
Chapter XX:

New Public Management: Restoring the Public Trust Through Creating distrust?

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Introduction

Policy makers frequently invoked restoring the public sector’s legitimacy as one of the main motivations for public sector reform in the 1980s and ‘90s. Low or declining public trust in government and a decline of the public sector’s legitimacy (perceived or real) became a central motivation for public sector reform efforts, notably NPM-style reforms. Low public trust worried governments. Not just because of a rise of populist political parties in many Western countries, but also because it was seen to hinder effective recruitment into the public sector, and because low trust required greater government efforts to ensure citizens’ compliance (OECD 2000: 25).

Declining citizens’ trust in government has been identified as one of the main forces driving changes in government (McNabb 2009). The public sector in the 1980s was seen to be inefficient, non-transparent, and expensive, and was believed not to deliver the services citizens wanted. Dissatisfaction with services was a direct consequence of a low or absent customer service orientation, including unfriendly public officials, incomprehensible forms and long waiting lines.
In this chapter we first show how trust and legitimacy entered the reform agenda and became important motivations for public sector reform programmes in the 1990s. Creating congruence between what public services citizens really wanted and the services the public sector provided was seen as the key to regaining the public trust. In this first part, we also examine whether the basic assumption of declining trust was correct and whether NPM reforms have eventually contributed to restoring trust.

In a second part, we elaborate on the apparent irony that NPM wanted to re-establish the public trust by introducing distrust-based control and compliance mechanisms. We show that this is not necessarily a contradiction by distinguishing between three different types of trust and by outlining NPM’s effect on these three types of trust. We end by discussing the re-emergence of trust-based steering concepts in public management.

**Restoring the public trust by reforming government**

Public trust features prominently in many public documents about public sector reform. One often-used example within the National Performance Review in the US, later the National Partnership for Reinventing Government, made a direct link between the functioning of public services and citizens’ trust. ‘How can people trust government to do big things if we can’t do little things like answer the phone promptly and politely?’, (Clinton and Gore 1997: ix). The Government Performance and Results Act explicitly linked government inefficiency to low trust: ‘waste and inefficiency in Federal programs undermine the confidence of the American people in the Government [...]’ (GPRA, 1993), and many other government reform documents and public speeches from the last
decade of the 20th century show explicit references to trust in government. OECD documents in a similar way posited a relation between public sector performance and public trust, driven by the conviction that trust in government had declined and that therefore a reform was needed (OECD 2000). Reform programmes were very optimistic about their own impact on the public trust. The National Partnership for Reinventing Government (NPR) in the US boldly stated in 2001:

After a 30-year decline, public trust in the federal government is finally increasing. When last measured by the University of Michigan in 1998, the public's trust in government had nearly doubled within a four-year period to 40 percent. While this cannot be totally attributed to the results of reinvention, NPR believes reinvention has made an important contribution in raising the public's trust in the government and creating a better workplace for federal employees (National Partnership for Reinventing Government 2001).

Many Western governments produced or commissioned reports exploring levels of public confidence in the public sector. Quite a few of these looked into how the performance of public services influenced citizens’ trust, often with mixed results. Examples include a State Services Commission report in New Zealand looking at the relationship between citizens’ trust and government performance in a number of key policy areas (Barnes and Gill 2000), a report written for the Auditor General of Western Australia (Ryan 2000), work by the Audit Commission in the UK looking at trust in public services as part of its work on corporate governance (Audit Commission and Mori Social Research institute 2003a, 2003b), or the Citizens First reports in Canada.

The same period also saw the emergence of systematic measurement of public attitudes towards the public sector (Bouckaert and Van de Walle 2003). Trust and
confidence surveys, barometers, and monitors of all types became increasingly common. Central governments organised broad surveys of public attitudes, while public organisations such as tax offices or police forces commissioned opinion surveys to complement the already available user satisfaction data. Researchers likewise contributed to an expansion of the evidence base on public trust by organising their own surveys (Vigoda-Gadot and Yuval 2004; Christensen and Laegreid 2005).

