

# Managerialism's Market Values: challenges to mutual care and solidarity in the voluntary sector

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# Overview

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Origins of New Managerialism

Welfare system – Liberal Anglo-Saxon model dominates

Neoliberalism

Privatisation (for profit)

New Managerialism – institutionalising market values of neoliberalism

Impact of New Managerialism – morality of the market in ascendancy

Focus on Measurement, Self-responsibilisation, Language, Values change

New Perspective on citizenship that is Care-led rather than Market-led

What type of welfare state do we have in Ireland ?

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In the history of welfare states there are three dominant ideal-types identified by Esping-Andersen (1990)

- Liberal Anglo-Saxon Model (Ireland, UK, US, Australia)
- Conservative (Germany, Netherlands, Austria, Belgium)
- Social-democratic (Nordic model Sweden, Norway, Denmark).

# Liberal Anglo Saxon model of welfare is dominant in Ireland

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Answers to 2 Key questions determine the status of our welfare model

- How Commodified (market-led) is service provision, i.e. to what extent do people rely on social services in the private market?
  - *Ireland follows the Liberal Anglo-Saxon model: high use of private market services (voluntary and, more recently for-profit); Few Universal welfare provisions (that is social services that are not means-tested)*
- Do social and economic policies promote or undermine social stratification and inequality?
  - *In market income terms, Ireland is the most unequal country in the OECD – Ireland relies heavily on social transfers to compensate for inequalities in market income (CSO, SILC 2013, and Keane et al., 2014, TASC 2016, Lynch, Cantillon and Crean, 2017)*

## Belief in running the country like a business – origins in the late 1990s

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- **The Public Service Management Act (1997)** instituted a technicist approach to change that was strongly driven by business rhetoric in Ireland:

✦ ***Advocates of ‘running the government like a business’ and practitioners of the NPM [New Public Service Management] .....have sought, at least in part, to have the public service operate according to ‘market-like models’. NPM is based on an economic understanding of governance in which the market – or approximations to it – is regarded as the ideal mechanism for the allocation and delivery of public services. Central to this approach is the perception of the citizens as customers. (Collins, 2007: 31).***

- Collins, Neil (2007) ‘The public service and regulatory reform’ in Collins, N., Cradden, T. and Butler, P. (eds.) *Modernising Irish Government: the politics of administrative reform*. Dublin: Gill & Macmillan

## Neo-liberalism is the governing ideology of our time: it is premised on a market view of citizenship

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- Difference between new (neo) liberalism and mainstream liberalism
  - While classical liberalism sees the citizen as a person with rights that can be vindicated vis-à-vis the State, neoliberalism is premised on the assumption that the citizen's relationship to the State is mediated via the Market – citizens are redefined as 'customers' rather than citizens with rights to care, welfare, health care etc.
  - Neoliberalism is fundamentally Hobbesian in character –Focus is on individual responsibility for failure and 'owning' success
  - It encourages the development of the 'actuarial self' where you assess risks, gains, outputs etc.

# Privatisation (for profit) is a further feature of neoliberalism and takes different forms

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- **Happens by:**
- **(1) Introducing market norms** into the governance of public bodies (and voluntary and community organisations) is the first step
- **(2) Ending public programmes which the private sector takes over** (employment services for long-term unemployed (Job Path – run by 2 private operators - *Turas Nua and Seetec*)
- **(3) Withdrawal of government from the direct provision of services, through contracting out (Service Level Agreements)** (refugees in direct provision; care of the elderly, both in homes and now in the community; disability services)
- **(4) Withdrawal of government from financing services** and corresponding increased reliance on private capital (roads, housing) and user charges (health care, education) –**pay-as-you go human rights!**
- **(5) Transfer of public assets to private ownership**, through the sale or lease of public assets, land, infrastructure, and enterprises (Telephone infrastructure; energy division of Bord Gáis)

# New Managerialism represents the organizational form of neoliberalism

Lynch, Grummell and Devine *New Managerialism in Education* (2<sup>nd</sup> ed. 2015)

