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Judgments of Value

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A philosophical history of deciding what's worth it in the public sector

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Contents

0: Introducing a philosophical history of deciding what's worth it

The following is an investigation into how the value of public services is decided. It is an investigation of which factors are taken into account, how arguments are constructed using these factors, and who has the final word on the matter of public value.

It is a perspectivist investigation. This means two things: First, that I study the question of public value from three different overall perspectives, which I think are of particular relevance for reasons that will be made explicit further on. Second, that each of these perspectives is explored through an analysis of a limited number of texts from a limited number of sources. The motivation for this perspectivism is to analyse public value without assuming that it exists or has ever existed as a universal notion. Following this, my endeavour in the investigation is to reconstruct how public value has been created as something through the actions and thoughts of people who found the question of the value of public services sufficiently compelling to warrant being done something about. This approach is extensively inspired by the social philosophy of Michel Foucault (1926-1984), particularly his own reflexions in the final years of his authorship (1979-1984) on his work as a *diagnosis of the present*.

I will begin in Part One by sketching an outline of the problem that the question of the value of public services poses. In section I, I will do this by relating it to recent debates in Danish media concerning the organization of the public sector, and to a general philosophical theme, commencing at least with Plato, of the constitution of the public. In section II, I will situate the problem in the recent history of the Danish public sector through a brief exposition of key political initiatives over the past four decades.

In Part Two, I will present and discuss the main methodological attitude and the approaches I use to operationalize it. I will explicate the philosophical nature of the investigation and elaborate on the relation to the work of Foucault.

Parts Three to Five form the central, analytical corpus of the investigation, in which I will analyse three different perspectives on the question of public value. Part Three will be a reconstruction of early classical and neo-classical economic theorizing (circa 1776-1932) as 'theories of value' in relation societal welfare. Part Four will be a reconstruction of public management theory in relation to value creation (circa 1995-2013) centered on key theoretical perspectives and practical, organizational offshoots of these. Part Five will analyse the question of public value from the perspective of public professionals through a reconstruction of a

critique of current models of healthcare formulated by an emerging field in medical studies known as person-centered healthcare (circa 2011-).

I will conclude in Part Six by discussing a set of transversal considerations describing the three perspectives together as forming the contours of a certain obligational system. Finally, I will put forward some musings concerning what this means for the future of the question of public value.

Part One: The problem of public value

I: The public things

In early spring 2016 the Danish Institute for Local and Regional Government Research (KORA) published an international meta-study reviewing the effects of the use of results-based management in the administration of three key sections of the public sector, namely elementary schooling, unemployment and social services.[1] Claiming neither that results-based management should be discontinued, nor that it had been tremendously successful, the authors of the study were fairly modest in their conclusions. They did, however, find significant negative and/or unintended effects associated with results-based management across the studies reviewed, and more negative than positive effects.[2] The publication of the study sparked a heated debate in the pages of *Politiken,* one of the largest daily newspapers in Denmark, with public professionals, politicians, professors, and management consultants all weighing in and concluding different things based on the study.[3] The varying assessments notwithstanding, the common question that hovered between the lines was something like: Are we ensuring that we are making the most of those resources that we have chosen to pool together and call public?

While debating the composition and management of the public sector is not in itself new in Denmark or anywhere else, the controversy following the publication the KORA study seems to me to be a poignant testament to the changed contours and content of this debate that have formed in the wake of the global economic crisis following the financial meltdown in 2007-2008 and the subsequent international spread of policies of fiscal austerity. In a setting such as the Danish with a comprehensive system of welfare programmes and a very extensive public sector, when budgets were tightened after a booming first decade of the new millenni-

[1] The study uses the term 'results-based management' to cover a range of more or less associated management concepts, such as 'performance management', 'outcome-based management', 'performance measurement' etc. (Østergaard Møller, Iversen & Norman Andersen: *Review af resultatbaseret styring*, p. 9).

