

Policy Paradigms and the Structure of the State Apparatus: Embedding Neoliberalism

Bryan Evans¹ and Marcel Goguen²

ABSTRACT: This contribution explores the resilience of neoliberal policy ideas within the state by situating the process of manufacturing policy advice within the context of the prevailing policy paradigm. The central question informing this work is despite evident failure, neoliberal ideas continue to prevail within the state policy process. Why and how this is the case, despite the lived experience and evidence, is the subject interrogated here. While the study of conventional public policy tends to be presented as a technical, evidence-based discipline, this ignores, or at best minimizes the highly hierarchical and politicized nature of evidence, expertise and knowledge employed in the work of constructing policy.

KEYWORDS: neoliberalism, policy paradigm, evidence, New Public Management, centralization

Introduction

This paper examines the relationship between ‘policy paradigms’ (Hall, 1993) and the institutional structure of the state apparatus. While work on policy

¹ Bryan Evans is Professor in the Department of Politics and Public Administration, Ryerson University, Toronto, Canada. Together with Stephen McBride, he is the co-editor of *Austerity: The Lived Experience* and *The Austerity State*.

² Marcel Goguen is a Ph.D. candidate in International Relations at McMaster University, Hamilton, Canada. His dissertation examines the methodological implications of critical theories of the state for the study of global finance.

We wish to acknowledge the support from the Social Sciences and Humanities Research Council of Canada and Dr. Stephen McBride (McMaster University), Principal Investigator leading a Partnership Development Grant whose generous support enabled part of this research. Marcel Goguen would like to acknowledge support from the Centre for Research in Empirical Social Sciences (CRESS) at McMaster University.

paradigms has produced many useful insights relating to the processes through which certain ideas influence the policy making process, it has thus far not sufficiently examined how these dynamics interact with the structure of the state apparatus. We thus argue that an important but still mostly unexplored dimension in understanding the dynamics involved in the struggle over the maintenance and replacement of policy paradigms is the institutional structure of the state apparatus and role of 'ideational' agents working within that. Lukes (2005) forwards the claim that for a process to be understood as an exercise of power it assumes "that it is *in the exerciser's or exerciser's power* to act differently" (2005, 57). This framing implies that operatives within the institution possess the agency to make different decisions. The broader political context in which these agents (exercisers) function (the paradigm) works to constrain this exercise of agency.

To illustrate this broader theoretical argument, we draw on previous and recent interviews with government and non-government policy workers in three Canadian provinces to examine the ways in which changes in the structure of the state apparatus has shaped the mechanisms involved in maintaining the stability of the neoliberal policy paradigm and helped insulate it from alternative ideas. This article proceeds in three parts. A first section sets out the significance and meaning of the concept of policy paradigms for studying the power dynamics involved in the policy process. A second section examines the changes in the structure of the state apparatus associated with the emergence of NPM and the 'neoliberal state'. A third section examines the impact of these changes in the structure of the state apparatus on the dynamics involved in maintaining or contesting the existing neoliberal policy paradigm.

Public Administration and Policy Paradigms

Despite the ideology of technocratic neutrality having long prevailed in the field of public administration and the public service in most western democracies (Raadschelders and Rutgers, 1996; Waldo, 1948), policy making does not take place in a power vacuum. Contrary to the implicit view that dominates the field of public administration, then the ideas that come to be accepted as common wisdom and received knowledge in the manufacture of policy are not there simply as a result of having been 'proven' to be superior through a neutral and apolitical process wherein experts carefully weigh evidence and refine their understanding of (social) reality. Ideas concerning public policy and management, as the basic building blocks of knowledge and expertise, no matter

how anodyne and antiseptic the packaging, are anything but technical and apolitical. Politically imposed deadlines usually push policy practitioners to make a decision without there being sufficient time to completely weigh the evidence (Forshey, 2005; Lidman and Sommers, 2005).

Further, more information does not necessarily contribute to a greater degree of consensus on policy, partly because what constitutes evidence is contestable and shaped by the power dynamics of the broader political context. How policy problems are framed, the identification of viable solutions, what is deemed to be acceptable or not, what instruments are chosen, are all reflections of where power is located and held by which policy actors. In this process, not all knowledge is created equal. Specific ideas are socially and culturally embedded in ways making them powerful or, on the other hand, not powerful (Strassheim and Kettunen, 2014). As a result, some forms are privileged and are readily utilized while other forms become relatively marginalized, a process that makes certain solutions appear more credible and/or legitimate than others. The relationship between power and ideas in the policy process remains difficult to conceptualize and empirically investigate, however, partially because it can be rather hard to “differentiate the effects of ideas themselves from the effects of the actors who bear them” (Campbell, 2002, 31).

While interest in the impact of ideas on the policy process had been rather limited until the 1980s, there has since grown a significant body of literature examining this issue by scholars who were/are skeptical of the assumption that was then dominant: “that politics are driven solely by actors operating according to a self-interested cost-benefit calculus” (Campbell, 1998, 377). A central research topic within this body of work is concerned with the different ways that ideas can be powerful in their own right and the main factors involved in shaping which ideas become influential (e.g. Hirshman and Berman, 2014; Campbell, 1998, 2002; Béland, 2005, 2009; Walsh, 2000; Carstensen and Schmidt, 2016; Seabrooke and Wigan, 2016).

In order to contribute to efforts at more precisely measuring the impact of ideas on the policy process, Carstensen and Schmidt (2016) have distinguished between three forms in which ideas can be powerful. The first is power *through* ideas, which refers to the ability of particular actors to use ideas to convince others of the normative value or cognitive validity of their worldview in such a way as they alter their beliefs about how the world works or how it should be (Carstensen and Schmidt, 2016, 325-6). Power *over* ideas concerns the ability of actors to define what certain ideas mean and to gather enough legitimacy around their view so that

they can avoid having to consider alternate definitions of the same idea or competing ideas. Finally, power *in* ideas refers to quality that certain ideas can possess, once they have become sufficiently widely accepted, that they end up “structuring thought at the expense of other ideas” (Ibid, 329). It is this dimension of power *in* ideas that we are primarily interested in this paper.