Surprisingly, few of these initiatives explicitly linked up with research done by political scientists looking into voting behaviour or political cynicism, despite the considerably longer research tradition in this field. While political scientists and sociologists in the 1990s had identified several explanations for levels of public trust, including many political and ideological ones, failing public sector performance became a dominant explanation in governments’ rhetoric, despite the absence of solid evidence. Dissatisfaction with the political organisation of government was suspiciously absent from many analyses, and it appears political discontent had to be deflected and redirected to discontent with the functioning of public services (Van de Walle et al. 2005b). Deflecting the political discontent to the functioning of public bureaucracies also allowed politicians to strengthen their grip on the bureaucracy and to create support for public sector reform programmes. This despite the fact that politicians and political parties ranked considerably below public officials and bureaucrats on the lists of most trusted public institutions.
What kind of trust and legitimacy problem?

Government’s image has long been a worry for policy makers and political leaders. In the public discourse in the 1990s policy-makers frequently referred to findings from opinion polls to express their concern about the public sector’s image, especially when these polls showed a long-term decline in trust. During the NPR in the US, it had become quite common to refer to the longitudinal National Election Studies surveys that indeed showed levels of trust in government in the early 1990s that were considerably lower than those in the late 1950s. Yet, at the same time, arguments about a steady decline of trust are not supported by the data. Still, trust in government was exceptionally low in the early 1990s, giving policy-makers a good reason to worry. The stream of academic books on trust in government shortly thereafter also reflects this concern, and not just in the US (Norris 1999; Nye et al. 1997; Kaase and Newton 1995).

In European countries, overall levels of trust can be measured using the European Commission’s Eurobarometer which provides a time series starting in 1973. Satisfaction with the way democracy works is in this context generally used as an indicator for broad disaffection from the political system. Despite recurrent rhetoric about declining trust, Eurobarometer data show many fluctuations, but few downright declines in public trust (Van de Walle et al. 2008). In many other countries, including NPM champions such as New Zealand or Australia, solid longitudinal opinion data were simply unavailable in the 1990s when much of the discourse on declining trust was at its height. More specific data on changes in public confidence in the civil service in a series of countries, taken from the World Values Surveys, neither show a coherent universal decline in confidence (Van de Walle et al. 2008).
Neither the absence of proper longitudinal opinion data, nor the absence of clear downward trends where such data do exist should discredit the overall argument that the public sector was suffering from a legitimacy crisis though. Despite considerable differences in absolute levels of trust across countries, most Western countries considered public trust to be problematic. Politicians and civil servants generally dangled near the bottom of lists of most trusted professional groups, many countries suffered from declining voter turnout and an increase in protest votes, and several countries suffered from public scandals laying bare the defective functioning of the public sector. A political discourse about declining trust appealed to many, and served as a mobilising force to put public sector reform firmly on the agenda (Van de Walle et al. 2005b).

Building legitimacy by delivering what citizens really want?

The perceived decline in trust was attributed to governments’ inability to provide citizens with the public services they really wanted and needed. Not only, it was argued, was government delivering the wrong services, it also delivered them in an inefficient and inaccessible way. Government was seen as out of touch with people’s need. It would have to build trust through providing more choice, democracy and transparency (OECD 2000: 12).

These strategies to improve trust are actually based on the very straightforward assumption that creating congruence between what citizens want and what government delivers is the surest way to creating more trust. Such responsiveness effectively transforms the public sector into a reactive public sector, and citizens into consumers. The state becomes a supermarket state (Olsen 1988). One other element of public sector
reform that still featured prominently in e.g. Osborne and Gaebler’s *Reinventing Government* quietly disappeared from the public sector reform agenda: Community. Apart from improvements in service delivery Osborne and Gaebler also promoted a more democratic public sector, through more participation and a community-owned public sector (1992: 49-75). Efforts to restore legitimacy, however, almost exclusively focused on transforming government into a business-like government. New communitarian ideas found relatively little expression in public sector reforms, and were largely restricted to (intended) reforms in the political sphere.

Public sector reform efforts to restore trust focused on reducing the distance between government and citizens by creating a new public services mission based on high quality services reflecting the user’s concern (Ferlie et al. 1996: 15). One way for doing so was to restore congruence between citizen needs and wants and the supply of public services. The second was to improve the quality of how services were being delivered, and thus the service orientation of the public sector. These two approaches are largely built on an assumption of considerable homogeneity in the public’s demands, and assume that citizens have a clear and consistent idea of what they really want.

**Congruence between supply and demand**

By delivering those services citizens really wanted and needed, governments hoped to close the gap with citizens. By putting citizens first and giving them choice, citizens would be able to receive the services they wanted, and not those service providers thought they wanted (Kettl 2000: 2). This could be done through introducing competition and other market mechanisms, where the idea was that public organisations would cease
delivering those services citizens didn’t want anyway. Because of the disappearance of monopolies, (public) service providers would furthermore have to invest in their customer relations.

