

SMALL STATES AND BUREAUCRACY: CHALLENGES FOR PUBLIC ADMINISTRATION

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Abstract. The aim of the study is to examine the consequences of the size of a state for public administration. Differences between larger and smaller countries are shown to be not merely quantitative but also qualitative. The size of the state appears to have a number of implications for the development of public administration. Public organizations in small states face some problems which are significantly different from those of larger bureaucracies, such as the importance of individuals and personal relationships, multi-functionalism of jobs, and the employment of rare specialists. The study suggests that the elements of traditional bureaucracies may not be well suited to the small state context, because a higher degree of ‘personalism’ in small states causes more ‘flexible’ adoption of administrative rules as opposed to the values of rationality and universality in bureaucratic systems. Such fundamental differences provide small states with the challenge of discovering their own approaches to public administration and make the lesson-drawing from the examples of large countries questionable.

1. Small societies and small states

Interest in small states as a separate field of study is still at an early stage of development, although the first studies were carried out in the 1950s and 1960s (Fox 1959, Robinson 1960, Benedict 1966). Researchers disagree on how best to distinguish between large and small states. Population size is usually taken as the main criterion, although common alternative or supplementary indicators are surface area and the size of the economy. The cut-off has often been set between 1 and 2 million people, although some scholars (e.g. Bray and Packer 1993) suggest that it would be more appropriate to examine issues along a continuum of size. 49 states out of 188 member states of the United Nations had populations below 2 million in 1999. Countries with population less than 100,000 are often called microstates, which can be distinguished by more specific characteristics. Within Europe, states with the population between 100,000 and 2 million include Cyprus,

Estonia, Iceland, Luxembourg and Malta, with Latvia and Slovenia reaching only slightly over 2 million.

It is important to distinguish between the size of a state and the size of a society in the development of small state theories. The majority of contemporary studies of small states refer to Benedict (1966), who has noted that the main criteria of size for 'territories' ('states') are area and population, whereas the criteria of size for 'societies' are the number and quality of role-relationships. He pointed out that small societies do not exist only in small states, for they may also exist in large states that have high degrees of segmentation (including, for example, minority groups, islands and other relatively isolated and/or closed labor markets or communities within larger states). Benedict (*ibid.*) claims further that, just as it is possible to have a small-scale society in a large state, it is also possible to have part of a large-scale society in a small state. He presents Luxembourg and Monaco as two examples of states, which are closely related to neighboring states and thus are not considered as small societies by him. Consequently, although the theories of small states refer to certain 'states', the same characteristics may apply to small 'societies' within large states, and may not apply to small states which are parts of larger societies. For the same reason, small states may be defined differently in the study of economics and political science (going up to 20 million of population), whereas the study of public administration (and also sociology) has more implications from the notion of small societies, where the cut-off line between small and large states is substantially lower. In this article, the term of 'small states' refers to 'small societies' which have less than 2 million inhabitants.

Previous studies suggest that small countries are not simply smaller versions of large countries. Differences between large and small states are not merely quantitative – essential qualitative differences can also be found. Benedict (1966) has shown in his study of the social anthropology of small societies, that people in small societies grow up within an interdependent network, where each person plays several roles; thus nearly every social relationship serves many interests. In a small society individuals interact with each other over and over again in a wide range of social situations. In such conditions the decisions and choices of individuals are influenced by their relationships with other individuals in many contexts. Consequently, relationships in small societies seldom concentrate on a single act or specific function, but tend instead to be functionally diffuse and to last for a long time, though their specific content changes over the course of life.

