary uses of authority and hold power accountable. Democracies strive to invest citizens with the powers needed to reconfigure their relationships with one another and with dominant institutions.

Diverse democratic values are united by a concern for the sharing of power among citizens and governing authorities. This sharing of power may occur through direct participation (Pateman 1970) or, in systems of representation, through dynamic relationships in which representatives and citizens shape, influence, and mobilize one another on an ongoing basis (Disch 2011).⁵ Shared power should not be confused, however, with a sharing of interests or values. Democracy necessarily entails difference and contestation in the context of power relations (Mouffe 2005; Piven 2006).

Specified in this manner, "deficits" of democracy can be seen as central to the problems targeted by public value scholars. The agenda is motivated, proponents emphasize, by a belief that governance is failing the public and sacrificing the common good to powerful private interests. Rarely, however, do public value scholars discuss the root causes of the democratic deficit they seek to overcome or the kinds of political action needed to do so.

In the U.S. context, students of politics have clarified the relevant developments in great detail. As economic inequalities have skyrocketed, political innovations have forged a tighter bond between material affluence and political influence (Gilens 2012). As labor unions and civic associations have declined, business interests have acquired unmatched abilities to shape political processes and policy outcomes (Hacker and Pierson 2011). The U.S. polity today is structured by institutional and ideological systems of marginalization related to race, gender, and class (Soss, Fording, and Schram 2011). In one policy domain after another, political rule has become dominated by contending elites who are increasingly insulated from public pressure and accountability (Soss and Jacobs 2014).

These and related developments stand at the center of what public value theorists rightly denounce: a system of public governance that routinely serves powerful private interests at the expense of the public interest. Yet they are roundly ignored by public value scholars who sidestep the challenge of reorganizing power in favor of promoting new languages and measurable goals for good governance. The unstated premise seems to be that better concepts, models, and criteria can produce democratic, public-spirited governance within the confines of the existing political economy, without any need to challenge dominant interests and institutionalized biases in power relations.

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Whatever else they may be, new idioms for specifying the common good are not effective tools for dismantling a crisis of democracy rooted in the unmooring of political power from the public. *Kratos* (power) has shifted away from the *demos* (common people) toward actors who occupy dominant managerial positions in the state and market. To offer a plausible response, public value advocates would need to provide an analysis of the key mechanisms that sustain this system and a strategy for displacing them. By fastening their hopes to new languages and measures, these advocates embrace a weak reform strategy that risks diverting attention from the forces most responsible for undermining democracy.

Consider again the promotion of cross-sector collaboration (Benington 2011; Moore 1995; Stoker 2006). There is nothing inherently antidemocratic (or even novel) about state and market actors cooperating to achieve public purposes. The problem lies not in collaboration per se, but in the pursuit of collaboration on terms that take little account of power, conflict, and inequality. Market firms are far from democratic organizations. Yet scholars say little about how this fact might threaten the democratic character of collaborative governance or about the possibility that firms themselves might need to be targeted for democratization (cf. Dahl 1986; Pateman 1970). Market relations receive extensive discussion, but with little attention to the fact that they are, in their own right, power relations that can take oppressive and exclusive forms.

Public value scholars are right to note the potential upsides of state–market collaboration. Too often, however, they present it as a necessary response to “wicked problems” (or as a progressive innovation to be applauded) without reflecting on its troubled history. Although state–market collaborations varied widely in their relationship to democracy, their terms have often been shaped by market powers in ways that exploit the public and serve oligarchic ends (Winters 2011). In sidestepping this history, public value scholars fail to ground their collaborative designs in a realistic appraisal of power relations. Yet insofar as equality in the exercise of power is a foundational democratic principle, more robust forms of democratic governance require confronting the power relations that structure the political economy and provide the setting for collaborative governance.

Here, we arrive at a more general problem in appraising the democratic potential of public value governance. Democracy depends on conflict as much as much as cooperation. Yet whether it is through collaboration or deliberation, theories of public value governance proceed as if democracy can subsist on one without the other—as if cooperation were an unalloyed good and conflict and contestation were not vital to democratic politics. Democracy operates, to no small degree, through “organized combat” (Hacker and Pierson 2011) and is sustained through “agonistic pluralism” (Mouffe 2005). It is preserved through countervailing relations between state and market institutions that provide a basis for checking abuses of power by each (Galbraith 1952). Its deliberative moments depend on coercive state action (Mansbridge 1996), and its peaceable agreements must sometimes be fractured by contentious opposition (Piven 2006).