[2] Cf. Ibid., pp. 6-8, 64-66)

[3] Cf. Jacob Fuglsang & Amalie Kestler: "Omfattende rapport: Målstyring i det offentlige går ud over de svageste", *Politiken*, 13. april 2014, http://pol.dk/3159456; Simon Roliggaard: "Folk på gulvet: Målstyring tager ikke højde for menneskers forskellighed", *Politiken*, 14. april 2016, http://pol.dk/3160846; Nicolaj Ejler: "Jeg tager gerne et opgør med målingstyranniet i det offentlige", *Politiken*, 9. maj 2016, http://pol.dk/3196746; Per Michael Jespersen & Mette Højbjerg: "Forkælede offentligt ansatte kan underminere velfærdsstaten", *Politiken*, 30. april 2016, http://pol.dk/3182671.

um, the prioritization of public resources invariably became a central fighting ground in the political debate.

The reaction to the KORA study, it seems to me, highlights a new stage in a debate that have its roots in the early structural reforms of the public sector in Denmark that were initiated with full force from the beginning of the eighties.[4] One particular recent high point of this debate was when the social democrat minister of finance in a highly publicized interview declared himself a believer in the 'state of competition', a term coined in a Danish context by the political scientist Ove Kaj Pedersen in his influential book of the same name, denoting a mode of government in which the public sector is reformed according to principles of globalized, free-market competition.[5] There are, it seems to me, two poles in this stage of the debate concerning the administration and organization of the public sector. On one end of the spectrum there is the argument that goes something like this: For many years, we have been too lenient in the management of public resources, so now, given the economic conditions we are subject to, we must tighten up, trim the fat, demand to see the receipts, as it were, to ensure that resources are spent in the right way, according to the parameters that we have installed. This is, very schematically, the argument of the administrator. On the other end, the argument instead goes: For many years we have been subjected to increasing control, more demands for documentation, and stricter regimens of action, all of which swallow up resources. Now, given the economic conditions, we must be allowed to use our own judgment to ensure that resources are spend on delivering public service and not on filing reports and filling out forms. This is, very schematically, the argument of the public professional.

Now, these arguments, which are presented here in a very schematic manner, are in reality interwoven, and latticed with supplementary arguments and qualifications. The point is not to say that on the one hand there are the managers who want to impose control, and on the other hand the workers who want to resist being controlled. Rather, it is to propose that in this new stage of the debate concerning the constitution and organization of the public sector, the question of whether we are making the most of our common resources is fused with another question, namely: Whose opinion do we trust in this matter?

Yet again, however, this is perhaps nothing new. In Book IX of Plato's *Republic*, when debating the classification of pleasures, Socrates poses the question: Whose judgment will be

[4] Cf. Ejersbo & Greve: *Udviklingen i styringen af den offentlige sektor*.

[5] Per Michael Jespersen, Amalie Kestler & Lise Schou Norgaard: "Corydon: 'Jeg tror på konkurrencestaten'", *Politiken*, 24. august 2013, http://pol.dk/2056720; cf. Ove Kaj Pedersen (2011): *Konkurrencestaten*.

closest to the truth when there is disagreement over which form of life is the most pleasurable? The answer is, quite unsurprisingly to anyone familiar with Plato's work, those with an inclination towards inquisitiveness and a love for truth, namely the philosophers. They will be best suited for judging between different pleasures because they have both the *experience* with different pleasures that comes with life, the capacity to *think* about the nature of the pleasures, as well as the *reason* required to argue logically for their judgment.[6] Instituting the philosophers as the primary arbiters of the pleasures cements their position as the appropriate, necessary even, governors of the society created in the minds of the men of Plato's dialogue: The most able rulers of a society must be those who knows what is best for the community, and who can that be but those who knows what is best, which is to say most just, beautiful, pleasurable, for man?