Creating congruence between supply and demand of services, or delivering what users want, meant an abandonment of standardised services and of rationing services (Clarke et al. 2007). Citizens as customers would be able to choose those services they wanted, from a multitude of suppliers. Doing so required the creation of a public services market, and the provision of market information to inform citizens' choices. Vouchers and service fees gained importance alongside, or even instead of, public services paid through general taxation. The latest addition is the trend towards the differentiation of consumers (Simmons 2009; Laing et al. 2009) and the personalisation of public services (Needham 2009a, 2009b), supposedly intended to create a perfect match between supply and demand through offering customers a tailored service.

A service orientation

The second objective of public sector reforms was to improve the service orientation of public services through customer-oriented reforms. Not only at the basic level of reducing waiting times, improving communications, or pimping waiting rooms, but also at a more generic level by introducing new opportunities for citizens to express voice and exercise choice. Many now common features of a service orientation in the public sector only emerged in the 1990s. Examples include the introduction of user charters such as the Citizen’s Charter in the UK and similar charters in many other European countries; a proliferation of complaints handling procedures and of ombudsmen offices; and a
strengthening of citizens’ opportunities to use administrative law to challenge administrative decisions. Gradually, the idea of the anonymous civil servant was also abandoned through introducing name tags and through making direct telephone numbers of case workers available to citizens, in order to reduce the distance between citizens and government. The introduction or strengthening of Freedom of Information laws and the growth of government websites would contribute to making government more transparent. The influence of NPM ideas led to public sector organisations copying service orientation ideas from the private sector.

**Performance and trust**

The emergence of NPM-thinking did not just lead to a series of specific innovations. It also led to a shift in the (perceived) drivers of public sector legitimacy. Whereas Weberian bureaucracies derived their legitimacy from due process and the pursuit of the public interest, NPM-style public sectors derive their legitimacy from delivering the services customers want in an cost-effective, efficient, and customer-friendly way.

Much of the 1990s reform talk made an explicit connection between the public sector’s performance and its legitimacy. Low public trust was seen as due to low efficiency and the absence of a customer service orientation, and to a mismatch between the services government provided and those citizens wanted. Both empirically and theoretically, such a direct link between government performance and citizens’ trust in government is difficult to sustain (Van de Walle and Bouckaert 2003). Furthermore, testing such a link leads to considerable empirical and conceptual problems (Van de Walle et al. 2005a; Van de Walle and Bouckaert 2007). Empirical research testing this
claim is therefore difficult to find. Where such research exists, evidence of a relationship between trust and performance is not particularly convincing (Killerby 2005; Bok 2001). Derek Bok’s study (2001) in which he compared the effectiveness of American government in the 1960s and the 1990s found little evidence of a direct relationship between citizens’ trust in government and government performance. Earlier, he had already criticised the idea as would public opinion be the best index of government performance (1997: 55-6). Suleiman found that patterns of distrust in Western countries did not seem to correspond to patterns of NPM reforms (Suleiman 2003: 65), and that ‘Data on public distrust do not adequately explain why reforms have been more comprehensive in some states than in others’ (2003: 22).

*Did NPM reforms create more public trust?*

The result appears to be widespread scepticism about the contribution of NPM style reforms and public sector reform in general to public trust. Kettl did a macro-evaluation of the global public management revolution, and concluded, after looking at confidence and trust statistics from the 1980s and 1990s that, ‘There is no evidence that the extensive management and political reform efforts have halted the downward slide of public confidence in government’ (2000: 56). Yet he adds that confidence may need a much longer time to reflect changes in government. Likewise, in assessing the results of public management reform in a set of Western countries, Pollitt and Bouckaert found no indication that public sector reform has lead to an increase in public confidence: there appears to be no relation between the extent of reforms in countries and cross-sectional
differences in confidence, or between the timing of reforms in a country and longitudinal changes in levels of trust (2004: 131).

