

UDC N00, O33,
DOI: <https://doi.org/10.17721/2616-9193.2025/21-3/11>

Jan-Urban SANDAL, DSc (Econ.), Prof.
ORCID ID: 0000-0001-8072-0822
e-mail: jan-u.sandal@janusandal.no
Fil. Dr. Jan-U. Sandal Institute, Finstadjordet, Norway

MECHANISMS OF PUBLIC ADMINISTRATION DEVELOPMENT

Background. *This article focuses on the mechanisms of public administration development in both a historical and futuristic service vision management perspective. Development in the capitalist era is not an automatic process that pushes itself to new solutions or positions in society, some very specific reasons and motives lie behind the mechanisms of change. The role of art, science and individual creativity as factors of change is momentum that must be put at forefront in scientifically based analysis to better understand how democracy is built and strengthened.*

Methods. *As art, science, motivation, individual creativity, destruction, diffusion processes, moral sentiments, riches, and wealth are dominant factors of change, economic history methods, methods of innovation, entrepreneurship and change, as well as methods of service management vision and futuristic perspective analysis are relevant methods for the analysis. In addition, there is the method of international independent science, whose purpose is scientific truth. Methods of bureaucratic model analysis as well as methods of shaping, human relations and economic and physical motivational factors are relevant for the understanding of optimal operations of public administration. This article analyzes scientific theories over a long time period and discusses the various approaches and their beneficial use in explaining development.*

Results. *Shortcomings in modern public administration call for new approaches to enhance the development of bureaucratic operations to justify the democratic values that characterize a fair and modern society, and to meet the demands of the citizens and businesses rightful and obvious expectations. Static change, based on step-by-step corrections, is not sufficient to meet the challenges the modern society is facing.*

Conclusions. *The article states, based on scientific evidence, that mechanisms of public administration development are mainly based on the technological diffusion function. The diffusion process is a result of successful innovations carried out by the single entrepreneur, based on his personal will and act. The entrepreneur is exogenous to the production function, but the result of the creativity will forever change the pattern of production and the operation of the public administrative function, and the progress is highest among prosperous people than among poverty-stricken people.*

Key words: *public administrations, innovations, entrepreneur, civilized men, democratic development, moral sentiments.*

Background

Statement of the problem. A modern and vibrant democracy depends on citizens' satisfaction and confidence in order to be able to operate and develop optimally. Public administration is a tool to satisfy this requirement. Furthermore, the development of the bureaucratic model is a crucial point as society is faced with increasingly extensive and complex demands from both citizens and businesses, demands and expectations that are highly reasonable. Which are the mechanisms behind public administration development and how can we understand the process of change?

Analysis of recent researchers and publication. Mechanisms of public administration development have been studied in works by Sigma & OECD (The principles of public administration, 2023), Sandal (2024a), Waters, & Waters (2015), UNESCO.SE (Pressmeddelande: Tryckfrihetsförordningen ..., 2023), Sandal (2024b), Sandal (2024c).

The purpose of the research is to analyze the mechanisms of public administration development.

Methods

The article is constructed upon introduction, results, discussion and conclusions. As an opening sequence it is referred to the actual situation concerning public administration and its shortcomings, principles and strategic vision in Europe. Both general methods and specific methods are used in the analysis. A number of research and scholars are referred to in the article, covering a wide spectrum on analytical approaches. Syntheses on French Austrian Norwegian perspectives on entrepreneurship, Schumpeterian system of entrepreneurship, Weberian Bureaucratic model, Scientific Management, Household Management and Service Vision Management methods are at its heart. Static versus dynamic economic production

as an analytical method visualizes the endogenous contra exogenous perspective.

Results

Presentation of the main body of the paper. *Public administration is based on the art and science of managing public programs and policies, ensuring their operative implementation for the benefit of society. The Principles of Public Administration, November 2023 edition, develop and presented by Sigma, a joint initiative of the EU and OECD on behalf of the European Union, mainly financed by the EU, states that "The Principles of Public Administration are a comprehensive framework of standards expressing values and behaviours that citizens and businesses expect from a modern public administration" (The principles of public administration, 2023, p. 1). The backdrop is to guide the EU in the shortcomings of the enlargement and neighborhood administrations and to meet the EU requirements of one of the fundamentals of the accession process. The document covers 6 areas, and 32 principles based on a strategic vision: "The government ensures a strategic vision and leadership for an agile, innovative and continuously improving public administration responsive to new challenges" (The principles of public administration, 2023, p. 13). The main principle is "Principle 1: A comprehensive, credible and sustainable public administration reform agenda is established and successfully implemented, fostering innovation and continuous improvement (The principles of public administration, 2023, p. 14).*

There is no doubt that the correct and productive management of public administration is based on both art and science, both when it comes to public programs and policies as well as the process of innovation and entrepreneurship. This fact is also a reality when it comes to household management (Sandal, 2024b).