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- **New Managerialism** involves institutionalising market values, systems and processes in the governance of all types of organizations, including schools, colleges, the civil service and public sector bodies and NGOs
- **Outcome**
  - Public , voluntary and community services mutate from being centres providing welfare, good education, health, elder care etc. based on human need and governed by human rights to **service-delivery operations with productivity targets**
  - Cultural shift is symbolised in the use of market nomenclature within public services – **‘customers’ and ‘clients’**
  - Narratives of collegiality, concern, compassion, care (other-centredness) are often peripheralised through silence



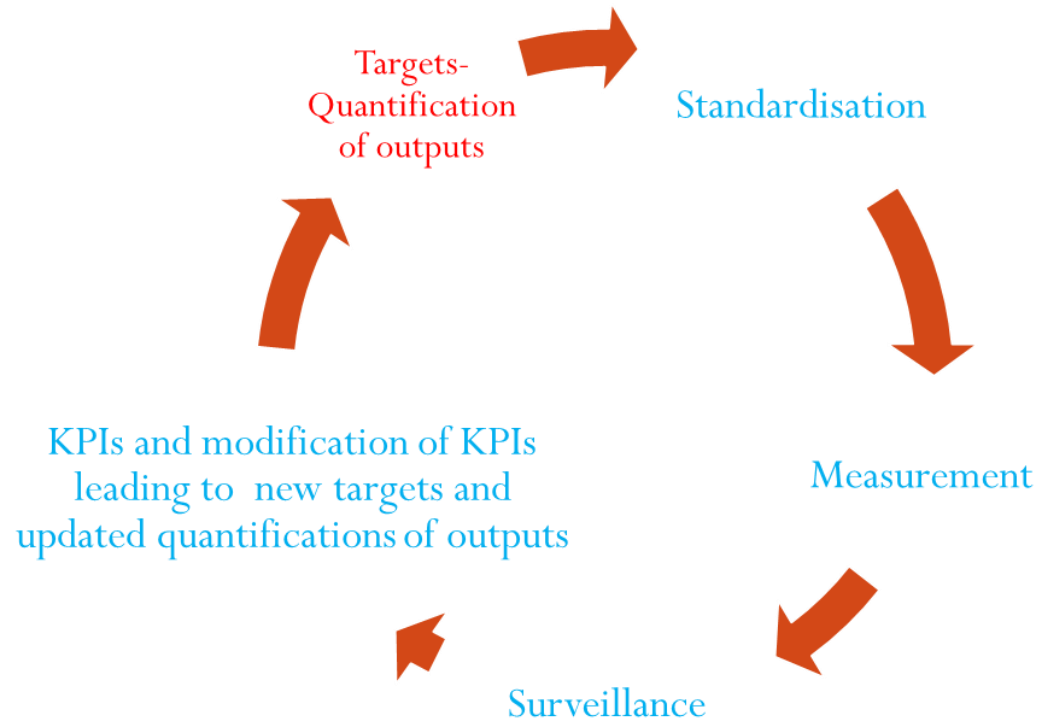
# New Managerialism is the mode of governance aligned with neoliberalism

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- New Managerialism is a politicised form of governance that provides a market-led moral framework for businesses, and organizations modelled on businesses.
- It attempts to institutionalise commercial values on public, voluntary and community services through implementing market-style norms
- It is operationalised through:
  - Standardisation, Surveillance and Measurement (SSM)
  - SSM are key facilitators of market norms as they enable services to be produced in standardised, measurable quantities that can be commodified

# The instruments of control in the new managerial regimes

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# New managerialism – a new moral regulation

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- New Managerialism is a political project.. services becomes **disciplined through market morality** rather than democratic morality
- In adopting business models of operation, public, voluntary and community services **do not just service the market, they emulate its core norms** and values
- A focus on product/output leads to a profound **shift in the cultural norms of services** , from nurture and development to *human capital*: 'outputs', KPIs (key performance indicators), targets, 'deliverables