Talcott Parsons (1939, 1951) has characterized such role-relationships as 'particularistic', where role-relationships extend over a considerable time-span and the roles involved are usually ascriptive. Benedict (1966:26) argues that the standards of judgment in 'particularistic' role-relationships depend on who the person is rather than what s/he does. This model can be contrasted with another model stressing impersonal relations. Parsons terms such role-relationships 'universalistic' because they are based on more or less fixed standards and criteria. The incumbent of such a role treats all others with whom s/he comes in contact in

this role-relationship in terms of universal categories. The roles are functionally specific and the role-relationships are affectively neutral. Benedict (1966:26) notes that standards of judgment are based on criteria of achievement, what a person does rather than who s/he is. These are polar models, and it is obvious that both sets of features are characteristic of most role-relationships which could be placed along a continuum. Benedict (1966:27) suggests that in a small-scale society, where the total social field is small, relationships tend towards particularism. Richards (1982:158) among many other authors supports this view by arguing on the basis of his research on the Faeroe Islands, Malta and the Isle of Man, that the very fact of smallness means a tendency to greater particularism in society.

Speaking about a strong network of personal relationships or great social cohesion in small states does not always mean social harmony or common goals. Benedict (1966:33) claims that the affectivity of predominantly particularistic relationships can be negative as well as positive. Accordingly, people in small societies tend to develop either strong positive or negative relationships with each other. However, Lowenthal has introduced the term of 'managed intimacy' (1987:38–39) to characterize small states in his comparative study of European, African and American large and small states. He argues that inhabitants in small states learn to get along, whether they like it or not, with people they will know in many contexts over their whole lives. Lowenthal (*ibid.*) is confident that this is why they become experts at muting hostility, deferring their own views, containing disagreement, and avoiding dispute in the interests of stability and compromise. He argues that, in large societies, it is easier to disagree with people you most likely will never meet again, but in small states two of you may share a long mutual history and expect to get involved in countless ways in the future. Not simply the small size of the state but the complexity and durability of most relationships foster sophisticated modes of accommodation.

Consequently, the role of the individual takes on greater significance in small societies where 'everyone knows everyone else' (Sutton 1987). Situations and decisions tend to be more personalized, which makes a small government apparatus a comprehensive informal network (Bacchus and Brock 1987, Sutton 1987, Bray and Packer 1993).

2. Small labor markets

In most cases, human, financial and material resources in small states are limited. Bray and Packer (1993:237) demonstrate that the majority of small states in Europe, Africa, Asia, the Caribbean and the South Pacific also have very limited natural resources. This means that, perhaps even more so than in larger states, human resources are critical for national development. A small population and a small labor force mean a small pool of human potential, and often a narrower spread of labor skills. A survey by Bennell and Oxenham's (1983:27) on

small island states found that all the countries researched ranked shortage of high-level manpower among their most serious problems. Bray and Packer (1993) draw the conclusion from their comprehensive study of small states that the small size of the labor force is likely to have major implications for education and training policies. They claim that facilities for education and the development of human resources may be highly limited compared to larger countries because the need for a small number of specialists makes the cost of education very high. Moreover, Selwyn (1975:141) argues that specialists in small countries may lack the professional interchange and stimulation which is provided in large countries by associations, publications, conventions and so forth, and so the specialists tend to live 'in a condition of professional loneliness'.

Small states need most of the basic types of specialists required in large states, but they need them in smaller numbers. Consequently, the small scale of a system requires multiple roles and duties on the part of its people. Civil servants are expected to cope with multi-grade and multi-disciplinary duties. Certainly a degree of multi-functionalism is also required of officials in medium-sized and large civil services. However, according to Bray (1991:513), multi-functionalism becomes more important as the scale diminishes. In one of the very first studies on small states, Firth (1951:47) found that there is less room for specialization in a small-scale society. Benedict (1966:32) states, in turn, that the specialist in a small country must be a jack of all trades with the possibility that s/he may be master of none.

Kersell (1987), summarizing Murray (1981), notes that small governments may eliminate some classical government activities altogether, scale down some activities, scale down particular jobs and allow individuals to work on more than one task. For instance, Bray (1991:513) has found that some specialist functions in the civil service are less common in small states but more common in the larger ones. These include planning, inspection and guidance. However, the fact that a public organization does not have a special unit or job specifically labeled as responsible for a particular function does not necessarily mean that this function is not undertaken at all. The functions of planning, inspection and guidance usually constitute part of a typical multi-functional job in a small state organization. The multiple roles of civil servants can, however, become obstacles to their overall performance. The specialist administrator may devote more attention to one or some areas of his or her particular specialization compared to others. When this official is a specialist in any one area (for example finance or law), it is likely that his/her specialized interest will take priority over the generalist functions (Randma 2001). Bacchus and Brock (1987:22) argue on the basis of their study of small Commonwealth states, that, where key officials have expertise, there will be development; where their skills are lacking and specialist knowledge limited, there will be a tendency to stagnate.