Jean-Baptiste Say describes the entrepreneur, the leading figure in private and public affairs when handling his administrative and business challenges: "give at all times a rigid attention to order and economy; in a word, he must possess the art of superintendence and administration (---). In the course of such complex operations, there are an abundance of obstacle to be surmounted, of anxieties to be repressed, of misfortunes to be repaired, and of expedients to be devised" (Say, 1821/1964, p. 330f).

There is no single definition or concept of art, it is constantly changing, adapting to new forms, content and techniques (What is Art and what is it for?, 2024). Throughout history, art has been a means of sharing human expression, based on interpretation of real or imagined impressions. Skills are essential in the process of art, because art without skills is useless.

The entrepreneur, like the bureaucrat and the public servant, acts as an artist when handling the complex tasks that he faces in the process of carrying out and implementing public programs. According to the analysis and wisdom of Say, the successful entrepreneur, like the public servant, surmounts the abundance of obstacles, even though their methods and legal rights may differ.

The entrepreneur is exogenous to the production function, the bureaucrat and civil servant are endogenous. To surmount means to overcome and never give up. This kind of personality is important. Surmount is the process of overcoming, of climbing over, of crossing higher and not bowing to any obstacles. The phenomenon is the opposite of the nature of a river. Rivers rarely flow in a straight direction, and they cannot surmount anything. Rivers prefer to bend or meander when meeting hindrances and thereby represent a static position. A positive and productive person will always seek and find a solution to the obstacles, a solution that represents a relatively higher technological, economic, political and social level. The solution represents an elevation, and thus development.

Development takes place when new and different solutions to obstacles and hindrances are introduced in the production function, be it production, commerce or public administration. Bureaucrats and civil servants are like the salaried working man in industry and commerce, they are machine and administrative system operators. When art and science of management in public administration are transformed through the exogenous power of the change mechanism, the operators can ensure their operative implementing of public programs and policies will meet the requirements and the just and rightful expectations of the citizens. The art of superintendence and administration is based on rigid attention to order and economy.

In Max Weber's "Bureaucracy" his ideal typical bureaucracy, whether public or private, is described as being characterized by: Organization run by rules, equity, each civil servant has rights, authority, duties and defined areas of competence, organization is a hierarchy, lower levels are controlled by higher levels, employment based on qualifications only, written documentations secure equal justice (Waters, & Waters, 2015, pp. 73–128). Public administration is operated by order giving, where higher levels give commands to lower levels. Lower levels execute orders. Commands flow from top to bottom, and results flow from bottom to top. The bureaucratic model is a controlling system and based on trust. Several prerequisites must be present before the bureaucratic model can function as a useful tool in democracy. The population must be civilized and educated. Citizens are the recruiting base for employment in public administration.

Civilization is the opposite of barbarism; it manifests the way individuals and society behave: cultured and polite in all matters and under all circumstances. Education is the process of learning right from wrong, developing skills, judgement, reasoning and social norms. Education is not a guarantee of successful democratic development or a mechanism for the development of public administration without moral ethical substance originating in exogenous conditions, but it serves as a useful tool in political as well as social justification argumentation.

The collective memory of a society is created in part through the work of public administration over a long period of time and is preserved in archives consisting of a variety of different techniques. Both people and materials are important resources for the common memory of a nation. People, especially public servants, act as living sources and can confirm historical events and bear witness to facts that they themselves have been able to observe in their work. However, this assumes that the workforce is stable over time and that high turnover of workers is avoided in favor of stable employment relationship. The terms of long-term employment will be established at the beginning of the recruitment process of civil servants and bureaucrats, and it will then continue in accordance with needs and opportunities arising from technological diffusion.

Public and free access to governmental archives is not an obvious right, but it is a necessary and democratic right. Only when citizens can control the actions and decision-making processes of bureaucrats, does true democracy arise. In 1776, the Freedom of the Press Ordinance was introduced in Sweden (Vad är tryckfrihetsförordningen, n.d.). Sweden was the first country in the world to adapt a law that regulated the free speech. The law consists of two parts, the right to publish thoughts, facts and ideas in print, and the right for everyone to take part in the documents of the authorities and governing bodies. The Publicity Principle gives citizens the right to see governmental decisions, judgements, letters, investigations etc.