One illustration of this ideational power is provided by Widmaier in a series of papers examining the impact of what he calls ‘intersubjective understandings’ – but which we can describe as socially and politically dominant ideas about how the world works – on policies meant to deal with economic crisis (2003), international cooperation on monetary and financial regulation (2004), and the relative balance of price and wage guidelines and monetary policies as the primary mechanism of US economic policy (2007). Widmaier’s main point is that in dealing with different economic crises, a central role is played by the broad ‘intersubjective understandings’ through which policymakers construct their understanding of when they began, what caused them, and how best to deal with them (2007, 46). For example, Widmaier explains, from the end of the Second World War up to the 1970, dominant Keynesian ‘intersubjective understandings’ of inflationary crises and price fluctuations as ‘market failures’ meant that they could be plausibly dealt with through government intervention in the form of the adoption of wage and price guidelines.

In contrast, beginning in the 1970s, neoclassical ‘intersubjective understandings’ of inflationary crises were caused by the failure of state policies so that they could only plausibly be dealt with through fiscal and monetary austerity (Widmaier, 2007, 47-49; 2004; 2003). This should not be taken to imply that material forces and events are unimportant but rather that it is only by giving meaning to the ‘material trends’ through the lens provided by the dominant ‘intersubjective understandings’ of a period that policymakers can identify the existence of a crisis, its causes, and then ‘react’ appropriately to deal with it (Widmaier, 2003, 64; 2004, 450). But how should we understand and analyze the processes through which certain ‘intersubjective understandings’ (what we shall simply call ideas) come to gain the authority that enables them to structure “thought at the expense of other ideas”?

One avenue could be to explore this topic through the lens of ideology which, as it is typically used in Marxist terms, refers to how certain ideas shape perceptions of the existing order to minimize the desirability of any possible alternative that erodes the power of the dominant class (Marx, 1932; Berman, 2017). One particularly influential contribution to public policy that adopts this

approach is the work of Lukes which highlights how power is exercised by preventing people “from having grievances by shaping their perceptions, cognitions and preferences in such a way that they accept their role in the existing order of things” (2005, 11, 28).

However, despite proposing some useful amendments to address the problems of traditional work on ‘false consciousness’, Lukes’ work remains theoretically very close to conventional work on ideology (Hay, 1997). As a result, it is of limited use for our purposes as it both tends to depict ideas in an instrumental manner as well as leave relatively little room for a consideration of the agency of policy makers. Therefore, we proceed in a manner similar to Konings (2018, 29) who suggests that it is important to consider how we might understand neoliberalism “even if we assume little about the ability of capitalist elites to capture state institutions or the minds of policymakers”. From this perspective, rather than understanding state officials as being either “corrupted by private interests” or intellectually captured by the dominant ideology, they come to be viewed as being “primarily disposed to stabilize the economic system” by relying on a set of ideas that seemingly provides a “degree of cohesion at the level of practice” (Konings 2018, 29) The central question then becomes how some ideas, and not others, come to be understood as providing the best policy options.

For our purposes, Peter Hall’s (1993) work on the concept of policy paradigms provides a useful lens through which to examine this issue. For Hall, a policy paradigm is “framework of ideas and standards that specifies not only the goals of policy and the kind of instruments that can be used to attain them, but also the very nature of the problems they are meant to be addressing” (1993, 279; Béland, 2005, 5). Broadly speaking, what policy paradigms do is form the background view of how the world works and the kinds of causal relations that exists within it and, as a result, they constrain the range of possibilities considered as plausible or likely to succeed by policy makers (Campbell, 2002).

In specifying how this operated in practice, Hall distinguished his approach from work drawing on Hecló’s (1974) concept of ‘social learning’ in which policy makers were understood to be perpetually ‘fine tuning’ the design of their policies based on a process of accumulating evidence of past policy successes and failures (Hall, 1993, 277). The problem for Hall was this approach suggested a view of how policy-makers learned from their experiences that was insufficiently attentive to the power dynamics involved in struggles over how to interpret the meaning of past policy experiences. The concept of policy paradigms is meant to address this weakness by foregrounding the interpretive process through which

past experiences are evaluated and given meaning by incorporating them into a coherent account of what the world is like. From this perspective “policy paradigms guide learning processes through which existing policy legacies are evaluated and criticized” (Béland, 2009, 705). In policy construction terms, the concept of policy paradigm is thus useful to conceptualize the way that ideas can shape how a policy problem is constructed in a way that makes the problem intelligible, so that it can be understood by political decision makers and policy makers, in one way rather than another.

One of the primary advantages of adopting this approach in analyzing policy construction is that it provides the tools necessary to examine how power shapes the policy process beyond its manifestations in ‘normal’ electoral politics and the struggle over control of governments (Béland and Cox, 2013, 194). These power dynamics are most clearly visible in situations in which an established paradigm is challenged by a competitor; i.e. in cases of ‘paradigm shift’. In the original Kuhnian sense, paradigm shifts are understood to occur when the accumulation of anomalous evidence that cannot be convincingly included into the view of the world espoused by a paradigm reaches a tipping point, and the search begins for an alternative view of the world in which the (so-called) anomalies can be convincingly integrated.

Once this happens, once a new view of the world is discovered that can more convincingly integrate the ostensibly anomalous facts than the view espoused by the previous paradigm, then we can speak of a ‘paradigm shift’. In policy paradigms, however, the processes involved in paradigm shifts are more complicated and are crucially related to the role of power (Blyth, 2013; Henriksen, 2013). Power plays such a central role in policy paradigm shifts because since “each paradigm contains its own account of how the world facing policymakers operates and each account is different, it is often impossible for the advocates of different paradigms to agree on a common body of data against which a technical judgment in favor of one paradigm over another might be made” (Hall, 1993, 279).