Today, the efforts of Socrates and his interlocutors are often received with a mildly patronizing derision. The notion that someone could have a privileged say in judging what is best for individuals and society is idealistic and laughable at best, dangerous and tyrannical at worst. And yet, for all its anachronisms, the *Republic* underscores again and again a point that I find seems to be habitually forgotten in contemporary political debate, namely the enormity of the endeavour that is society. And just like the would-be founders of the 'heavenly state' in the Hellas of antiquity, any society of the present day must grapple with the task of organizing its resources, whether material or humane, in the best possible manner for both every citizen and the community at large. In modern welfare states where a very great deal of the resources available to society is put together under public administration, this task of organizing the *res publica* is no less pertinent. I use the verb 'organize' in relation to society and the public things quite deliberately for two reasons. Firstly, while retaining the status of an entity, it denotes a relational composition: The existence of different, irreducible elements situated in a certain manner. Secondly, it implies a wilful genesis: The different elements are brought together and related not spontaneously or automatically, but through commitments of will to something rather than something else. The former entails heterogeneity, instability, fragility: An 'ungivenness' of the entity. The latter involves that the entity is created through acts based on aspirations as to the consequences, which means that they can be questioned in intentional terms, if nothing else then at least retrospectively. So, 'organization' designates ungivenness,

[6] Plato: *Republic*, XI, 581e-582e; translation mine. The status and relation of these three concepts is less clear cut in the *Republic*, and in Plato's work in general, than what I perhaps make it out be the case her. Plato uses the words *empereia, phronesis* and *logoi*. *Phronesis* in particular remains controversial.

will, commitment and aspiration, and I hold these traits to be essential to any notion of society. Or at least, without them it seems to me that it would be impossible to meaningfully investigate society since there would be little room for imagining it otherwise.

How do we decide what to do with our common wealth? How do we put it to the 'best possible' use for individual citizen and community alike? As Plato made apparent in his dialogue, in order to answer such questions it is necessary have some idea of what is good, desirable, beautiful, pleasurable or useful and for whom. Furthermore, and crucially, it is also necessary to classify, evaluate and rank things in terms of their degree of goodness, desirability and so on, or to capture it with a common term, in terms of their *value*. In other words, one cannot deal with the question of how to govern our common wealth without first dealing with the question of what is valuable for our commonwealth. As such, it seems to me that the problem of the *res publica,* of organizing the public things, is first and foremost a problem of value in the sense that any societal organization needs to continuously confront a valorization of the various elements that constitute the community. Without that, I maintain there could be no society, firstly since organization is inherently a relational concept, an exercise of situating elements in relation to each other, and secondly because organization imposes or accedes to a chronological temporality or a hierarchy of importance, which is to say that something comes first. So the problem of organizing society is a problem of value; a problem of situating elements of society in relation to each other and deciding, intentionally or by action, on their chronology. More specifically, it is a problem of *public value*, since it is precisely not just any value of any odd object, for any odd individual, but value of and for that thing, at once immediate and obvious yet also elusive and ephemeral, known as the *public*. Public value, then, is both a *descriptive* and an *evaluative* term insofar as it is both the thing that a certain manner of organizing society is supposed to bring about, and the measure by which the efforts of this organization are to be evaluated. The problem of public value in relation to the organization of society is thus both a problem of *what* the public organization is supposed to be doing and *how* this is supposed conductive of felicity and for whom. This means that the problem of public value is a problem of organizing and prioritizing means and ends, what we can do and what we wish to achieve, in and for society.

In the deliberations of Socrates and his companions, Plato furthermore posits that when it comes to disputes over happiness and pleasure, there is no such thing as self-evident truth. The philosophers' judgment is to be trusted, not only because they have knowledge of and

experience with the different pleasures, but also because they can *argue* reasonably for their judgment. In fact, arguments are a necessary requirement for the acceptance of any distinction and judgment.[7] This implies that a specific organization can never be given outside or in advance of a judgmental and argumentative context: An organization consists in making distinctions, which is to say rendering judgments, and situating the distinguished relationally, and this should only be accepted insofar as convincing reasons can be given. The problem of the *Republic* is precisely to organize the constitution of a society based on a double-sided argumentation: On the one hand arguments about the nature of things, and on the other hand arguments about the consequences of things, which, using the phrasing of the dialogue, would be knowledge and experience, respectively.