All states have their own civil services, including even tiny island states. The civil service plays an important role in small states since it is one of the biggest employers (Bray and Packer 1993). Bacchus and Brock (1987:3) note on the basis of

their study on the small states of the Commonwealth, that, in small states, the size of the civil service expressed as a percentage of the total population tends to be disproportionately large. The relatively large size of the civil service affects the labor market of a state and also reinforces the importance of the government. Nevertheless, because total population is small, the civil service clientele is small as well. The small number of people for whom public services are provided makes it difficult for the public administration to enjoy economies of scale. It is thus all the more important to choose the appropriate design for public administration. However, the development of public administration in small states, and the applicability of the experience of large states have not been systematically studied. The aim of this article is to analyze whether public administration practices of large states, with particular emphasis on the development of various elements of bureaucracy, are applicable to a small state context and, thus, to contribute to the comparative analysis of large and small state administration. A working hypothesis for the study is that the public administration of a small state is considerably more flexible than that of a large system, and therefore, the suitability of traditional bureaucratic models into the small state administration can be questioned.

3. 'Personalism' versus 'institutionalism': relevance of bureaucratic models to small public administration

The great majority of studies of public administration have been carried out in large states and in large organizations. Barrett (1986:202) argues that many of the administrative problems of small states are direct results of attempts to copy uncritically the administrative solutions of large countries by using their value systems of rationality and universality as general standards. The literature on administration in small states is not so clear as it could be in identifying the administrative consequences of smallness.

Public organizations in small states face some problems which are significantly different from those of larger bureaucracies, such as the importance of individuals, multi-functionalism of jobs or the employment of rare specialists. Complex relationships among individuals and sub-groups in the population of a small state provide a challenge for institutions and their leaders. The following sections discuss the issues of 'personalism' *versus* 'institutionalism' in small states and draw conclusions for the applicability of selected elements of classical bureaucracy into a small civil service.

3.1. Politics-administration dichotomy

One area of conflict between conventional theories of public administration and the realities of small states concerns the traditional view first noted by Woodrow Wilson in the end of the 19th century that bureaucracies should be politically neutral. According to this view, the role of administrators is merely to

implement policies determined by politicians. While this model is questionable in large states, it is especially difficult to apply in small countries. The 'personalism' of small societies may have various consequences, which according to Sutton's (1987:15) study of small member states belonging to the United Nations, can be summarized as follows:

- the role of the individual takes on greater significance;
- the individual, as a member of a group, is more susceptible to pressures, both
 - internal and external;
- politicians exercise greater influence over administrators, frequently based
 - more on personal than on party factors;
- senior administrative and political office holders have more direct contact
 - with the man in the street and, accordingly, there is less of the aloofness
- traditionally associated with a bureaucracy;
- top political leaders are more likely to communicate directly with one another and directly oversee the actions of their lieutenants;
- there is less functional specialization among politicians, and both they and senior administrators are likely to accumulate roles;
- politics may be less than a full-time job, constituting either a means to promote other interests or an avenue of mobility into other areas in a situation of limited economic opportunities;
- criticism of political leaders and senior administrators may be muted, often informal, but where it does appear, it is likely to be personal in form and strident in tone.

Several other studies (e.g. Murray 1981, Bray and Packer 1991) have confirmed that, in small states, civil servants can be more influential policy-makers than their colleagues in some large states who can also be involved in policy-making. In a small country, often no clear distinction can be drawn between politicians and public administrators: all those who work within a small system are in a position to influence it directly. Small civil services may also be accused of tolerating political interference in personnel decisions. Bray (1991:513) claims that multi-functionalism in small states also explains linkages between bureaucrats and politicians. Since, in small states, it is essential for many people to be multi-functional, this applies to mixing politics with bureaucracy as much as it does to other functions. Moreover, moving between politics and the civil service can be an accepted practice in small states. People in small states can be so closely bound together that they cannot maintain totally separate and discrete roles, a notion which clashes with the fundamental understanding of traditional bureaucracies.