As a result, what is considered to be evidence and what evidence means is inherently contestable. Simply stated, this means that “discrediting a policy paradigm is a much more contested and interpretive process than the one which lies behind scientific refutation” (Wilder and Howlett, 2014, 187). This implies that (1) the process of their replacement is likely to be more social and political than scientific, (2) issues of competing authority are likely to be central to the process of (policy) paradigm shift and, (3) that “the movement from one paradigm

to another ... is likely to involve the accumulation of anomalies, experimentation with new forms of policy, and policy failures that precipitate a shift in the locus of authority over policy and initiate a wider contest between competing paradigms” (Hall, 1993, 280). In supporting this view policy paradigm shifts, Blyth proposes that the fact that the 2007-8 global financial crisis did not cause a paradigm shift seems to demonstrate the strength of the this account of paradigm shifts (2013, 206), since while the crisis represents the failure of decades of received wisdom of the neoclassical policy paradigm, no paradigm shift has taken place; quite the contrary (Quiggin, 2011; Mirowski, 2013). Thus, Blyth explains, “it is politics, not economics, and it is authority, not facts, that matter for both paradigm maintenance and change” (Blyth, 2013, 210). But how does this play out in practice? How do certain ideas come to exert influence on the policy-making process while others are marginalized?

In exploring this issue, Widmaier’s (2016) “staged theory” of ideational power provides a useful starting point. In this account, ideas that were initially used as rhetorical instruments to defend a particular policy can sometimes take on “structural weight” that makes them function “at a deeper level than [mere] policy ideas” as the “unarticulated ... background knowledge” that limit the range of policy options that are understood as being potentially acceptable (Widmaier, 2016, 345). Although the process wherein specific ideas come to be embedded in this way is clearly shaped by power relations, once specific ideas come to be embedded into important institutions, they can have a significant impact on the manufacture of policy in their own right.

In this process, the struggle over who gets to occupy those sites which really matter in interpreting events and anomalies and imposing meaning onto the facts is central. The work of policy takes place within ‘gated’ policy communities. Policy paradigms operate, are fought over, maintained or overturned, within specific social, material and institutional ‘locations’. While policy expertise is distributed both in and outside of the state apparatus, policy decision makers, those who ultimately construct a policy, and in the process determine what will be done or not done and how, are employed within the formal state apparatus. It is here that the work of policy is conducted. This means that the kinds of ideas which come to form the core of policy paradigms, the role of experts in maintaining, transferring, and applying these ideas, and the strategies that are used by those seeking to foster or preclude a policy paradigm shift, are all crucially centered on and shaped by these locations.

The policy-making process is often quite unresponsive to influences originating outside of the specific 'locations' from which public policy is manufactured. Policy work, and those who conduct the crafting, insulate the policy function of the state apparatus from unorthodox policy alternatives. Alternatives are filtered out through a dense network of ideational relays including think tanks, consultants, and various policy entrepreneurs within or well-linked to the state from the outside. As a result, the composition of these 'locations', and the social, technological, political, and institutional networks to which they are connected, significantly shape how policy paradigms operate. To borrow from Blyth's (2013) formulation above, while it is indeed 'politics and not economics' that "matter for both paradigm maintenance and change", an important aspect of this is the inherently political struggle over paradigm maintenance and change which is shaped by the institutional terrain. To gain a better understanding of the power dynamics involved in maintaining or replacing a policy paradigm, it is important to more closely consider not only the composition of the 'locations' within the state apparatus in which policies are constructed but also the specificity of their connections with the social, political and academic actors outside of the state apparatus. In the next section, we examine the relationship between the current neoliberal policy paradigm and the institutional structure of the post-welfare state apparatus.

Transforming the Structures of the State Apparatus and the Neoliberal Paradigm

The Keynesian welfare state apparatus³ emerged out of a period defined by the events of the Great Depression and the Second World War that had provoked a re-thinking of how business, labour, and government could work together in ensuring economic stability within the context of overall growth. Through these formative events, governments had "learned a great deal about the practical problems of macroeconomic management" and broader views

³ In this paper, we use the concept of the 'state apparatus' in order to forestall the tendency to reify the state as a homogenous, unified and rational actor. The state apparatus refers to the administrative bureaucracies, legal systems, and military and police organizations, among others, that are involved in regulating social and economic relations (Miliband, 1972). These are the "legally defined organizations that wield state authority, that is, organizations whose goals and modes of action are defined within the law-making process, and that can mobilize state force, bureaucratic, judicial and physical force to implement their decisions" (Gran, 1994, 65).

concerning the role of government in the administration of the economy had become generally more positive (Drache, 1996, 32). The welfare state apparatus served this purpose as it organized political power and administrative capability “in an effort to modify the play of market forces” through the provision of social security programs such as insurance against unemployment, illness, accident, and old age (Briggs, 2000, 18). Consequently, “this new system also demanded new institutions, a new politics, and major changes in the role of the state” (Ross and Jenson, 1985/86, 24). As is well documented, the Keynesian Welfare state began to wobble and undergo transformation through the 1980s (Alber, 1988; Peters and Savoie, 1993). In a context of increasing inflation and unemployment and the decline of both profitability and disposable income (Goldthorpe, 1984, 2), the welfare state slowly “unravelling” (Banting and Hoberg, 1997, 410). Its decline was accelerated and celebrated by Reagan and Thatcher’s ascendant brand of ‘New Right’ thinking which counter-posed its values of economic liberalism, individualism, and inequality to those associated with the postwar social contract of collectivism, social rights and equality (Farnham and Horton, 1996, 12).