For Plato, then, the three conditions for the accession to judgment – thought, experience and argument – are each necessary, but insufficient conditions. They are irreducible to, and depend on, each other. It seems to me that this configuration shows that to Plato, political philosophy always arises from a commitment to practice, to lived life. The entire dialogue that is the *Republic* springs out of a refusal by Socrates to commit himself on the one hand to the passive accession to a societal organization delivered by tradition, as personified by Cephalus who pays his dues and honours the gods, and on the other a societal organization indexed to force rather than justice, as it is violently proposed by Thrasymachos.[8] To put it differently, the *Republic* is an exercise of the question: Which societal organization are we willing to commit to given that we can argue for certain things as true and for having certain aspirations as to its effect? And cutting across this, the question of who constitutes the 'we' that commits and that argues: Who can speak, whose judgment is trusted, when the organization of society is in question? There is, then, a threefold questioning with regards to public value: First, which things are to be included in the consideration of public value? Second, how do we organize the relations between these things? Third, who is allowed to exercise judgment in the selection of things and on their organization?

This is what I would like to call the *problem of public value*, and it seems to me that it is a prototypical problem of political philosophy and, more specifically, of political practice. I cannot conceive of a political constitution that have not had to deal with this question in one way or another, whether explicitly and in full awareness of doing so, or implicitly and *de fac-*

[7] Plato: *Republic*, IX, 582e.
[8] Cf. Ibid., I, particularly 328b-331e, 336b-354c.

to by doing certain things rather than others at the behest of someone rather than someone else.

As such, the problem of public value, as a generic and abstract problem, is not something new. However, the stepping stone of the present investigation is an intuition that in recent years something has happened to the manner in which it is being dealt with. Or rather, that it has become problematic in a new way.

II: An eclectic recent history of the Danish public sector

To qualify the notion that public value has become problematic in a new way it is perhaps necessary before anything else to give an account of recent developments in Danish public policy. This is, obviously, an immense subject in itself, and I have neither the intention, nor the competence I should add, of presenting a detailed historiographical or politological analysis of it. Nevertheless, there are four moments in the history of the Danish public sector in the past fifty years that I think are indispensable to any attempt at understanding the current state of affairs.

First, there is the backdrop of the social reforms of the early seventies, which constituted the climax of the post-war social democratic project that commenced in earnest with the introduction of state pension by law in 1956.[9] Building on two reports released in 1969 and 1972 by *Socialreformskommissionen* (the Commission on Social Reform), a commission created by parliament in 1964, a series of comprehensive social policy reforms were enacted from the beginning of the seventies, covering key social issues such as public health insurance and unemployment compensation.[10] The reforms culminated in *Bistandsloven* (the Law of Social Security) from April 1976, and constituted a manifestation of a view of social policy that put greater emphasis on the societal responsibility for social problems, and which put the specific needs of the individual citizen as well as equality of service regardless of cause centre stage.[11]

The social reforms of the seventies and especially *Bistandsloven* were inarguably decisive for the formation of the Danish welfare state and for the structure of the Danish public sector.

[9] Christiansen, N. F.: "Velfærdsstaten og det nationale.", p. 25-37

[10] Cf., *Socialreformskommissionens 1. betænkning: Det sociale tryghedssystem. Struktur og dagpenge* (Køvenhavn, 1969) and *Socialreformskommissionens 2. betænkning: Det sociale tryghedssystem. Service og bistand* (København, 1972).

[11] Plovsing, J.: "Socialreformens idealer og praksis", p. 502.

They were, however, enacted in the midst of an economic boom with high growth, very low unemployment and political stability. In the mid-seventies, the energy crisis that peaked with the oil crises of 1973 and 1979 turned into a full-blown economic recession with low growth, high inflation and high levels of unemployment.[12] Almost a decade of political instability, unprecedented in peacetime, followed, further fuelled by the introduction to parliament of five previously unrepresented political parties in the Landslide Election (*Jordskredsvalget*) in 1973, which completely altered the composition of the legislative body.[13]