Concerns about the democratizing potential of public value governance grow deeper still when one considers the specific prescriptions

advanced under one of the movement’s leading variants: the “creating public value” framework. Neoliberalism is marked by a form of governance in which nominally democratic institutions (e.g., contested elections) coexist with managerial modes of governing the public from above. “Managed democracy is democracy systematized,” Wolin explains, “without appearing to be suppressed” (2008, 47). Governance is removed from the contest of democratic politics, as managerial authorities work to tamp down and skirt conflict (Soss and Jacobs 2014). Under managed democracy, governing elites engage the public in ways primarily designed to secure the agreement and legitimacy needed to wield authority and advance preferred actions.

Against this backdrop, Moore (1995) and others are right to direct our attention to public managers as key political actors and to suggest that the vitality of democracy depends, in part, on how they engage the political process. These moves, along with calls for managers to strengthen citizen deliberation, build significant democratic dimensions into the “creating public value” framework. Moore and Benington, for example, champion deliberative procedures that, quoting John Dewey, help “call into existence a public that can understand and act on its own best interests” (2011, 273). Based on these observations alone, one would have to conclude that the “creating public value” framework advances managerial prescriptions that are quite democratic.

It is important to clarify, then, that the inclusion of deliberative procedures does not, in itself, render a mode of governance democratic. Indeed, Carole Pateman recently used her 2012 American Political Science Association Presidential Address to clarify how procedures such as participatory budgeting can be integrated into governance in ways that do not threaten dominant interests or lead to the substantive democratization of political power. Deliberative and participatory forums can deepen an already democratic process, but they are unlikely to democratize a broader polity defined by profound inequalities of power. As Pateman explains, “‘democracy’ in the wider society and political system is outside of their purview; it is largely taken for granted as an institutional background of the forums” (2012, 10). Citizen forums that are built on a deliberative internal logic can be assimilated into broader modes of governance that systematically deprive the public of power. Procedures for public participation can reinforce “managed democracy” by providing a stronger foundation of knowledge and legitimacy for governance from above.

As public value theorists such as Stoker (2006) and Bozeman (2007) have adopted deliberative procedures as a democratic fix, they have typically ignored such problems. In this respect (and many others), their agendas are hard to distinguish from deliberative models of governance that make no use of the public value concept at all (e.g., Richardson 2003). Some public value theorists go further, however, by folding deliberative procedures into a “creating public value” model that approaches politics on terms that privilege managerial and instrumental logics. In this model of governance, advanced by Moore (1995) and others, political processes are engaged as an instrumental means toward the realization of managerial visions of the common good. In this regard, the “creating public value” framework risks extending the managerial rationality that Wolin (2008) identifies as the de-democratizing signature of neoliberalism.

Instrumental conceptions of governance, regardless of how they include the public, provide notoriously precarious foundations for democracy. Because democracy is defined by the open-ended nature of political contestation, it cannot guarantee outcomes that are more just or effective. It holds no claim to superior performance in the production of end goals. Thus, instrumental uses of democratic forms to achieve governing ends differ fundamentally from modes of governance that are valued intrinsically for their democratic character. Once the latter is subordinated to the former, the valued ends provide grounds for judging the relative desirability of democratic processes on a case-by-case basis. They underwrite the management of democracy itself, reducing it to a tactic for producing outcomes that can often be achieved more efficiently and effectively through other means.

The instrumental logic of the “creating public value” model can be clarified by considering the political role it ascribes to public managers. Moore (1995) and others position public managers as what Robert Dahl calls enlightened “guardians” (1989, 52–79) of the common good. Their task is to address difficult societal challenges as problems of design, delivery, and measurement and to emulate the corporate manager in handling them with dispatch. Toward this end, Moore (1995, 38) insists that managers cannot and should not “banish” politics; rather they should develop strategies for moving their own public-spirited plans through the political realm as an “authorizing environment.” The disruptive potential of “external politics should be ‘managed’” in this model (Rhodes and Wanna 2007, 413), so it does not sidetrack the manager’s pursuit of public value. In this manner, Moore’s democratizing intentions potentially fold into a logic of managed democracy that values public engagement but envisions open-ended clashes among empowered publics as what Wolin calls “tendencies that good governance should hold at bay” (2008, 150).