Still this right is quite unique in the world today, and in 2023, The Freedom of the Press Ordinance was designated as a World Heritage Site by UNESCO (Pressmeddelande: Tryckfrihetsförordningen ..., 2023). The Publicity Principle is a very useful democratic tool for guaranteeing that ethical and moral decision-making is guided by agreed values that are both legally and ethically correct.

Ethical values in governance are commonly agreed to rest upon integrity, fairness, leadership, honesty, accountability, teamwork, kindness and loyalty. Both managers and those being managed make decisions based on the moral stand that the right thing to do is always to do the common good and not what is best for themselves. Nevertheless, it turns out that the bureaucrat, when left to himself and isolated in the production function, will bear the responsibility of doing the job as best he can, and thinks is sufficient.

When the workforce is left to produce on its own there is an obvious limitation in the quality of the production, because "it is in most cases impossible for the men working under these systems to do their work in accordance with the rules and laws of science and art, even where one exists" (Taylor, 1911, p. 9). Personal quality and the moral ethical standard are no new facts or knowledge in production, because they have always existed to someone in the past and can be brought to light in new combinations that have not existed before. Scientific management represents a mechanism for public administration development based on "old knowledge so

collected, analyzed, grouped, and classified unto laws and rules that it constitutes a science; accompanied by a complete change in the mental attitude of the working men as well as of those on the side of the management, towards each other, and toward their respective duties and responsibilities" (Taylor, 1911, p. 73).

The principles of scientific management imply that a new division between manager and managed is based upon intimate and friendly cooperation, mechanisms of multiple elements that have gradually developed and a new combination of management philosophy. Scientific management is: "Science, not rule by thumb, Harmony, not discord, Cooperation, not individualism, Maximum output, in place of restricted output, The development of man to his greatest efficiency and prosperity" (Taylor, 1911, p. 74). This growth in efficiency will be beneficial to the entire society and eventually spread to the whole world as well as to the individual workers and bureaucrats. The mechanism of highly specified operation in production is performed by the individual who is best suited for that particular job, while preserving personal individuality and originality and at the same time represents supremacy in the labor function.

Progress in science, education and inventions lay behind the fact that younger generations can produce one to four times as efficiently and economically as the previous generation. There has always been resistance to productivity increases among working men, based mainly on myths that it is against their best interest to work as hard as they can because it will exclude other men from work. Civilization describes the culture of production and one "should realize that the one element more than any other which differentiate civilized from uncivilized countries – prosperous from poverty-stricken people—is that the average man in the one is five to six times as productive as the other" (Taylor, 1911, p. 75). The application and use of inventions like steam and electricity partly explains the rapid progress in productivity over time, according to Taylor.

In capitalism, the main factor of change and economic development is innovation, not invention or any political, religious or ideological dogma. The scientific approach to innovation is fundamentally explained in the theory of Economic Development (Schumpeter, 1934) in which the new combination of land and labor causes a creative destruction (Schumpeter, 1942). Of the five cases of innovation mentioned by Schumpeter, "# 2, The introduction of a new method of production, that is one not yet tested by experience in the branch, (---) and # 5, The carrying out of the new organization of any industry" (Schumpeter, 1934, p. 66) are of specific interest for our analyzes. The productive factor labor is of importance when carrying out innovation connected to new methods of production and the new organization, essentially the distinction between directing and directed labor and between independent and wage labor.

Directing labor stands higher in the hierarchy of public administration than directed labor as it is in a governing position, while directed labor is in a commanded position, otherwise there is no distinction from wage labor in general. Independent labor is something peculiar because it is in the position of giving order, otherwise it is no different from wage labor. The higher ranked work order possibly has a sociological significance, but no economic benefits in the function of decision-making, because they all make decisions based on known facts. Education, training and multiplying skills in the labor force could have an effect on productivity, in the sense that when everyone runs further, faster and more precisely, the productive result will temporarily increase. This is a known fact in

reaching optimum in static production, characterized as development step by step. In static production "it follows that in so far as individuals in their economic conduct simply draw conclusions from known circumstances – and that indeed is what we are here dealing with and what economics has always dealt with – it is of no significance whether they are directing or directed" (Schumpeter, 1934, p. 21).