3.2. Organizational structures and jobs

Conventional bureaucratic systems assume that individuals perform discrete functions in discrete posts organized in a hierarchy. Weber (1978:959) has argued that “it is decisive for the modern loyalty to an office that, in the pure type, it does not establish a relationship to a *person*, like the vassal’s or disciple’s faith under feudal or patrimonial authority, but rather is devoted to *impersonal* and *functional* purposes.” This approach requires that organizational objectives must be defined, individual tasks identified, and only then individuals appointed to carry out those tasks. According to the classical theory of organizations, the strategic objectives of an organization form a basis for organizational structure, and suitable people are chosen to fulfill different tasks in such a structure. Individuals are expected to match predefined jobs and their performance is assessed according to previously agreed requirements.

The situation in small states tends to be more fluid. In small systems, it is vital to be able to use all available skills, since the pool of human skills is limited (Bray and Packer 1991). The traditional approach to organizations rigidly structures institutional functions, which creates compartmentalization and makes it difficult to utilize fully individual strengths and competencies. As individuals play multi-functional roles in small systems, it is necessary to invent appropriate ways of grouping organizational functions together. Therefore, in small states the tendency is to adapt structures and jobs to people rather than to fit individuals into formal organizational frameworks. On the basis of several studies of small states all over the world, Murray (1981:253) claims that, while in large societies and big administrations, individual officials are able to design jobs to a certain extent, in small states jobs are molded by individual officials to a degree, and with effects that provide a significant contrast to large societies.

In small labor markets, organizations or units can prosper or die because of individual mobility in labor market. New structural units or jobs may have to be created for influential and/or highly needed individuals (Randma 2001). Due to individual influences on organizational structure, the boxes in an organizational chart may need some change as certain people move in and out, up and down in the organization. Organizations face the dangers of constant reorganization and of posts being created merely because talented or influential individuals happen to be available or because some individuals have acquired specific professional education or specific skills that the government is keen to use. This may easily lead to constant structural revision, and an extremely unstable work environment.

In classical bureaucracies, it is essential to define the nature of individual jobs, which is usually done through job descriptions. In small states, it can be very difficult to define jobs and draw up realistic job descriptions, especially if jobs are multi-functional by nature and require a high degree of flexibility from the person conducting them. Organizations may also lack experts to draw up job descriptions, especially for rare specialists. When a new specialist post is created, nobody may

be available with sufficient professional expertise to draft a proper job description and objectives for the job. Murray (1981:194) claims that sometimes specialists in small states are, therefore, recruited according to very vague criteria and are left to determine their own duties as they see fit. Consequently, in small states individuals can sometimes be as much role-makers as role-takers. This gives individual jobholders full responsibility for their own jobs. However, the range of responsibility of an individual official gives him/her room for maneuver. A job description written by and for a single person who does a particular job can be highly biased and shaped to fit the person, not the job in general. Organizations can do very little to prevent such a situation.

The relative shortage of talent in small states requires some flexibility in job definitions. It may thus be more desirable to define positions around the skills and competence of individuals rather than to define ideal jobs for people who do not exist. Murray (1981:253) goes as far as suggesting the redefinition of job boundaries in small system without specifying tasks and job content by using definitions such as: 'this job entails a requirement to undertake any task within the general competence of the jobholder, as required by the organization'. More general job descriptions emphasize key values and objectives rather than precise, predetermined duties. Moreover, Murray (*ibid.*) suggests that small states can simply employ good people and challenge them to do as much work as they can. According to the traditional model of bureaucracy, such a personalized approach constitutes 'bad' administration; in practice this is a feature of public administration in small states.