The result is that Moore’s (1995) text occasionally seems to work against its own grain. On a single page, for example, we find citizens presented as “material” that managers must work on to “fashion legitimacy and support for themselves, their policies, or their organizational strategies,” and we find that “political management” entails building a coalition “to achieve the public purposes for which the official will be held accountable” (Moore 1995, 113). Occasional references to public accountability lie in tension with the predominantly instrumental logic of Moore’s managerial model. Yet he makes no attempt to reconcile the two. Tellingly, when Moore turns to concrete cases, it is the instrumental pursuit of support and legitimacy that wins out. The public manager who fails to “develop a constituency for his own position” is presented as the exemplar of ineffective, undesirable “political management” (133).

By framing and evaluating governance as an instrument for “creating public value,” Moore and others create pressures to evaluate governing authorities on instrumental terms and, thus, encourage public managers to engage the citizenry with an instrumental purpose. In the process, they potentially invite governing strategies based on what Jacobs and

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Shapiro criticize as “simulated” or “instrumental” responsiveness. In this mode of politics, governing authorities engage the public not to respond to it in a substantive manner (Jacobs and Shapiro 2000) or to advance a co-constitutive dialogue (Disch 2011), but to bolster the legitimacy of their own agendas and appear responsive to relevant constituencies.

Thus, one finds public value theorists urging public managers to be creative in “managing public expectations” (to lower the odds of arousing citizen contestation) and figure out “how best to develop a constituency that values what the manager wants or conceives” (Horner and Hutton 2011, 117; Moore, quoted in Rhodes and Wanna 2007, 406).

Politics, Moore emphasizes, must be “the final arbiter of public value” (1995, 38). The question is: what kind of politics? Moore and colleagues’ model of “political management” has an ambiguous relationship to democratic values and, in this regard, sends conflicted signals to public managers. Moore and Benington (2011) sometimes describe open-ended deliberative processes that engage citizens in efforts to define public value. But if the goal of these processes is to constitute a new public that aligns with managerial goals and public value benchmarks, then they are better seen as procedures defined by a *telos* (ultimate end). As such, the model is hard to square with democratic theories of political representation—both those that prioritize substantive responsiveness to the public (Dahl 1989) and those that emphasize a co-constitutive dialogue between publics and their representatives (Disch 2011).

Active efforts to engage the public and acquire political support are, to be sure, often essential for effective public management. Public managers can serve as teachers who encourage social learning in the public and as organizers of dynamic deliberative processes that bring new publics into being (Moore 1995, 179–80). But these sorts of managerial roles and endeavors can serve democracy or subvert it, depending on how they are structured and pursued. As a general matter, Moore does not reduce public value to managerial intentions. In practice, though, he urges managers to see themselves as creative entrepreneurs who envision public value, “enlist” publics in coproduction, arm themselves “with a powerful external constituency,” and “forge new political coalitions” to advance their public value agendas (1995, 274–75). These directives are proffered within a broader model that fails to challenge surrounding power disparities, avoids conflict and contestation, and embraces instrumental approaches to governance. Taken together, these factors pose serious limitations to Moore’s model as an agenda for democratizing public management.

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Indeed, this assessment is strengthened by a consideration of how citizens are construed in Moore’s model. In public value governance, citizens are both taxpaying shareholders in the “authorizing environment” and the “collective consumer” of public value. In this, Moore and others replace the individual consumer of neoclassical economics with a collective and public-spirited variant. In so doing, however, they retain an economic model in which *consumer sovereignty* overwrites political

conceptions of *popular sovereignty* that stress conflict and cooperation among empowered citizens. In casting society as a “political marketplace” in which “we citizens” are the “collective consumer,” Moore (1995) echoes Ludwig von Mises (2009, 23), who treats the “sovereignty of consumers” (rather than the sovereignty of democratic citizens) as the ultimate source of political authority. Citizens are decentered in the political process, recast as collective consumers of public value and shareholders in governance rather than active civic agents creating a shared future.

In the process, Moore models the state’s obligation to citizens in a way that echoes the corporation’s obligation to produce value for shareholders and consumers. Yet democratic theorists have routinely criticized this analogy. Dahl, for example, warns against conceptions of “stockholder democracy” (1982, 199), arguing that they violate the fundamental principle of democratic equality. Wolin stresses how “shareholder democracy” diminishes empowered citizenship and gives the public a “sense of participation” without obligation (2008, 65). Pateman puts the matter bluntly: the “conception of citizenship embodied in participatory democratic theory is that citizens are not at all like consumers” (2012, 15).