# New Citizenship and Organisational Imaginaries

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- Increasingly measured, monitored, ranked (market-led) services will create new ideal-type citizens and organisations
- Care and service relationships become defined in **transactional terms** – mean- to-an-end (high productivity, good results, rise in ranking)
- A focus on market efficiency over-rides and weakens other values
  - **First order social and moral values are reduced to second-order principles**: trust, integrity, care, compassion and solidarity are subordinated to regulation, control and competition
  - With the glorification of competition and productivity, **the amoral becomes the necessitous** – documenting scores, attainments, ranks, citations, etc. becomes an industry in itself

# Operationalising the new morality: Measurement

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Digitalised forms of Taylorism are increasingly central to systems of regulation – notably **standardisation, quantification (rankings/league tables) and surveillance (KPIs, score cards)**

Numbers, as signifiers of value, operate symbolically and can be interpreted cross-culturally without the messy complexity of words - powerful in their **trans-world communicability**

With measurement new imaginaries develop – re-framing how we think of ourselves and our futures in measurement terms

- **Quantifiable Workers (QW) and Quantifiable Citizens (QS) ..not entirely new, but now it is normalised and morally unquestionable**

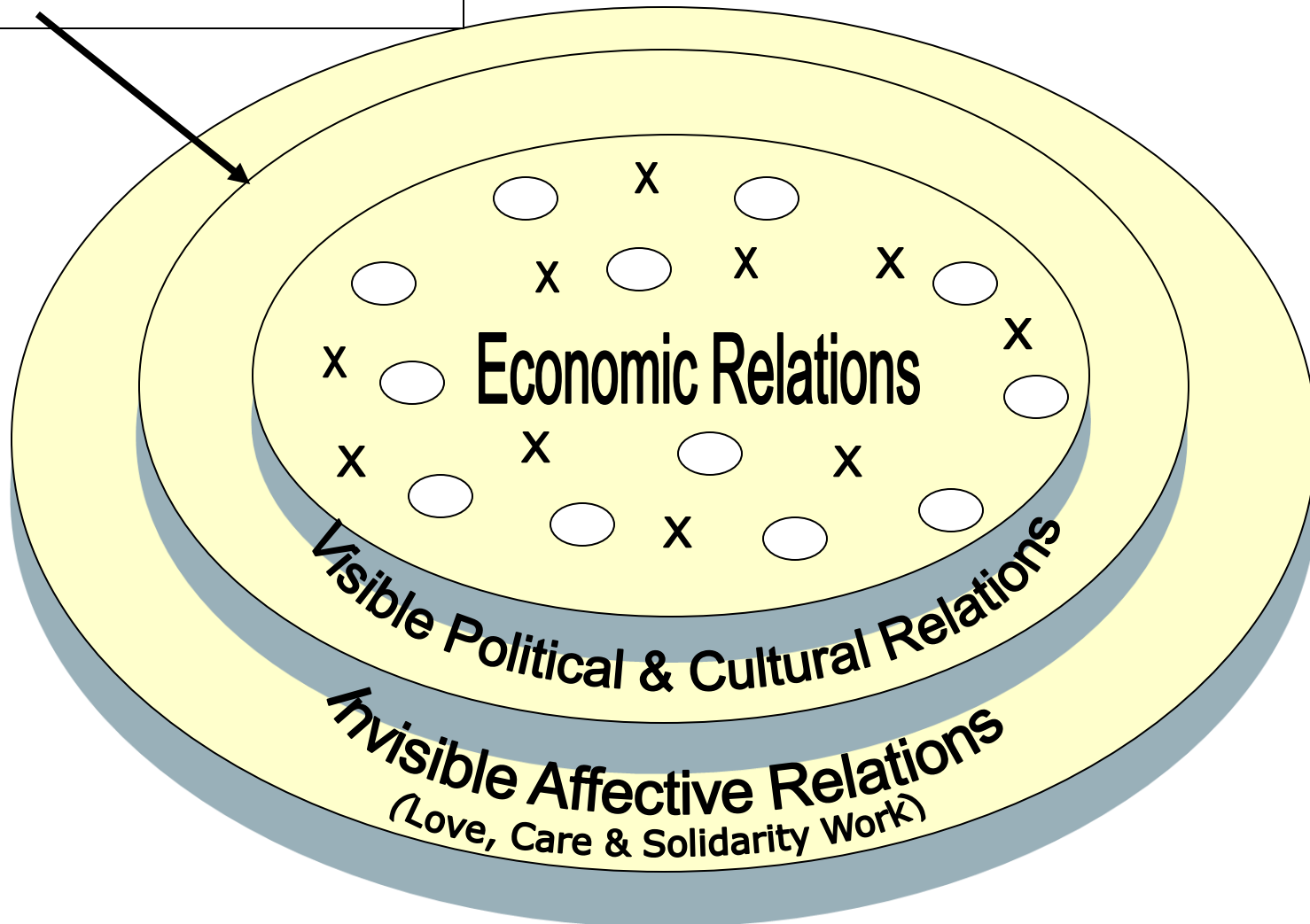
# Neoliberalism and the Outsourcing care and welfare to the market