Critics have even highlighted that particular aspects of public sector reforms may actually have contributed to the public’s distrust. Roberts identified the corrosion of public trust as a potential hidden cost of public sector reforms, because reforms have lead to a concentration of executive authority, and contracting has made control harder through decreased transparency. Combined with a possible decline of public service ethics, he claims, the public sector may have become more vulnerable to scandals (Roberts 1998). Specific innovations related to NPM have lead to considerable popular discontent. Higher executive salaries and a new practice of paying off government executives when things go wrong politically (Gregory 2003: 244), and an increase of unaccountable quangocrats have created considerable distrust. In terms of transparency, business-like operations may have reinforced secrecy, and spin and marketing have been adopted from the private sector. At the same time, new transparency requirements and improved communications have also made public sector deficiencies and government failure more visible (OECD 2001). Despite a growth of transparency-supporting initiatives, government has become more complicated and fragmented making it much less transparent for citizens.

The reform process itself has also been identified as a potential new source of distrust. OECD stated that the large-scale public sector reforms in New Zealand coincided with a decline in public trust because the scope and speed of the reforms made them unpopular, and because the reforms themselves created new expectations (OECD
Protracted public sector reforms may not always be understood by citizens, and may lead to reform fatigue.

**Restoring public trust using a model based on distrust**

NPM-style reforms wanted to tackle low public trust in the public sector due to failing performance and opaqueness. Ironically, it did so by introducing distrust-based innovations. Through a complex system of contracts, fragmentation, short-term explicit standards of performance, and audit and control mechanisms, it inserted a degree of institutionalised distrust into the public sector (Dubnick 2005). It has been suggested that NPM-reforms have driven trust out of traditional bureaucratic interactions, and have, as a result, done little to restore the legitimacy of the public sector. In this section, we show this is only part of the story (Gregory 2003).

**Three types of trust**

Before expanding on this argument, it is necessary to first elaborate on different types of trust. Lewicki and Bunker (1996) distinguished between three types of trust: calculus-based trust, knowledge-based trust, and identification-based trust. Calculus-based trust is based on a calculus of the rewards of being trusting and trustworthy, and the reputation effects of not being trusted. The fear of the effects on trust of certain behaviours thus acts as a deterrent. Where there is calculus-based trust, it is assumed that actors will act in a trustworthy way because of the benefits this brings, or the costs incurred by not being trustworthy. For public officials, such rewards may include receiving a new contract or a promotion, and likely costs are a reputation loss or loosing a lucrative job.
Knowledge-based trust is based on information, not on deterrence. Predictability is a key value in knowledge-based trust relations. Actors can only trust each other when they have sufficient information about each other’s behaviour and intentions. Knowledge-based trust thus implies that trust is not possible where information and knowledge are limited. In a public sector context, knowledge-based trust can be fostered through inserting more and better information into the system.

Finally, identification-based trust is based on mutual identification and shared values and goals. Unlike calculus- and knowledge-base trust, it is not cognitive, but emotional: ‘trust exists because the parties effectively understand and appreciate the other’s wants’ (Lewicki and Bunker 1996: 122).

Lewicki and Bunker (1996:124) regard these types of trust as stages, where stable identification-based trust is limited to a few relationships and takes time to develop. Knowledge-based trust applies to many relationships, and takes some time to develop. Just like identification-based trust, calculus-based trust again only applies to some relationships, but in contrast, it can be developed quite rapidly yet remains fragile. It can only apply to some relationships because it requires constant monitoring, as well as consistent and quick action.

*NPM as a system based on distrust?*

It has been argued that NPM is a distrust-based system. This is only partly true. NPM is indeed built on the initial assumption that interests are antagonistic, and that actors can therefore not trust each other. NPM, with its roots in public choice thinking, is based on
the idea that public officials cannot be trusted – they are self-interest maximisers, using their administration to fulfil this self-interest (Niskanen 1971). Public choice comes with a ‘sceptical or cynical view of the “public service ethos”’, and ‘articulated a moral economy of “mistrust”’ (Clarke forthcoming).

Pre-NPM information deficits and information asymmetries prevented elected officials from controlling public officials and holding them to account. Citizens as well had little information and even less direct links with public officials, making it also for them difficult to check this self-interest. It follows that NPM proponents do not believe in identification-based trust, because such trust assumes commensurability of interests, which is simply thought not to exist. Instead, NPM has focused on creating knowledge- and calculus-based trust. By inserting more control and information in the system, NPM would make it possible for principals and agents to trust each other again.