Secondly, against this backdrop of sweeping social reforms and a following economic and political instability there was a growing realization that the financial structure of the public sector was not tenable given both economic and demographic conditions. Thus, in the early eighties, a comprehensive attempt at 'modernizing' the public sector was implemented by the first of two successive centre-right, four party governments led by conservative Poul Schlüter. I say 'implemented' rather than 'initiated', since Schlüter's reform programme was based on a budget reform passed by the previous government led by social democrat Anker Jørgensen, but not yet implemented when government office changed hands.[14] This is important to note because it shows that the present configuration of the public sector in Denmark has emerged from a broad political collaboration that cuts across party lines and changing governments, rather than being, as one might imagine, a case of centre-left governments expanding the public sector followed by a centre-right contraction. In any case, Schlüter's modernization programme introduced what today is commonly subsumed under the nomenclature 'New Public Management' into the administration of the Danish public sector, namely managerial decentralization and individualization of administrative responsibility to personnel, a market based approach to supply and financing of services, and a changing view of public managers from administrators to inspirators.[15]

Thirdly, the modernization of the public sector in the eighties was followed up by similar initiatives in the early nineties and the first years of the new millennium, more specifically in 1993 and 2002. Broadly speaking these programmes continued the course set out by Schlüter's government, however, there are two developments that I find it relevant to point out individually. The 1993-programme identifies the challenge of guaranteeing a certain uniformity

[12] Petersen, Petersen & Christiansen: *Dansk velfærdshistorie*, vol. V, pp. 18-25.
[13] Ibid.
[14] Ejersbo & Greve: *Udviklingen i styringen af den offentlige sektor,* p. 18.
[15] Ibid., p. 19.

of quality across the sector given the managerial decentralization and a more market-based financial organization and structure of supply. As such, 'quality' was introduced and made explicit as a key problem for the public sector in addition to 'efficiency', which had been the driving problem of the previous reform. Quality and efficiency were now conceived as two parallel dimensions of the administration of the public sector, and whereas efficiency was to be furthered primarily by marketization, quality was to be guaranteed first and foremost by the institutions of the public sector. While the 1983-reform had, without much success, sought to simplify and deregulate, the reform of 1993 reversed, or at least altered, course by establishing the necessity of strong and pervasive "rules of the game" instituted and managed by public rather than individual actors.[16]

In addition to the continuation of the overall line of thought, the 2002-programme focussed specifically on the choice of the individual citizen between different service providers, public or private, as a driver for improving efficiency and guaranteeing quality through enhanced competition on the supply side of public services. Such a notion of the virtues of marketization was not new, however, this time it was backed up by a wide-ranging plan for standardization of the services supplied in order to promote and facilitate transferability of choice on behalf of the citizen. The idea was enabling citizens to choose amongst services across different providers, required the services to be comparable, because otherwise the principle of substitution would not work. Accompanying this effort at defining markets for comparable services regardless of providers, the demand for building and making available comprehensive databases of information regarding both services and providers was introduced, since citizens would need to know about their available options if competition between providers was to be generated.[17]

The 1993- and 2002-programmes, then, maintained the overall line of reasoning set out by the first modernization programme in 1983, namely decentralized technical management and marketization of services. They added, however, important supplementary elements, chief of which, it seems to me, were, firstly, strong centralized institutions as guarantees of quality, and, secondly, standardization and informationalization of services to enable comparability in evaluations and development of quality and transferability of choice for the citizens.[18]

[16] Ejersbo & Greve: *Udviklingen i styringen af den offentlige sektor,* pp. 20-21.
[17] Ibid., p. 23.
[18] Cf. ibid., pp. 19-23.