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- Moving public/voluntary/community services into self-funding (where possible) or private-for-profit services that can operate as businesses
  - This means the quality of care depends on your capacity to pay rather than need
  - Values shift from *public or voluntary service* to profit-led *customer service*
- Already happened in health care services for the older people in Ireland **for-profit nursing homes are the fastest growing** sector of elderly residential care;
  - Child care services run by for-profit providers outnumber community child care by over 2:1 ; For-profit providers are now the largest single, and only growing provider of **residential care for children**

Market Model of the Citizen- person is valued for performance - Rational Economic Actor (REA)

Competing Rational Economic Actors



O = Self interested, Calculating, Competing Economic Actors.  
X = Competition Between Actors.

# Language of New Managerialism

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- **Corporate language is normalised** – KPIs, Customers, Business plans, Targets, Outputs, Strategic plans, Deliverables
- The hidden hand of the **market masquerades as neutral** through the **language of modernisation**
  - **'restructuring'** health care,
  - **'modernising'** public or community
  - **'regenerating'** housing estates
- Ideologies of power and control masquerade as development/improvement
- **Modernising discourses suppress dissent** through the language of 'efficiencies' and 'advancement'
  - **Reducing funding for public services is presented in modernist language; 'going forward' 'moving on' 'rationalising', 'advancing' 'improving';**



## Citizens change from being persons with rights to Public Services to Customers in the market

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- **Department of Employment Affairs and Social Protection** – Over 2,300 references to 'customers' on their website on 11/4/2018
  - Unemployment Assistance changed to Jobseekers... 'Probation and Welfare' changed to 'Probation'
- **Health Service Executive (HSE)** There were 725 references to 'customers' on its website on 11/4/2018
- **Revenue Commissioners** – There are 1,685 references to 'customers' on its website on 11/4/2018
- **Department of Education** (has a Customer charter)
  - <https://www.education.ie/en/The-Department/Customer-Service/Customer-Charter>
  - ***One cannot be a customer to a human right as it is not something you purchase off a shelf***

# New managerialist values impact on the culture of public, community and voluntary service delivery

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- The change in **language** does not just define events, it **shapes thinking**
- Organisations are under pressure to move from being centres of care, support, education etc. to *service-delivery operations* with productivity targets.... Increasingly only what can be counted is what matters
- Care for communities and families will ultimately become secondary consideration/ **lower performers are not good for Key Performance Indicators (KPIs)**
- With the glorification of deliverables (meeting targets)...**vulnerable and challenging families, individuals (and staff) become a 'nuisance'**- **don't deliver good 'outputs'**

# With surveillance and measurement, a new **Tyranny of Numbers** develops

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- Because numbers have the **status of absoluteness** and **unassailability**, numerical scoring /rankings/countings have an unwarranted truth standing that do not apply to narrative (oral or written text)
- Numbers present **a semblance of objectivity** – a myth that what can be ranked hierarchically can be incontrovertibly judged
- *Those ranked or rated lack control over their public definition – **done to you** even if you do not participate*
- ***Rank ordering numbers are emotional in their impact: they operate through fear***