NPM is thus different from other approaches to the public sector, and especially the Weberian assumption of public officials working in the public interest (an interest that is, furthermore, straightforward to identify), in that it takes distrust as the basic condition of collaboration in the public sector. Principals and agents distrust each other. Ministers are suspicious of the intentions of officials and vice versa, and citizens feel government is not working to their best interest.

This initial distrust between ministers and officials is a central theme in much of the public choice-inspired literature, in public choice-inspired popular culture (see e.g. the sublime TV series ‘Yes Minister’), and indeed in many studies on political-administrative relations (‘t Hart and Wille 2006). Politicians’ and top officials’ interests are antagonistic, and relations between top officials and lower-ranking bureaucrats are
equally problematic. Likewise for citizens, NPM does not expect them to blindly trust
their politicians or officials to deliver high quality services (Christensen and Lægreid
2002: 289), but instead urges them to demand better services and to control government
output (e.g. through relying on publicly available indicators, or through exercising voice
and choice). This background partly helps to explain the initial popularity of NPM-style
reforms: Their anti-government foundation appealed to widespread popular cynicism
about government.

*Creating calculus- and knowledge- based trust*

NPM does not believe in public officials working for the public interest. Antagonistic
interests between citizens and public officials make identification-based trust relations
impossible. But this does not mean that NPM is an entirely distrust-based complex of
reforms. NPM-style innovations focused on reducing information deficits and
asymmetries, and on more elaborate control and compliance mechanisms. Even markets
cannot work with a certain degree of trust between actors. Otherwise, transaction costs
become unsustainably high.

So what we did see following NPM-style reform is a focus on knowledge- and
calculus-based trust mechanisms, instead of identification-based mechanisms. NPM
dismantled identification-based trust relationships (which took time to develop), because
it didn’t believe they can exist, and replaced them by some calculus-based trust
relationships (control mechanisms, short-term contracts, competition), and many
knowledge-based trust relationships (performance monitoring, greater transparency
through disaggregation).
Interactions between ministers and top officials or collaboration between public agencies are typically interactions where there is a relatively small distance between principal and agent. Furthermore, it typically concerns a relatively small number of relationships. In such relationships, therefore, NPM reforms focused on building calculus-based trust. In interactions between top officials and officials working on implementation; interactions between policy makers and schools and hospitals; or interactions between citizens and service delivery bodies, we are dealing with a large number of relationships, making calculus-based trust relationships difficult. In such situations, NPM reforms focused on facilitating knowledge-based trust through making detailed performance metrics available (Van de Walle and Roberts 2008).

**NPM’s effects on identification-based trust**

Through focusing on calculus- and knowledge-based trust, and not on identification-based trust - because the latter was according to NPM’s philosophy theoretically impossible - NPM may have contributed to the destruction of identification-based trust where such trust existed. Through its focus on control and thus initial distrust in public sector reform, NPM has often been blamed for effectively destroying existing trust relations in the public sector. Modern performance measurement and management systems were often seen to be in direct contradiction to traditional trust-based control and steering systems (Halligan and Bouckaert 2009: 271)

One prominent example is the position of professionals in modernised public services. Whereas professional groups such as teachers and health care workers initially had a considerable degree of discretionary space and extensively relied on self-regulation,
distrust-based reforms lead to a (perceived?) decline of autonomy (Ferlie et al. 1996: 11). A system of trust in professional standards and expertise was abandoned and replaced by explicit standards of performance (Hood 1995: 97). An audit explosion replaced trust relationships, and inserted active distrust into the system (Power 1999), creating professionals who didn’t feel trusted anymore (Broadbent and Laughlin 2002). When many of such audit and control systems were subsequently found to be ill-designed and promoting dysfunctional behaviour, they actively started to contribute to distrust (Berg 2005).

In interviews with public officials in New Zealand about the effects of public sector reform, Norman observed that trust was a recurring topic. According to these public officials, it was felt that NPM-related fragmentation and distribution almost deliberatively lead to low mutual trust (Norman 2003: 203). The introduction of new management tools based on distrust lead to decreasing trust between executive leaders and politicians (Christensen et al. 2008: 25). Indeed, ‘Trust has been a significant casualty of systems designed to counter provider capture by using competition as a method of control, and creating distance between principals and agents’ (Norman 2003: 203). This distance, and the related absence of mutual trust, contributed a to a climate of fear where making mistakes and taking risks is not appreciated and even dangerous (Norman 2003: 161). The managers interviewed by Norman in New Zealand stated that committing to high and ambitious targets requires trust (2003: 203). They also considered strict accountability mechanisms as useless if there is no trust between chief executives and ministers, and emphasised the importance of informality and trust in relations
between ministers and chief executives. This sharply contrast with the control, formalisation and contracts on which many NPM innovations are based (Norman 2003: 147), and with the compliance and control routines which were widely perceived as a burden (2003: 199-200).