It was in this context that the ‘New Public Management’ (NPM) movement arose as the “domesticated, depoliticized version of the New Right or market liberal policy analysis, made somewhat more technical, consensual and generic” (Dunleavy, 1997, 17). The key characteristics of NPM include: 1) a shift in focus from inputs and processes and towards outputs and outcomes (results); 2) a shift towards more measurement and quantification; 3) a preference for more specialized lean, flat and autonomous organizational forms; 4) replacing hierarchical relationships with contract relationships; 5) use of market or market-type mechanisms (MTM’s) for the delivery of public services; 6) an expanded concern with service quality and a consumer orientation; 7) a blurring of the separation between the public, private and non-profit sectors; and 9) a shift in core values away from universalism, equity, and security and towards efficiency, economy, effectiveness and individualism (Pollitt, 2003, 27-28). Within this perspective, the proper role for government came to be redefined as one where the objective was to “reduce or relinquish their previous responsibilities for maintaining full employment and a comprehensive system of state welfare; ... privatize public services or their delivery whenever practicable; and ... reform their own operations in accordance with market concepts of competition and efficiency” (Self, 1993, ix). As such NPM “provides a label under which private sector disciplines can be introduced to the public services, political control can be strengthened, budgets trimmed, professional autonomy reduced, public service

unions weakened and a quasi-competitive framework erected to flush out the natural inefficiencies of bureaucracy” (Pollitt, 1990, 49). In this sense, NPM can be thought of as a transmission belt for the transfer of neoliberalism into public sector organizations (Spronk, 2007).

While there are definitional debates regarding neoliberalism (Cahill and Humphreys, 2019, 2), it can generally be defined as a paradigm applying a market approach to governance and as such represents an ideological shift in the role of government. Harvey suggests it is a theory “proposing that human well-being can best be advanced by the maximization of entrepreneurial freedoms within an institutional framework characterized by private property rights, individual liberty, unencumbered markets, and free trade” (2007, 22). In policy, it manifests itself as market liberalization, deregulation, privatization and an erosion of worker and social protections (Larner, 2000). While neoliberalism is often presented as a force hostile to the state, actually existing neoliberalism is a paradox where the “state is to be simultaneously rolled back and rolled forward. Non-interventionist and decentralised in some areas, the state is to be highly interventionist and centralised in others” (Gamble, 1988, 28). This is the paradox of “centralized decentralization” (Hoggett, 1996, 74, 9-32). It is necessary to centralize power in order to dismantle state-provided social protections and to use state power to advance the neoliberal project. This is the central paradox of the neoliberal state apparatus and it is absolutely critical to an understanding that despite the rhetoric of ‘rolling back the state,’ building the neoliberal state in fact requires that the state be reorganized as an active instrument for marketization (Gamble, 2006, 21-2; Harvey, 2007, 22).

This paradox at the heart of neoliberalism manifests itself in the effects of NPM on structure of the state apparatus. Rather than simply diminish the state apparatus, therefore, NPM reconfigures the distribution of power within and between its component parts and its relationship to forces outside of it such as capital, labour and other civil society movements (Harvey, 2005, 78). More specifically, the implementation of market fundamentalist interventions requires a concentration of authority at the centre of the state. Thus, while NPM is identified with decentralization, that is so with respect to delivery. The assertion of a new managerialism within the neoliberal state apparatus renews the old concept of the politics-administration dichotomy by empowering managers but also gives greater control over policy to central agencies, the executive and the political arm of government (i.e. ministerial offices and staff) (Savoie, 1994).

NPM was thus no mere effort at tinkering but rather sought a transformation within the public sector and the public sector's relationship to government and economy and so "aims at the replacement of the traditional model altogether" (Hughes, 2003, 50; Clarke and Newman, 1997). The new model of public administration was explicitly directed at "achieving more frugal, more efficient...more effective...governments" (Lynn, 2006, 104). Since these views did not sit comfortably with the post-war state inhabited by a closely-knit set of senior public servants and political leaders who shared common values respecting the mixed economy and the welfare state (Heclo and Wildavsky, 1981, 30), it was necessary to co-ordinate the political/managerial resources required to overcome resistance (e.g. Pusey, 1991). On an ideational level, the legitimacy of the policy proposals espoused by NPM and proponents of the neoliberal state apparatus rested largely on the authority of the world view espoused by neoclassical economics. Economics, more so than any other social science, has been an exceptionally powerful academic discipline in its ability to inform public policy (Schneider and Kirchgässner, 2009, 324). Economists are in this respect "gatekeepers" occupying a strategic location for providing the theoretical rationale informing the allocation of public resource (Markoff and Montecinos, 1993, 52). In addition, because of this preponderance, "(a)spects of economic theories and techniques become embedded in real-life economic processes, and become part of the equipment that economic actors and ordinary citizens use in their day-to-day economic interactions" (Fourcade et al., 2015, 109). As a result, the indirect influence of economists is often just as important as their direct influence in reshaping "how non-economist policymakers understand a given issue" (Hirschman and Berman, 2014, 780). In short, they frame problems and thus establish the range of policy interventions to be considered.

Though the prominence of economics is not in itself new, the discipline itself has changed substantially since the end of WW2. Indeed, through the Great Depression and the post-war era, a "generation of Keynesian trained economists and policy analysts came to the fore and populated a growing state apparatus (Evans, 2005, 25). However, even as that paradigm wobbled, economists continued to work as key policy actors but with "newer ideas of economic management" that "now come with an impressive variety of complex and esoteric models of their own and require equally elaborate technical staffing" (Markoff and Montecinos, 1993, 43). The influence of economists assumes an intellectually hegemonic location of this discipline over other social sciences. The scientization of economics, referring to the application of empirical testing, typically by various

mathematical methods, provides the methodological foundation for this status as the ‘queen of the social sciences’. Economists have thus perceived their role as above sectional politics as theirs is a discipline “whose intellectual achievements are held to be in the refinement of beautifully abstract and highly mathematized models” (Markoff and Montecinos, 1993, 51).