# Numbers are neither neutral or innocent

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- Quantitative measure such as KPIs, league tables, psychometric *indices* etc. create a common but grossly simplified cognitive space for judging individuals and organisations
- Heterogeneous activities that are often incommensurable are collated and ranked
  - Rankings/ratings designed for one purpose are used for purposes for which they were never designed at institutional -Psychometric aptitude tests (pen and paper tests) to predict for jobs with multiple skills across the life course
- Reification of identities develops (good or bad) through familiarity and ubiquitous citation of numbers, even if neither objective nor valid

# Much of what matters cannot be measured

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In the new managerial system, **substantial rationality (based on values)** is over-ridden by **instrumental rationality (ends-means)**

Any form of rationality that is not measured in input-output models is deemed irrational/illegitimate– refusal to engage

Power of Positivism – treated as unassailable logic

Totalitarianism and authoritarianism of new managerialism

- Resistance to new managerialism is seriously constrained within a system of singular instrumental rationality focused on competitive gain/profit/success as there is a hegemony of one moral code

Conceptions of Citizenship matter for how we define people in public, community and voluntary services – need a care, love and solidarity concept of citizenship **-(recognising the relational, nurturing requirements of human life)**

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Core Neo/Liberal view of what constitutes a valid citizen prevails within Ireland/EU: *full citizen=employed adult*

Citizenship is equated with paid work especially with profitable work (Attack on public service work, public servants reflects the lack of respect for work that is not profitable/business led)

**In Contemporary Political Thinking -Caring is not citizenship-defining work** – yet care is a fundamental value of our society as people of all ages will die with love and care

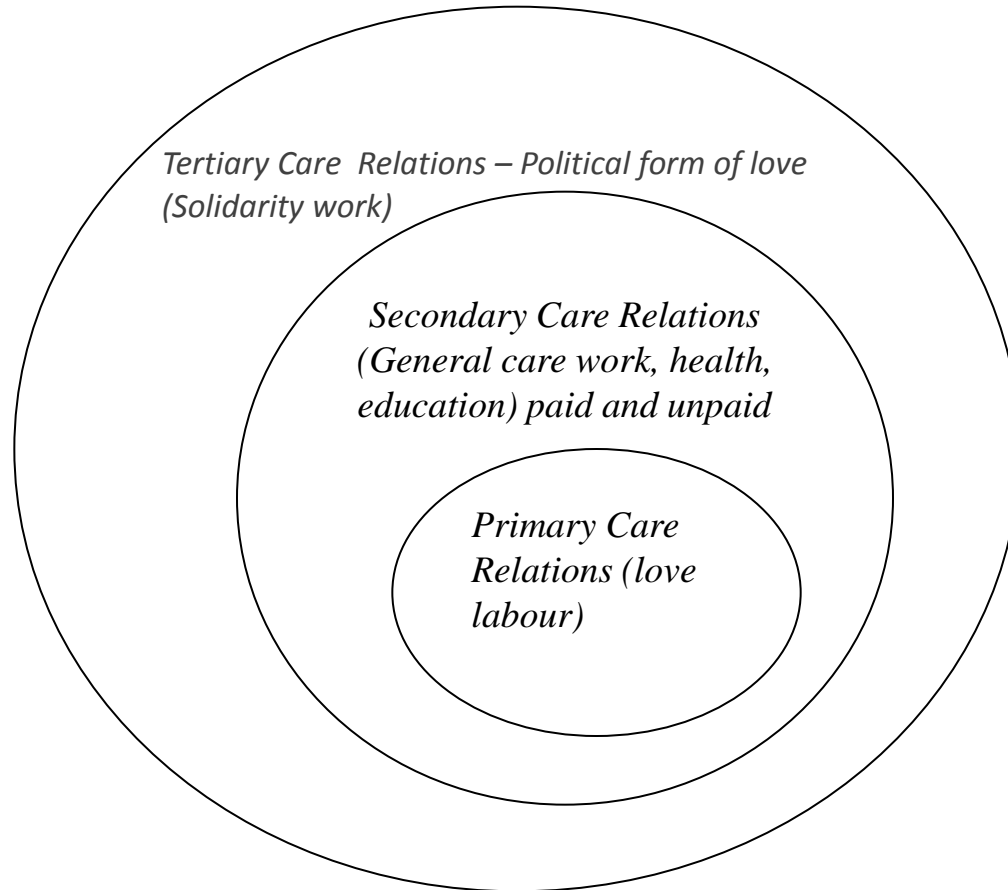
**Care and love Produce people in their humanity – this involves Work- what we call Affective work, the work that produces us in our humanity**