The disaggregation of the public sector into autonomous units, or the privatisation of parts of the public sector furthermore lead to a decline in cohesion, and possibly of common values (Ferlie et al. 1996: 179). This declining common public service ethic may also mean a disappearance of ‘a network of high trust contract relationships across the public sector (reflected in low transaction costs of negotiations between different public agencies)’ (Dunleavy and Hood 1994: 12). This disaggregation was followed by an active rebranding of organisations, leading to a wide range of unconnected brands, rather than one single public sector brand, and (public) officials now identifying with their own organisation and less with the public sector as a whole. This made identification-based trust harder to achieve.

Low-trust short-term contractual arm’s length relationships have replaced long-term collaboration (Dunleavy and Hood 1994). Such contracts leave little place for relational trust, even though trust is needed, even in contractual relationships (Lane 2000). Using short term contracts for executives may create perverse incentives, and replace mutual trust by opportunism (Gregory 2003: 244). Indeed, the introduction of contractualism, according to Gregory, was based on a ‘belief that people cannot be trusted’ (2003: 245). The result of such contractualisation is then that the new institutionalised ‘mistrust fosters more distrust’ (2003: 245).
Concluding on NPM and trust

While NPM has often been blamed for creating distrust, the previous sections show this needs to be put in perspective. NPM appears to have had a negative effect on identification-based trust, but other NPM-related innovations may actually have contributed to building calculus- and knowledge based trust. The overall evaluation of the effects of NPM depends on the perspective one takes. Some NPM critics equal the pre-NPM period to one where politicians, public officials, and government organisations worked harmoniously together guided by a common public sector ethos and mutual trust relationships.

Others, especially public choice scholars and other scholars focusing on bureau politics, saw widespread distrust in the public sector, both between politicians and top officials, and between ministries defending their turf. Analysts also remarked that prior to the wave of reforms in the 1990s, there was profound distrust between managers and politicians, between managers themselves, between citizens and government etc. (Osborne and Plastrik 1998). Furthermore, traditional trust-based relations were sometimes too cosy, as is evident from widespread politicisation and corruption which helped NPM ideas to gain prominence, and from scandals involving unaccountable professionals. The increasing demands that emerged for increased audit and control are an expression of the distrust that existed (Power 1999), and should probably not be seen as something that was imposed from above, but as something that fell on fertile ground.

A final observation relates to the fact that prior to NPM reforms, many public sectors already suffered from extensive control and compliance systems. Traditional
bureaucratic organisations breathed distrust, and required lower ranking officials to ask permission for everything and explain everything.

This shows that the distrust-creating effects of NPM shouldn’t be overemphasised. What is different though is that NPM style reforms are based on deliberate fragmentation and distribution of functions, and competition, based on an assumption that trust is not possible, while traditional bureaucracy was based on the (mythical?) belief that all officials worked for the public interest.

**A return to identification-based trust?**

In traditional bureaucratic organisations, there existed little or no need for permanent trust building, because trust had become a non-issue because of highly formalised rules and interactions (Grey and Garsten 2001). In post-bureaucratic configurations, trust again became an issue, which was initially solved through implementing control and compliance mechanisms. In more recent approaches to public sector reform, we see that identification-based trust has re-entered the public agenda. Recent trends in public sector reform see public sectors moving away from command and control systems to trust-based steering and collaboration. The desire to lower transaction costs and reduce short-term opportunistic behaviours is at the core of this evolution.

This is evident in a number of evolutions. In contracting, we see a move from short-term contracting to long-term, trust-based relational contracting or partnerships (Greve 2008). Highly specified principal-agent relations are being replaced by collaborative networks, and trust plays an important role in these arrangements (Klijn et al. forthcoming). Trust is also re-entering relations between ministries and executive
agencies (van Thiel and Yesilkagit 2008). The repolitisation of relations between politicians and top executives in some countries is further evidence of this trend (Halligan 2007). The new idea appears to be that ‘trust may best be fostered by trust’ (Gregory 2003: 245).

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