Development is a totally different process, "Development in our sense is a distinct phenomenon, entirely foreign to what may be observed in the circular flow or in the tendency towards equilibrium. It is spontaneous and discontinues change in the channels of the flow, disturbance of equilibrium, which forever alters and displaces the equilibrium state previously existed" (Schumpeter, 1934, p. 64). Management of the innovation process makes the entrepreneur a specific kind of leader, not a leader in the meaning of managing the staff in their day-to-day operations, but to be a creative leader of the process where the productive factors land and labor in the production function will be combined in a different and new way. It takes an extraordinary person to fill the role as a successful entrepreneur, he must overcome all misfortunes, obstacles and hindrances because innumerable resistances of a social and political character work against anyone who wants to break free from tradition, ideologies and false dogmas and work for change.

This character, the entrepreneur, is exogenous to the production function, he is not a wage earner and takes no commands from anyone, he is his own master, he is free, and "he has also triumphed for others, blazed the trail and created a model for them which they can copy. They can and will follow him, first individuals and then whole crowds. (---) To repeat: these individuals have done nothing but employ existing goods to greater effect, they have carried out new combinations and are entrepreneurs in our sense" (Schumpeter, 1934, p. 133). The legal system protects the immaterial rights and the right to earn the entrepreneurial profit that belongs to the entrepreneur himself when he successfully introduces the new combinations, and innovation occurs.

Administrative and bureaucratic models go far back in time, and are labels on developed societies throughout history in the ancient and feudal world, in the military segments, and state administration etc. Our focus thus is the mechanisms of public administration development in the capitalist era. After the times of rule by kings, dictators, lords of war, pirates and other elites and premiers, public administration is a specific segment that is in the interest of the people and in the name of the people. As early capitalism developed in the late 16th century, modern democracy found its routes as an instrument for the people and by the people. The study of public administration is therefore a study of the people and the capitalist era. The will of the people and the power and capacities of the individuals lie in its ground. Brave and creative young men throughout history in the capitalist era have changed the rules of the games. Military and political power is not a guarantee for success, because innovation has the capacity to overtake the direction of development. The world is correctly divided into three parts, the civilized countries, the half-civilized countries and the savage countries. Only a fraction of nations and people enjoy the benefits of living in the civilized part. Which nations and people belong to the various categories is obvious when analyzing the refugee flows over the last decades, millions of individuals risk their lives when moving from the half-civilized and savage countries to the civilized world.

Successful public administration is operated based on art and science, and without the skills, the operation will be insufficient. Overestimating the public administration in its conduct by employing labor, mechanism and methods arising from political propaganda, horrific ideologies and religious lies will undoubtedly set back the fundament of human rights and the most basic principles of democracy. Management is best operated on evidence-based mechanisms and by staff with sufficient intellectual capacity and moral ethical quality. When the opposite becomes a reality, public administration will suffer from over-budgeting of finances, staffing, and expenses and lack of productivity, diminishing individual freedoms and weakening of democratic norms will flourish. Governments should never allow public administration to be a playground for inadequate capacity or experiments.

Mechanism has recently come to stand as an economic theory in the philosophy of science that studies results or outcomes that can be achieved, e.g. in public administration. The capacity of components or the action of a whole of a process explains the organization in terms of the activities of components. Mechanism is a complex system that produces a particular result by interaction of parts involved. A series of actions at different levels in the development process are intervened in the successful results to create evidence that a shift in economic terms has taken place. Based on the economic evidence: the entrepreneurial profit, development can be observed.

The diffusion system will spread commodities, services, machinery and methods throughout the economy as well as to the public administrative system. Modern and democratic public administration, in all its facets, branches and functions are the result of wealth creation in the respective nation. The successful innovation process brings wealth and prosperity to individuals, as well as to the state. The benefits of innovation are many, economic development, democratic development, development of the public administrative system, equal rights, greater fairness, a better world, peace, freedom, a more secure society for everyone, technological, social and economic progress.

Innovations, as a rule, are generally not made by old firms or administrative systems in operation, which are to be displaced by the new combinations. New firms and production processes begin to produce alongside the old functions and the competitive element of the market will eliminate the old and thereby cause discontinuity. The command over productive means and the right to ownership of the entrepreneurial profit are essential criteria in the carrying out of new combinations. Public administration is a continuous operation and cannot be replaced by discontinuity like any entity in the market. Bureaucrats and civil servants, be it directing or directed, or independent or mere wage earners, do not have ownership of the production means or the legal right to entrepreneurial profits. Engaging more of unproductive means of production, like unemployed workmen, unused productive capacity, production units, land, property and estates etc. may increase savings and yearly increased financial surpluses, but it is totally overshadowed by the benefits of new combinations in methods, new organizations and mechanisms of public administration development based on innovation.