The inevitable dependencies of life, increasingly questioned , yet dependency in childhood, illness, old age, is endemic to the human condition and *we are all interdependent*

# Care-full model of citizenship: Primacy of relations of love, care and solidarity (Affective Relations)

source: Lynch 2007 (*Sociological Review*) and 2009 *Affective Equality: love, care and injustice*

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# Affective care relations are fundamental to citizenship and need to inform policy

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## **Primary care relations are love relations.**

- These refer to relations of high interdependency where there is greatest attachment, intimacy and responsibility over time. Love labouring is the work undertaken to create, maintain and enhance primary care relations

## **Secondary care relations are lower order inter/dependency relations.**

- While they involve care responsibilities (in education, child care, elder care, health care), they do not carry the same depth of moral obligation in terms of meeting dependency needs, especially long-term dependency needs.

**Tertiary care relations** refer to relations of solidarity and do not involve intimacy (e.g. expressed politically through taxation, campaigns for justice etc.)

- **Solidarity is the social and political form of love.**



# The logics of love, care and solidarity (Affective Relations)

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Love labouring, caring and showing solidarity have a different **Temporal Logic** to other work – they cannot be done in measurable time: nurturing needs dictate the time frames not economic or policy logics

Love and care labour time is **not infinitely condensable**; you cannot do it in less and less time. It is not possible to produce 'fast care' like fast food in standardised packages – **time-defined care often leads to pre-packaged units of supervision**

Care is dictated by needs – Love, care and solidarity work has no **clear boundaries**, always open to negotiation in time, effort, investment – site of conflict and stress

The **rationality of caring** is different from, and to some degree contradicts, scientific and bureaucratic rationality. There is no hierarchy or career structure to relations of love labouring; they cannot be supplied to order. There is no identifiable beginning, middle and end.

# Why love, care and solidarity matter for Democracy

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Care is not just a **mode of action**, it is also a **disposition** in action and a **goal of action**

Care is a way of relating ethically through attentiveness, responsiveness, co-operation, informed other-centredness

An ethic of care frames how we relate to each other collectively and how we relate to all living creatures and the environment

*Democracy is not neutral in its object or purpose; it needs to have a goal...* (Joan Tronto *Caring Democracy*, 2013)

# Addendum –There is a rise in the commercialisation of care: rise of for-profit care of the elderly

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- Care of the elderly now seen as a major site for profiteering
- On 31 December 2015, there were 577 active nursing homes registered with HIQA, providing 30,106 registered beds in the sector.
- **Of these, 76 per cent were provided by the for-profit sector**, 3 per cent by the non-profit/voluntary sector and 21 per cent by the HSE (HIQA, 2016, pp. 11–12)
  - The HSE closed 1,650 beds for elder care between 2010 and 2012, thereby further increasing the *market share* available for private for-profit providers.

Source: Mulkeen, Majella (2016) 'Going to market! An exploration of markets in social care', *Administration*, vol. 64, no. 2 (2016), pp. 33–59doi: 10.1515/admin-2016-0015

# Contracting out care services to private providers

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## Residential Child Care: (source: Mulkeen, 2016)

More than half of the homes for children in residential care (80) are now for-profits run private companies

- There are 46 publicly funded residential homes for children in care
- There are only 28 voluntary-non-profit residential homes

*(Salaries in the profit-profit sector are significantly lower – this is a gender issue as it is mostly women who are employed in this sector)*

For-profit companies are the only expanding sector for children in need of residential care

- **Regular Child care** – (Single Affordable Childcare Scheme) is also being provided on a quasi-market basis (through state subsidies). This is a further example of market-based care as the subsidy is only available to parents using registered crèches; most of these are run as businesses