This scientization works to depoliticize economic policy (Dyson and Marcussen, 2009) and so contributes to insulating the prevailing orthodoxy from alternative models. More than this, scientized economics reduces the debate to one based on purely technical, and therefore apolitical, solutions which share the same assumption respecting macroeconomics. This depoliticization through scientization is not unique to the neoliberal state. Indeed, policy problems were framed by Keynesian economics as “technical questions to be solved by economic experts. Because the problems are understood as merely technical ones, they appear to be beyond the political sphere” (Wisman, 1991, 118). As a result, contemporary neo-classical economic theory thus function “mainly as a surrogate ideology for the market economy” (Keen, 2011, 4) and economists have at times been described as ‘carriers’ of the neoliberal market ideology (Evans, 2017, 226-31).

Despite initial rumblings that the 2007-8 Global Financial Crisis (GFC) would lead to a decline in the authority of economics and potential shift away from neoliberalism (Collignon, 2008), outside of relatively minor changes to prudential financial regulation, the longstanding prestige and influence of neoclassical economics within the policy making process has not significantly diminished since the GFC (Mirowski, 2013, 158; Crouch, 2011; Quiggin, 2011). This progressive institutionalization of neoclassical economics and its ability to withstand substantial opposition and empirical evidence (the GFC) suggesting that many of its central assumptions are flawed or simply false, finds many echoes with Widmaier’s (2016) ‘staged theory’ of ideational power, discussed above. What has so far remained largely unexamined is the role played by changes in the state apparatus in enhancing the stability of the neoliberal policy paradigm. In the next section we examine this issue by drawing on previous and recent semi-structured interviews.

The Neoliberal State Apparatus, the Centralization of Power, and the Policy Process

In many Western countries, policy often had what could be characterized as an ‘upward’ movement within state bureaucracies; with policies being

developed in departments by public sector advisors before being presented to members of the executive for appraisal and decision (Evans, 2017, 10). This process allowed for input from various sources and included an important role for public sector policy analysis (Good, 2013, 213). However, the centralization of political control discussed above has been accompanied by a movement to repoliticize the state by concentrating policy making authority in specific strategic centres operating largely under the direct control of the executive branch (Aucoin, 2010; Savoie, 1994). The public policy expertise upon which governments rely is thus increasingly centered outside of the civil service. Public policy work becomes politicized as work which had been the purview of the public service is “turned over to ... partisan policy advisors, to think tanks and to lobby firms for advice” (Savoie, 1993, 21-2). Policy work within the neo-liberal state is one in which influence over the design and manufacture of policy is now limited to a limited number of central actors and in which “public service advisors are either shunted aside or are recruited for their ‘political’ fit” (Evans, 2017, 233). Whitehall scholar Peter Hennessey observed of the Thatcher era that the expanding role of external policy advice has produced “an era when the Armani-clad minds in the penumbra of fad-and-fashion prone private think tanks can be preferred (especially if their advice comes gift-wrapped and suitably politically tinted) to that more sober, sometimes inconvenient fare served up by the tweed-clad minds in the career bureaucracy” (1997, 4-5). This has created formidable barriers that effectively exclude alternative ideas from having any influence on the formal policy process.

For instance, in a series of interviews with Ontario government policy analysts and policy managers conducted in 2005, a number of themes emerged respecting how policy work was restructured through the 1990s and beyond. These themes included an observed diminishment of research capacity within the public service and the increasing centralization of power in the executive (Evans, 2005, 34). In addition, the interviews identified the overt politicisation of the policy agenda and the decline of research and evidence in the policy process (Evans, 2005, 37). The decline in policy capacity was understood to be linked to the centralisation of power in the Premier’s Office as well as the “marginalisation of the public service from participating in policy formulations which had been a central function in the post war period” (Evans, 2005, 35). Commenting on these changes, one former executive noted that the “OPS had lost its capacity to say ‘no’ in the Harris years” (Evans, 2005, 35). The reference to Harris being to Mike Harris who served as Premier from 1995 to 2002 and whose government pioneered the most radical and aggressive neoliberal policy agenda in Ontario’s

modern history. Echoing this view, one senior policy manager observed that senior executives have increasingly “seen their role as facilitating the political agenda in an expeditious 'make it so' manner without full due diligence” and that “decisions are made through a political filter not a technical one” (Evans, 2005, 38). Another executive ranking informant commented on the “growing policy role of politicians and their 'external advisors' and the commensurate marginalisation of the public service” as having “moved (the public service) from being architects to being contractors” (Evans, 2005, 35).

These findings are echoed by a 2012 survey of 1510 government and non-government policy workers in three Canadian provinces provides some insight into the centralized and insular nature of the policy making process. Survey responses revealed that approximately 30 per cent of non-government respondents indicated they were never invited to consult with government and between 6 and 13 per cent were invited on a monthly basis to engage in a policy dialogue. Moreover, more than 46 per cent indicated that they worked with government on a policy issue only after all key design issues were decided or were limited to an implementation role (Evans and Sapeha, 2015, 258). A related research project entailed 31 semi-structured interviews with government and non-government policy and program staff working in the immigrant settlement field. The interview probed the working relationship between the government and non-government actors in this specific field. The general view of non-government staff was that “policy consultations were largely predetermined ... Their experience of policy engagement with government was often simply frustrating. Despite providing what they viewed as relevant information and perspectives that would benefit policy design, this was too often not heeded” (Evans and Shields, 2014, 122). Interviews with 18 trade union-based researchers also struck a rather negative experience in dealing with government. Indeed, all informants “characterized the climate for labour policy advocacy as ranging from “chilly” to “hostile,” (Evans and Ross, 2018, 340). In addition, all experienced a decline in their ability to access policy makers accompanied by a “prevailing sense that the message was not being heard by simply putting forward evidence” (Evans and Ross, 2018, 340).