Moore and others thus fail to note that management in the name of shareholders is itself a “claim to rule,” *distinct from democratic claims to rule*, that entails its own political logics of accountability and legitimation (Wolin 2008, 222). Taxpaying shareholders in governance have a right to expect governing entities to efficiently produce “returns on their investments” and report on the public value they produce (Wensley and Moore 2011, 134). Their participation may be sought out for a variety of purposes. But taxpaying shareholders are not democratic citizens defined by their inclusion in relations of shared power that shape the direction of collective life.

These and other features of public value governance suggest that significant efforts may be needed to reconcile it with democratic values. By grafting deliberative processes onto a neoliberal framework, public value scholars risk promoting a model that would deepen public participation in a broader project of managed democracy that diminishes citizen power. To be sure, Moore (1995) and others discuss citizens in ways that sometimes incorporate more democratic themes. Like George Frederickson (1991), they acknowledge that citizens occupy different roles at different times and should be valued not just for their self-interest, but also for their understandings of the broader public interest. Nevertheless, if we ask what is distinctive about their model of citizenship, it is the image of a public that is simultaneously the collective consumer of public value, the taxpaying shareholder in governance, and the occupant of a managerial authorizing environment.

Conclusion

Despite their democratic aspirations, public value models of governance remain in tension with democratic theories that emphasize dynamic contestation and empowered publics. By sidestepping entrenched power and institutionalized marginalization, they obscure the most fundamental sources of the democratic deficit. By using corporate management as a template for public authority,

they potentially adapt and extend the logic of neoliberal governance. Through a promotion of state–market collaborations, they fail to incorporate the countervailing powers and popular conflicts upon which democracies depend. By enlisting the public as co-participants in the instrumental pursuit of public value, they risk legitimating and deepening a managerial mode of governance that creates a false impression of citizen power.

If public value prescriptions do not suffice, however, the critical question remains: what should public managers do to govern in a democratic manner that serves the public well? The question cannot be resolved in the closing lines of an essay devoted to other purposes. It can be narrowed, however, by foreclosing a retreat to a Wilsonian vision of administration divorced from politics. Calls for public managers to respect the politics–administration divide designate as “unpolitical” some of the issues that matter most to the lives of citizens and create a realm of professional action insulated from democracy. As public value scholars rightly reject such calls, however, they must also resist a political worldview that masks the aggrandizement of bureaucratic power and casts managers as politically neutral actors—not in the Wilsonian guise but rather as enlightened entrepreneurs akin to corporate managers (Roberts 1995). By failing to address managerialism as a claim to rule, they risk bypassing democratic contestation in favor of the idea that a performance-centered technical fix can hold bureaucrats accountable for the power they exercise over citizens.

The stirrings of more democratic approaches to public governance can be seen in a host of local experiments and are being elaborated in important new scholarship on inclusion and participation (e.g., Dzur 2013; Fung 2006; Quick and Feldman 2011). To operate in a democratic manner, public managers must develop their role as participants in open-ended political processes, seeking out ways that they (and sometimes only they) can inform, represent, and empower relevant publics. They must balance their collaborative problem-solving efforts with commitments to serving as countervailing powers. The work of the public manager must include discerning and promoting modes of participation that actually empower citizens in governance. As they work to ensure the achievement of policy goals and objectives, they must also work to cultivate and engage empowered, inclusive publics. Such publics are valued for their intrinsic worth and integral contributions to governance rather than as instrumental sources of legitimacy for managerial visions of the common good.

Notes

1. A “political rationality” (1) specifies forms of authority, the proper distribution of tasks across authorities, and the goals and principles that organize governance; (2) assumes particular subjectivities and aligns practices with the ways that objects of governance are conceived; and (3) entails distinctive uses of language to frame reality and provide an idiom for the elaboration of governmental practices (see, e.g., Rose and Miller 1992, 178).
2. For illustrative applications to policy and governance, see Soss, Fording, and Schram (2011).
3. As Elster elaborates at length, rational choice logics can be combined with diverse goals and motives because “behavior can be rational and instrumental

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and yet not be selfish, contrary to a widespread but vulgar view that equates rationality with selfishness” (1989, 52–60).

4. Nam, for example, suggests that a public value system “cultivate[s] the view of the firm as pseudo-public institutions regardless of actual ownership [and] induces a developmental motivation for CSR [corporate social responsibility]” (2011, 148).
5. Throughout this discussion, our use of the term “democracy” assumes the context of a liberal, capitalist society and encompasses both representative and direct participatory forms.

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