3.3. Recruitment and appointments

The fact that jobs are tied to particular individuals who often design their own jobs causes a number of problems in recruitment and promotion. It is very difficult to match a person's skills and knowledge with (sometimes missing or inadequate) requirements for the position. There can also be a lack of qualified people competing for a job. By contrast, different skills and knowledge may accumulate in large systems and, therefore, staff competencies can be better matched to the greater variety of tasks. Several authors (e.g. Slavenski 1986) have observed that mismatches between people and jobs can lead to career development problems for the individual, expensive turnover, lower productivity, and the lack of potential leadership in the organization.

In both small and large states, there is a serious danger of appointments being influenced by personal connections. As a result, the traditional values of merit in civil service selection and promotion as well as the overall image of the public administration may be adversely affected. According to Weber (1978:975), "bureaucracy develops the more perfectly, the more it is 'dehumanized', the more completely it succeeds in eliminating from official business love, hatred, and all purely personal, irrational, and emotional elements which escape calculation." The possibility of recruitment and promotion decisions being influenced by

personal relationships is greater in small states because of the higher level of particularism, and due to the number and inter-relatedness of role-relationships in small states. Personal relationships and family ties can create severe pressures and, according to Bray and Packer (1993:87), senior officials in small states may sometimes envy the more impersonal frameworks that are possible in larger states. Bray and Packer (*ibid.*) claim that, in order to avoid the influence of personal connections on recruitment decisions, ministries in small states often establish very detailed procedures for recruitment and promotion, and may follow them even more rigidly than their colleagues in larger states.

However, there is evidence in small states where merit principles can be questioned. A small state has small manpower resources and there may be a shortage of skilled manpower, especially of highly qualified specialists. Due to the limits of domestic labor, individuals may be offered employment even when they lack qualifications and aptitudes for the jobs they are expected to perform (Farrugia and Attard 1989:60). Another way to enlarge the labor pool is by employing foreigners. It has been claimed by several authors (Boyce 1989:4, Fergus and Tomas 1989:12) that total reliance on the domestic pool of labor causes more problems than it solves, and in most situations it is desirable to undertake at least some recruitment abroad. Private sector organizations may be in a better position when it comes to hiring foreign specialists, since civil service laws often allow only the recruitment of citizens.

Appointment practices may not follow the formal merit principles widely accepted in large developed civil services, for example, by exempting employees from formal recruitment or promotion procedures by utilizing 'temporary' appointments or other methods to avoid merit testing (Farrugia and Attard 1989, Randma 2001). Promoting merely because a vacancy becomes available regardless of the qualifications of candidates can also occur. Due to the shortage of human resources, small administrations may find it useful to have more flexible recruitment and promotion policies allowing fast and 'elastic' appointments of people who do not necessarily have all the qualifications required for the position. A serious conflict can thus arise over the application of classical merit principles.

3.4. Civil service careers

According to the traditional bureaucratic model, the structure of the organization itself constitutes an organizational career, where officials move upwards along pre-designed advancement channels. Weber (1978:962) has argued strongly for the preference of a lifetime career in the civil service, and thus, the distinction of careers in public and private sectors. Wilensky (1960:554) has described a career as "a succession of related jobs, arranged in a hierarchy of prestige through which persons proceed in an ordered, predictable sequence". Thus, civil service careers have traditionally been viewed as 'resource allocation' or as a long-term organizational reward accruing from commitment and effort for deserving

members. This refers to 'linear careers' (Driver 1980) based on vertical mobility corresponding to a rigid hierarchy and stable internal labor markets, and resulting in lifetime employment with one employer. The relevance of a 'linear career', however, can be questioned in small states where small organizations cannot provide linear career ladders for people and it is very likely that individuals may have to change their jobs and careers a number of times during their lives.

Small systems have fewer levels in their hierarchies and, accordingly, fewer advancement opportunities than large systems. Organizational hierarchies without real career opportunities do not help to create commitment to an organization. Pfeffer and Cohen (1984:559), when defining an internal labor market in career systems, pointed out that "the organization has promoted most employees with at least five years of service at least once". While achieving promotion within every five-year period may seem overoptimistic in huge organizations, it is clearly unattainable in small systems where very limited possibilities of actual promotion exist over the standard career span.