These conclusions find additional support from eight more recent interviews, carried out in March, April and May 2018 with former and current public service policy advisors and senior managers whose careers were in the Ontario Public Service (OPS), the permanent, non-partisan governmental bureaucracy. Most participants touched on the decrease in the role of expertise

in the process and the increased prevalence of centralized top-down policy manufacture. Thus, one participant noted that “knowledge and expertise were valued more in the 1990s” but that, “over time” it had become “less valued” and that they felt that they had become primarily a “typist” rather than a “knowledge worker” (Interview 1). Another participant, having been a long-time public service employee (26 years), observed that during their time in government they had “witnessed the degradation in the use of knowledge in the policy process” (Interview 2). During the Peterson government (1985-1990), they noted, government “consulted widely with experts” and “this insight was shared and discussed among the policy staff” (Interview 2).

However, this is “no longer the practice” and now things are “driven by political expediency” with decisions being made in the assistant deputy minister’s office or the deputy minister’s office and policy staff’s job being limited to “build around what is given” (Interview 2). One participant admitted that they saw the role of knowledge and expertise in the policy process as being “generally perfunctory”; noting that there is an ‘obvious’ tendency to ‘curate’ “evidence to support a (given) policy direction” (Interview 3). This view was echoed by participant 4 who noted that while evidence plays a role, if it does “not support the political direction then we curate that evidence to align with the political direction” (Interview 4). Similarly, a former senior policy manager observed that “evidence is contestable. There are so many competing interests to weigh. For decision-makers evidence can then be tricky. There is a critical role for evidence in problem identification but then it must align with stakeholder definitions of the problem and their solutions to some degree. And evidence must reflect the priorities of the government or it will be ignored” (Interview 8).

From this perspective, they continued, “research is not really important. You make the data/evidence fit the political direction” (Interview 4). They concluded that they had had “no experience where the evidence swayed the position of political leaders” (Interview 4). One participant was even more blunt in making this point, noting simply that “politics trumps evidence-based policy making” (Interview 5). In the words of another, “political congruence was always more important than superior data” (interview 1). From this perspective, as two participants noted, policy expertise was often limited to the creation of narratives using data to support policy directions communicated by the central agencies or the minister’s office (Interview 5; Interview 6). Though one participant did highlight a recent “push to a more evidence based approach to policy work” in the OPS, they did nonetheless add that the process is largely driven by political

decisions by elected leaders, where decisions about which policies to pursue often emerging out of high level meetings and, from the perspective of public sector employees, seemingly coming “out of no where” (Interview 7). This same participant did note however that the role of expertise is related to the issue area, with specialized forms of knowledge playing more important role in highly technical issues dealing with things like radiation and asbestos, but less so in economic policy, which is less technical (Interview 7). This supports previous arguments made in this direction by Hirschman and Berman (2014).

Overall, these accounts largely supported the view that most of the important policy decisions were informed by political considerations and that direction nearly always came from the premier or minister’s office, the deputy minister or the assistant deputy minister or from some other central agency (Interviews 1, 2, 4, 5, 6, and 8). Two participants noted that the Ministry of Finance and the Treasury Board were the most important actors involved in deciding which policies were pursued (Interview 1 and 2), and that they essentially were the “veto point” deciding which initiatives were taken up and transformed into policies (Interview 2). These claims support previous findings by Blakeney and Borins that governments also have a tendency to only accept advice from public servants when it is either “consistent with the broad outlines of government policy” or it is in an area “where the government doesn’t have strong policy ideas” (1998, 49).

In general, these interviews support arguments in the literature about the increasingly centralized nature of the policy making process and the resulting marked decline in the role played by public sector expertise and knowledge as an independent driving force in the manufacture of policy. However, we would maintain that this does not simply imply that knowledge and expertise does not matter for the policy making process, nor that policy paradigms do not have an impact on the manufacture of policy, having been replaced by explicit and overt politically led direction from central agencies and the offices of ministers, deputy ministers, and/or assistant deputy ministers. Rather, what it does appear to support is the view that struggles over the content of policy paradigms in the era of neoliberal market states now take place in a narrower set of ‘locations’ than they did in the era of the Keynesian welfare state apparatus. The kinds of knowledge and expertise that matter are narrow(er than they used to be) and those that do not have the right characteristics or institutional origins are filtered out or not listened to in the (now) highly centralized locations from which policies are manufactured in practice.

What we propose is thus not only that the dominance of the neoliberal policy paradigm constrains policies by making some options less credible but also that the neoliberal state-apparatus has altered the composition and environment of the institutional 'locations' from and through which public policies are manufactured. These changes have fostered a situation in which the policy making process is increasingly insulated from the influence of ideas that either originate from outside of the very select locations from which they are usually drawn or are composed of content that goes against the core ideas of the neoliberal policy paradigm. This has important implications for how we understand the causal mechanisms underlying the change or stability of policy paradigms. For instance, it implies that the process of overturning and/or replacing current (neoliberal) is not simply a matter of achieving electoral success.

The central ideas of the neoliberal policy paradigm appear to have become sufficiently embedded that it is often politically expedient for successive governments to draw on it when manufacturing their policies even when they might genuinely desire adopting alternative policies. In many cases there are actually mechanisms in place, like credit rating agencies for example (Sinclair, 2004), that push against the incorporation of alternative or counter-hegemonic ideas into the highly centralized location from which policies are manufactured. This can mean that governments seeking to draw on alternative or heterodox ideas can find themselves being coerced or pushed in various ways to avoid doing so and to stick with ideas from the dominant policy paradigm. This also means that focusing attention on changing the beliefs of public sector experts is likely to meet with only limited results since for the most part ideas that are popular outside of the centralized locations in which policies are manufactured tend to not be allowed to cross these important boundaries.

Conclusion

Here we have explored the relationship between policy paradigms and changes in the structure of the state apparatus. It is argued that an important, but mostly unexplored dimension in understanding the dynamics involved in the struggle over policy paradigms, is the institutional structure of the state within which they are embedded. Through this, we sought to contribute to the development of a better understanding of both the role of expertise in the manufacture of policy as well as the broader relationship that exists between policy paradigms and the institutional structure of the state apparatus within which the policy process is embedded. Thus we argue that transformations in the

structure of the state apparatus within which the manufacture of policy is embedded appears to have altered the role played by expertise and knowledge in the policy process. The shift in policy paradigms (from Keynesianism to neoliberalism) that led to significant changes in the structure of the state but also altered the ground on which struggles over policy paradigms takes places.