Discussion and conclusions

This article does not specify specific mechanisms of public administration development in a particular country, time or space. The main focus is scientific analysis of

development that has the capacity to create universal new insight of the function of beneficial advancement and changes in the static paradigm. Mechanisms of public administration development are mainly based on the technological diffusion function, where successful innovation in the market spreads to the bureaucratic system, locally, nationally and globally. Adaptation of goods, machinery, methods, systems and knowledge in the public administrative function can increase efficiency, economy and transform the cause of production in such ways that both staff and function can contribute to democratic development by meeting the standards expressing values and behaviors that citizens and businesses expect from modern public administration.

In this context, innovation is both the creator of modern public administration and its developer. Still, the whole process starts with the entrepreneur who is exogenous to the production function and the public administrative system.

In this respect, democratic development is a micro process.

There have always existed individuals carrying high moral ethical standards and brave young men who are motivated by non-hedonistic values, and their contributions to the development of civilization is undisputable.

At the macro level, civilized men are more productive than uncivilized ones and thereby contribute to a higher standard of production and culture.

In capitalism, innovation takes place in all kinds of cultures, but progress is highest among prosperous people than among poverty-stricken people.

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Отримано редакцією журналу / Received: 21.01.25
 Прорецензовано / Revised: 30.01.25
 Схвалено до друку / Accepted: 12.03.25

Ян-Урбан САНДАЛ, д-р екон. наук, проф.
ORCID ID: 0000-0001-8072-0822
e-mail: jan-u.sandal@janusandal.no
Інститут Доктора Яна-Урбана Сандала, Фінстадіордет, Норвегія

МЕХАНІЗМИ РОЗВИТКУ ДЕРЖАВНОГО УПРАВЛІННЯ

Вступ. Увагу зосереджено на механізмах розвитку державного управління як з історичної, так і з футуристичної перспективи управління послугами. Розвиток в епоху капіталізму не є автоматичним процесом, який штовхає до нових рішень або позицій у суспільстві, за механізмами змін лежать деякі дуже конкретні причини та мотиви. Роль мистецтва, науки та індивідуальної творчості як факторів змін є імпульсом, який слід поставити на перший план у науково обґрунтованому аналізі, щоб краще зрозуміти, як буде утворюватися та зміцнюється демократія.

Методи. Було використано методи економічної історії, методи інновацій, підприємництва та змін, а також методи бачення управління послугами та аналіз футуристичних перспектив, оскільки мистецтво, наука, мотивація, індивідуальна творчість, руйнування, дифузійні процеси, моральні почуття, багатство та добробут є панівними факторами змін. Крім того, існує метод міжнародної незалежної науки, метою якого є наукова істина. Методи аналізу бюрократичної моделі, а також методи формування людських стосунків та економічних і фізичних факторів мотивації застосовано для розуміння оптимальних операцій державного управління. Проаналізовано наукові теорії за тривалий період часу та обговорено різні підходи та їх корисне використання для пояснення розвитку.

Результати. Акцентовано, що недоліки сучасного державного управління вимагають нових підходів до посилення розвитку бюрократичних операцій, щоб виправдати демократичні цінності, які характеризують справедливе та сучасне суспільство, і задовольнити запити громадян і бізнесу, що є справедливими та очевидними очікуваннями. Статичних змін, заснованих на покрокових корекціях, недостатньо для вирішення викликів, з якими стикається сучасне суспільство.

Висновки. Доведено, що механізми розвитку державного управління переважно базуються на функції технологічної дифузії. Процес дифузії є результатом успішних інновацій, здійснених окремим підприємцем на основі його особистої волі та дії. Підприємець є екзогенним щодо виробничої функції, але результат творчості назавжди змінить структуру виробництва та функціонування публічної адміністративної функції, і прогрес найвищий серед успішних людей, ніж серед людей, уражених бідністю.

Ключові слова: державне управління, інновації, підприємець, цивілізована людина, демократичний розвиток, моральні почуття.

Автор заявляє про відсутність конфлікту інтересів. Спонсори не брали участі в розробленні дослідження; у зборі, аналізі чи інтерпретації даних; у написанні рукопису; в рішенні про публікацію результатів.

The author declare no conflicts of interest. The funders had no role in the design of the study; in the collection, analyses or interpretation of data; in the writing of the manuscript; or in the decision to publish the results.