Accordingly, many people may reach the peak of their careers very quickly and then plateau. This results in dead-end jobs for many civil servants, which, in turn, may cause serious dissatisfaction and lack of motivation among individuals (Stout *et al.* 1988). This is one of the factors leading to brain drain from smaller states to larger ones, and from smaller organizations to larger ones. Several authors (Bielby and Baron 1983, Wholey 1990) have noted that employees of large organizations have greater tenure than in small organizations. It can be argued that the smaller the civil service, the smaller the opportunities for a lifetime career within it because of the reduced number of career opportunities.

Small public organizations may find it difficult to develop smooth career paths due to a limited number of senior positions. In addition, it may be very difficult to develop career ladders for specialists, as there may be only a few of them in each particular field. On the one hand, compartmentalization between generalists and specialists of a certain field may create lots of inflexibility that small states cannot afford. Selwyn (1975:138) has noted that "the situation of fewer career opportunities in small organizations can be exacerbated by an unnecessary profusion of cadres with rigid rules preventing movement from one cadre to another". On the other hand, changing a career may, in turn, cause problems that are particularly relevant to small systems. Individuals may spend much time and effort obtaining the specialist skills that are needed for government. Therefore, a career move to a different area may be considered as waste of resources for small organizations or small civil service systems (Bray and Packer 1991:88). It cannot be assumed that, when an individual with certain qualifications retires, the next person in line of promotion will have the same qualifications.

In small civil services, where important organizational tasks are bound around individuals, institutions may find it useful to have a flexible approach to organizational careers in order to deal with 'exceptional individuals' who otherwise could not be fitted into the strict rules of predetermined hierarchies of career systems. It

can be argued that a certain degree of flexibility is necessary to allow for senior posts to be created, even if the work to be done does not justify it. Advancement opportunities could thus be created and individual commitment to the organization increased. This is the practice in small states and their civil services where ‘artificial senior posts’ can be created for ‘important individuals’ (Murray 1981). In extreme cases, it can mean that senior officials do not have subordinates at all (Randma 2001). Such a practice can be seen as the solution to compensate for early career ceilings of personnel. However, the creation of senior posts may lead to an accumulation of high-level positions in the civil services of small states, thus blurring accountability in organizations and the ‘merit’ of such procedures. In addition, such an approach contradicts with the ‘objective’ treatment of civil servants, where universal rules apply to all people within the system.

3.5. Full-time and part-time jobs

The prevalence of full-time jobs constitutes an important element of traditional bureaucratic models in public administration. Weber (1978:958) argues that “official activity demands the *full working capacity* of the official” to ensure the commitment and loyalty to the office. The issue of full-time jobs, however, is directly related to the management of multi-functional civil servants in small countries. Murray (1981) argues that it is striking how much ‘improvisation’ takes place in small states:

“Individual officials are formally assigned duties outside their ministry – an official may be a senior official in a ministry who serves also as a clerk to the High Court when the Court sits; or he may be a secretary to a ministry who is also a member of a board managing a utility. Alternatively on an irregular basis an official may be pulled out of a ministry to perform particular jobs – assisting a visiting mission, or translating the rules of procedure of the Assembly. Many of the arrangements made are peculiar to the situation and do not involve formally institutionalizing an activity on a continuing basis. An individual serving in a particular ministry is simply given an extra job to do when someone is needed to do it, and when the job does not obviously belong to any one office.” (Murray 1981:250)

‘Improvisation’ constitutes a departure from the idea that work is arranged in units appropriate to one full-time official operating within a single hierarchy. Demand for professionals may be low in small states, as relatively small organizations may not be able to provide sufficient specialist work to hire a full-time professional. For example, a public organization may have to hire an archivist, although there is little work to be done. Therefore, high unit costs can be found in public administration in small states, where specialized staff has to be employed despite the fact that their professional knowledge and skills are not needed for full-time jobs.