References

- Alber, J. 1988. Is there a crisis of the welfare state? Crossnational evidence from Europe, North America, and Japan. *European Sociological Review*, 4(3), 181-205.
- Aucoin, P. 2010. "Canada". In *Partisan Appointees and Public Servants: An International Analysis of the Role of the Political Advisor*. Chris Eichbaum and Richard Shaw eds., Northhampton, Mass.: Edward Elgar.
- Banting, K. G., & Hoberg, G. 1997. *Degrees of freedom: Canada and the United States in a changing world*. McGill-Queen's Press-MQUP
- Béland, D. 2009. Ideas, institutions and policy change. *Journal of European Public Policy*, 16(5), 701 –18.
- Béland, D. 2005. Ideas and social policy: An institutionalist perspective. *Social Policy & Administration*, 39(1), 1-18.
- Béland, D., & Cox, R. H. 2013. The politics of policy paradigms. *Governance*, 26(2), 193-195.
- Berman, E. P. 2017. How Experts Can, and Can't, Change Policy: Economics, Antitrust, and the Linked Evolution of the Academic and Policy Fields. Working Paper.
- Berman, S. 2013. Ideational theorizing in the social sciences since "policy paradigms, social learning, and the state". *Governance*, 26(2), 217-237.
- Blakeney, A. & Borins S. 1998. *Political Management in Canada*, 2nd ed. Toronto: University of Toronto Press.
- Blyth, M. 2013. Paradigms and paradox: The politics of economic ideas in two moments of crisis. *Governance*, 26(2), 197-215.
- Blyth, M. 2002. *Great Transformations*. New York: Cambridge University Press.
- Briggs, A. 2000. The welfare state in historical perspective. *The welfare state reader*, 2.
- Cahill, D. & Humphrys, E. 2019. Rethinking the 'neoliberal thought collective' thesis. *Globalizations*, Winter, 1-18.

- Campbell, J. L. 2002. 'Ideas, Politics, and Public Policy', *Annual Review of Sociology*, 28, 21 – 38.
- Campbell, J. L. 1998. Institutional analysis and the role of ideas in political economy. *Theory and society*, 27(3), 377-409.
- Clarke, J., & Newman, J. 1997. *The managerial state: Power, politics and ideology in the remaking of social welfare*. Sage.
- Collignon, S. 2008. "The Dawn of a New Era: Social Democracy after the Financial Crisis", *Social Europe*, vol. 4, no. 1: 9-13.
- Crouch, C. 2011. *The Strange Non-Death of Neoliberalism*. Cambridge UK: Policy Press.
- Drache, D. 1996. *From Keynes to Kmart: Competitiveness in a Global Age. States Against Markets: The Limits of Globalization*. London/New York, Routledge.
- Dunleavy, P. 1997. The globalization of public services production: Can government be 'best in the world'? In *Globalization and marketization of government services: Comparing contemporary public sector developments*, ed. Andrew Massey. New York: St. Martin's Press.
- Dyson, K and Marcussen, M. 2009. "Scientization of central banking: The politics of apoliticization." In *Central Banks in the Age of the Euro: Europeanization, Convergence and Power*, edited by Kenneth Dyson and Martin Marcussen, pp. 373-90. Oxford: Oxford University Press.
- Evans, B. 2017. Constructing Economic Policy Advice In an Age of Austerity. In McBride, S. and Evans, B. (eds). *The Austerity State*, Toronto: University of Toronto Press, pp.219-241.
- Evans, B. 2005. How the State Changes its Mind: A Gramscian Account of Ontario's Managerial Culture Change. *Philosophy of Management Special Edition, Marx, Marxism and Global Management*, 5(2), 47-68.
- Evans, B. and Sapeha, H. 2015. Are Non-government Policy Actors Being Heard? Assessing New Public Governance in Three Canadian Provinces", *Canadian Public Administration*, 58 (2), pp. 249–270
- Evans, B. and Shields, J. 2014. "Nonprofit engagement with provincial policy officials: The case of NGO policy Voice in Canadian Immigrant Settlement Services". *Policy and Society*, vol. 33, pp. 117-127.
- Evans, B. and Ross, S. 2018. "Policy analysis and advocacy in the Canadian labour movement: When the force of argument is not enough". in Larent

- Dobuzinskis and Michael Howlett editors, *Policy Analysis in Canada*, Bristol UK and Chicago: Policy Press, pp. 331-350.
- Farnham, D., & Horton, S. 1996. "Public service managerialism: A review and evaluation". In *Managing the new public services* (pp. 259-276). Palgrave, London.
- Fourcade, M., Ollion, E., & Algan, Y. 2015. The Superiority of Economists. *Journal of Economic Perspectives*, 29(1), 89–114
- Forshey, J. M. 2005. "Game. Set. Budget". *Journal of Policy Analysis and Management*, 24(2), 428–433.
- Gamble, Andrew. 1988. *The free economy and the strong state: The politics of Thatcherism*. Durham, NC: Duke University Press.
- Gamble, A. 2006. "Two faces of neoliberalism". In *The neo-liberal revolution: Forging the Market state*, ed. Richard Robison. London: Palgrave Macmillan.
- Gamble, A. 2001. Neo-liberalism. *Capital and Class* 75: 127-134.
- Goldthorpe, J. 1984. The End of Convergence: Corporatism and Dualist Tendencies in Modern Western Societies.
- Good, D. 2013. "The New Bureaucratic Politics of Redistribution". In Banting, K., & Myles, J. (Eds.). *Inequality and the fading of redistributive politics*. UBC Press, 210-33.
- Gran, T. 1994. *The state in the modernization process: The case of Norway 1850-1970*. Norway: Ad Notam Gyldendal AS.
- Hall, P. 1993. Policy Paradigms, Social Learning, and the State: The Case of Economic Policymaking in Britain. *Comparative Politics*, 25 (3), 275–96.
- Harvey, D. 2007. Neoliberalism as creative destruction. *The ANNALS of the American Academy of Political and Social Science*, 610 (1), 21-44.
- Harvey, D. 2005. *A Brief History of Neoliberalism*. Oxford: Oxford University Press.
- Hay, C. .1997. "State of the art: Divided by a common language: Political theory and the concept of power". *Politics*, 17(1), 45-52.
- Heclo, H., & Wildavsky, A. .1981. *The private government of public money: Community and policy inside British politics*. Springer.
- Henriksen, L. F. 2013. Economic models as devices of policy change: Policy paradigms, paradigm shift, and performativity. *Regulation & Governance*, 7(4), 481-495.
- Hirschman, D., & Berman, E. P. 2014. Do economists make policies? On the political effects of economics 1. *Socio-Economic Review*, 12(4), 779-811.

- Hoggett, P. 1996. "New modes of control in the public service". *Public Administration* 74 (Spring): 9-32.
- Hughes, O. 2003. *Public management and administration: An introduction*. 3rd ed. Hampshire, UK: Palgrave MacMillan.
- Keen, S. 2011. *Debunking economics: The naked emperor dethroned?*. Zed Books Ltd..
- Larner, W. 2000. "Neo-liberalism: Policy, Ideology, Governmentality," *Studies in Political Economy*, 63: pp. 5-25.
- Lidman, R. & Sommers, P. 2005. The 'Compleat' Policy Analyst: A Top 10 List. *Public Administration Review*, 65(5), 628–634.
- Lukes, S. 2005. *Power: A Radical View*, 2nd edition. Hampshire UK: Palgrave Macmillan.
- Lynn Jr, L. E. 2006. *Public management: Old and new*. Routledge.
- Marx, K. 1994. *Selected Writings*. Indianapolis: Hackett Publishing Company.
- Markoff, J., & Montecinos, V. 1993. The ubiquitous rise of economists. *Journal of Public Policy*, 13(1), 37-68.
- Miliband, R. 1972. *The State in Capitalist Society: The Analysis of Western System of Power*. London: Quartet Books.
- Mirowski, P. 2013. *Never Let a Serious Crisis Go to Waste: How Neoliberalism Survived the Financial Meltdown*. London and New York: Verso.
- Peters, B. G., & Savoie, D. J. (eds). 1998. *Taking stock: Assessing public sector reforms*. Montreal and Kingston: McGill-Queen's University Press.
- Pollitt, C. 1990. *Managerialism and the public service: The Anglo American experience*. Oxford: Blackwell.
- Pollitt, C. 2003. *The essential public manager*. Maidenhead, Philadelphia: Open University Press.
- Poulantzas, N. 1973. *Political Power and Social Classes*. London: Verso.
- Pusey, M. 1991. *Economic Rationalism in Canberra: A Nation Building State Changes its Mind*, New York: Cambridge University Press.
- Quiggin, J. 2010. *Zombie Economics: How Dead Ideas Still Walk Among Us*. Princeton and Oxford: Princeton University Press.
- Raadschelders, J., & Rutgers, M. 1996. The evolution of civil service systems. In *Civil service systems in comparative perspective*, ed. Hans Bekke, James Perry, and Theo Toonen, 67-99. Bloomington: Indiana University Press.
- Ross, G., & Jenson, J. 1985. Post-war class struggle and the crisis of left politics. *Socialist Register*, 22(22).

- Savoie, D. 1994. *Thatcher, Reagan, Mulroney: In search of a new bureaucracy*. Toronto: University of Toronto Press
- Savoie, D. 1993. *Globalization and governance*. Ottawa: Canadian Centre for Management Development.
- Schneider, F., & Kirchgässner, G. (2009). Financial and world economic crisis: What did economists contribute?. *Public Choice*, 140(3-4), 319-327.
- Self, Peter. 1993. *Government by the market: The politics of public choice*. London: Macmillan.
- Sinclair, T. J. 2004. *The New Masters of Capital: American Bond Rating Agencies and the Global Economy*. Ithaca, NY: Cornell University Press
- Spronk, S. 2007. "The Politics of Water Privatization in the Third World," *Review of Radical Political Economics*, 39:1: pp. 126-131.
- Strassheim, H., & Kettunen, P. 2014. When does evidence-based policy turn into policy-based evidence? Configurations, contexts and mechanisms. *Evidence & Policy: A Journal of Research, Debate and Practice*, 10(2), 259-277.
- Waldo, D. 1948. *The administrative state: A study of the political theory of public administration*. New York: Ronald.
- Widmaier, W. 2016. The power of economic ideas – through, over and in – political time: the construction, conversion and crisis of the neoliberal order in the US and UK. *Journal of European Public Policy*, 23(3), 338–356.
- Widmaier, W. 2007. Where You Stand Depends on How You Think: Economic Ideas, the Decline of the Council of Economic Advisers and the Rise of the Federal Reserve. *New Political Economy*, 12, (1), 43-59.
- Widmaier, W. 2004. The Social Construction of the "Impossible Trinity": The Intersubjective Bases of Monetary Cooperation. *International Studies Quarterly* 48, 433–453.
- Widmaier, W. 2003. Constructing Monetary Crises: New Keynesian Understandings and Monetary cooperation in the 1990s. *Review of International Studies* 29, 61-77.
- Wilder, M., & Howlett, M. 2014. The politics of policy anomalies: bricolage and the hermeneutics of paradigms. *Critical Policy Studies*, 8(2), 183-202.
- Wisman, J. 1991. "The Scope and Goals of Economic Science". In *Economics and Hermeneutics*, edited by Don Lavoie, 113-33. London and New York: Routledge.