Consequently, in small states, creating jobs for the work of full-time officials involves grouping a number of different tasks together. Such multi-functional jobs

thus demand a range of expertise difficult to be found in one person. Grading jobs into a certain number of levels, and assuming that only a particular sort of work is appropriate to each level, places a significant constraint on how a job can be designed, and imposes a particular way of widening the range of tasks in an individual job, if it is to be a full-time job. However, as jobs in small systems are of multi-functional nature, it would be much easier to split them up into a number of part-time jobs, which would allow hiring of experts in particular fields instead of employing one 'universal professional'. That could, however, lead to a situation where "official business is discharged as a secondary activity" (Weber 1978:958), causing potential conflicts of interests, and problems of management and accountability.

3.6. Accountability and control

In classical bureaucracy, official hierarchy sets the accountability framework. According to Weber (1978:957), "the principles of *office hierarchy* and of channels of appeal stipulate of clearly established system of super- and subordination in which there is a supervision of the lower offices by the higher ones." However, Edwards (1979) states that only larger institutions are able to introduce institutionalized management and control mechanisms because it is only in larger organizations that the manager does not know individual employees well enough personally so that s/he has to use impersonal mechanisms of management and control. In the particularistic environment of small states, it is questionable whether impartial management tools could be introduced. It is very likely that civil servants from one organization know each other personally or are linked through interpersonal or family relationships.

Both individual and institutional evaluation is being used increasingly in civil services all over the world, and it usually plays an important role in making decisions for individuals or institutions. It has been found by Farrugia and Attard (1989:75) that giving too positive evaluation to weak individuals or (leaders of) units is used more often in small states due to 'managing intimacy' (Lowenthal, 1987), and because 'principals' who give their 'agents' negative rankings are still likely to meet these individuals regularly in a wide range of professional and social settings. Small organizations may have particular problems with management and control of specialists. If there are only one or two specialists in the whole country, nobody is available locally with a strong professional base to evaluate how good the professional is. Several authors (Boyce 1989:5, Bray and Packer 1991:89) argue that, in some instances, this has allowed individuals (and whole professional units) to get away with poor performance and inappropriate behavior.

The issue of accountability is also related to different 'stakeholders' who surround civil servants, and channels of communication. People in small states are more or less known to each other so that ministers, high government officials,

influential businessmen or politicians can be more easily accessible, either formally or informally. This has not been tested empirically but several authors (Bacchus and Brock 1987, Sutton 1987, Bray and Packer 1993) have noted the point. It has also been observed by Bacchus and Brock (1987:26) that, in small Commonwealth states, ideas, views, requests and complaints are communicated to the appropriate people more quickly and, most likely, personally, which is unlikely to be the case in large states. Selwyn (1975:138) argues that the use of informal means of communication in small states may result in a failure to record decisions and the reasoning on which those decisions were based, with resulting discontinuities which are inimical to efficient administration. Such a practice contradicts directly the basic Weberian rule of “written documents”.

The small size of the state has its advantages and shortcomings in public administration. On the positive side, small size means that administrative processes are more personalized, government officials may possess individual responsibility for their community, in addition to institutionally regulated responsibility. Interpersonal communication may help to make information flows and decision-making faster. On the negative side, such an extent of informal communication may make a small state administration vulnerable towards outside pressures and threaten the universal rules of treating citizens. The neutral expertise of civil servants can, under these circumstances, be subordinated to the lobby groups or influential individuals against the principles of classical bureaucracy where

“‘freely’ creative administration would not constitute a realm of free, arbitrary action and discretion, of personally motivated favor and valuation, such as we shall find to be the case among pre-bureaucratic forms. The rule and the rational pursuit of ‘objective’ purposes, as well as devotion to these, would always constitute the norm of conduct.” (Weber, 1978:979)

4. Conclusion

A neutrally competent, professional bureaucracy presupposes a civil service based on universalistic (merit) criteria. Weberian-style bureaucracy offers the advantages of universalistic values to counter the dysfunctional elements of patronage. Ideal type bureaucracy is above all a form of organization dedicated to the concept of rationality, including accountability to political leadership, recruitment based on formal qualifications, career orientation for professionals, specialized and differentiated roles, a well understood and stable hierarchy, well-defined spheres of competence, job security and other appropriate incentives.

The problems of implementing bureaucratic principles in small states may not stem so much from the design of rational-legal bureaucracy itself as from the inappropriate application and circumvention of its norms and procedures in small administrations. In small states it may be difficult for civil services to be impersonal. Parsons (1951:191) argues that the consequences for individuals in small-scale

societies are that individuals' 'total personalities are involved in their social relationships' making it less possible for them 'to abstract from the particular person' with whom they are in relationships. Consequently, the small society may find it more difficult to act in a purely bureaucratic way according to abstract rules and principles. Situations and decisions tend to be more personalized in societies where 'everyone knows everyone else' than in larger countries where greater anonymity prevails. Rationality requires consistency, which may be missing in the structures and work arrangements in small public administration largely based on the knowledge and skills of particular individuals.

A fundamental issue in the small public administration appears to be the modification of a Weberian bureaucratic model in which large size is a critical variable. If small states operate with bureaucratic models inherited from larger states and comprehension of the adjustments which might be desirable remains limited, small states may face severe problems in matching bureaucratic rules with their predominantly particularistic societies. A situation where traditional bureaucratic models of the civil service do not suit the context of small states provides these societies with the challenge of discovering their own approaches to public administration.

Opinions differ on whether smallness is a constraint or a positive factor in developing public administration. The literature on small states tends to emphasize the negative aspects in their administration. Nevertheless, small states may not merely represent, to paraphrase Richards (1982), a hybrid or halfway house between primitive and modern systems of politics or administration. Small states have unique social, political and administrative characteristics. The form of administration in which the personal factor is so important is well recognized. The question remains whether, and if so how, different countries accommodate, exploit and regulate personal relationships in a way that facilitates 'good government', and whether common patterns can be identified.

The challenge which the politicians and administrators in small countries face is how to capitalize on the advantages of close personal contacts in small societies, where organizations are represented within people rather than through formal institutions. Small organizations with few hierarchical boundaries support interpersonal relationships and informal networking. While formally set institutional procedures dominate in large systems, more informal and personal relationships between people of different organizations and sectors of small states can support institutional pursuits in developing networks. Therefore, 'personalism' in small societies may give small states an advantage in developing co-ordination mechanisms and participative decision-making.

Moreover, contemporary organizations in small and large states need more flexibility than ever before to adapt to change and cope with new problems in rapidly changing societies. Whereas public administration in stable environments placed great emphasis on institutions, their rules, procedures and structures, managing for flexibility creates new demands for individual civil servants, and the

successful functioning of public organizations depends increasingly on efficient human resource management. Small civil services have long experience with the adaptive reformulation of objectives and structures of their units and adjustment to environmental changes, which helps them to cope with challenges of the time of flexibility. Consequently, both in designing the small administrative system as well as in everyday management of public organizations, the key is to find an optimal compromise between classical bureaucratic principles and flexibility stemming from a greater degree of 'personalism'. Smallness cannot become a cheap excuse for introducing patronage, for example, through the politicization of the civil service.

The study has several theoretical and practical implications for lesson-drawing. Although large states typically serve as models for small states (Farrugia and Attard 1989, Bray and Packer 1991), they may as well recognize that small civil services have valuable experience in managing flat organizations, rare specialists and plateaued people, which may deserve broader interests at a time of growing importance of human capital and a shortage of highly qualified professionals. Such experience of small states could also be used in the management of small organizations (such as small local governments or small businesses) in large states, and, in turn, small civil services may be able to learn lessons from small organizations in large states. Whether transfer is more problematic between states of different size than between states of similar size has yet to be demonstrated. The special circumstances of small societies may mean that an idea which applies in a large state cannot be transferred to another context – to use a medical analogy, the patient's physical and behavioral characteristics may not be the same as those of the donor. Public administration is a particularly sensitive field in which local conditions need to be very carefully studied.

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