The fourth and final moment in the recent history of the organization of Danish public sector that I would like to stress is the international financial and economic crisis that followed the collapse of the US housing market in 2007. The change in economic policy that the crisis brought on in Denmark decisively altered the conditions under which the process of reforming the public sector was taking place in a manner tantalisingly comparable to the economic crisis that sparked the modernization programmes of the eighties. The reforms following the 2002-programme were enacted during a marked economic upswing, which meant that the reconfigurations of the public sector were supported by significant public investments.[19] In contrast to this, the reforms that have been proposed and passed following the 2008 crisis have largely been dictated by an overarching adherence to fiscal austerity, meaning that they have to a large extent consisted in budget cutbacks.[20] At the same time, quality control and assurance remained increasingly focal, so much so that then-Prime Minister Anders Fogh Rasmussen set up a government committee dedicated specifically to it.[21] This line was continued by subsequent governments in a series of initiatives, together known as *Kvalitetsreformen* (the Quality Reform).[22] Key instruments were, and continue to be, systems institutional and organizational accreditations based on generalizable and comparable indicators, and continuous education of public managers.[23] However, while the initiatives under the Fogh Rasmussen-government were accompanied by an expansive fiscal policy, the post-crisis quality control has had to be financed within budget frames that were either unchanged or reduced.[24] Public institutions and organizations have in effect been asked to reduce costs quite significantly, and at the same time increase, or at least maintain, levels of quality.

It appears obvious to draw a parallel between the present situation and that of the seventies. As was the case back then, the aftermath of the economic crisis of 2008 has been lined with political instability. Support for established political parties on the centre of the spectrum is dwindling as voters flock to fringe parties. Two new parties, libertarian *Liberal Alliance* (the Liberal Alliance) and eco-cosmopolitan *Alternativet* (the Alternative), have entered parliament in the past decade, and it is not unlikely that more will be on the ballot at the next

[19] Cf. Petersen, Petersen & Christiansen: *Dansk velfærdshistorie*, vol. VI, pp. 16-25.
[20] Ibid.
[21] Cf. The Danish Government: "Bedre velfærd og større arbejdsglæde – Regeringens strategi for høj kvalitet i den offentlige service".
[22] Ejersbo & Greve: Ibid., pp. 29-30
[23] Ibid., pp. 29-30; cf. The Danish Government: "Bedre velfærd og større arbejdsglæde – Regeringens strategi for høj kvalitet i den offentlige service", pp. 84-114.
[24] Cf. Petersen, Petersen & Christiansen: *Dansk velfærdshistorie*, vol. VI, pp. 16-25.

general election. The nationalist, right-wing *Dansk Folkeparti* (Danish People Party) became the second largest in parliament in the 2015-elections. Internationally, political upheaval is even rifer. In the United Kingdom stark fault lines were drawn up in June 2016 as voters primarily from non-metropolitan, industrial regions of England and Wales roundly rejected the edicts of the political and economic establishment and voted to leave the European Union, casting the Commonwealth into a potential constitutional and civil crisis, and causing the rest of the world to lose its breath as the pound plunged, markets trembled, and nationalist voices reverberated across the continent, calling for other countries to follow the Britons. Europe stands on the edge of a precipice.

Compared to such turmoil, discussions over performance management, public administration and budget frames must surely pale. Yet, similarly to the European political instability, the controversy sparked by the KORA study was, it seems to me, testament to a changed debate concerning the public sector characterized above all by waning belief in centralized institutions and formal systems as guarantors of public value. What is in doubt then, is the legitimacy, the equity, of the existing organization of the *res publica*, and though the consequences has as of yet not transgressed civilized debate, events such as the British decision to leave the EU give us a glimpse of what can happen when citizens stop believing in society. Such cataclysmic events stem from locally perceived malfunctions of vital societal institutions – e.g. health care, schooling and education, social security – in their specific organizational manifestations – the local hospital, public school, unemployment office – and as such, it seems to me to be a crucial challenge of our present condition to come up with alternative imaginations of the organization of these public things.

Part Two: Knowing, doing, hoping

III: Interrogating our present – public value as social experience

In recapitulation, what I would like to examine in this thesis is the question of how the problem of public value, as I have described it in Part One, has become problematic in a new way in today's management of the public sector in Denmark. However, even with the built-in qualification specifying the public sector as the focus of this examination, the immensity of this question remains cumbersome and overwhelming. It is necessary for me, then, to propose some analytical hinges through which such a question can be unfolded and some tools through which it can be handled.

I would like to begin by describing the methodological attitude with which I approach the question. It is an approach that is constructed largely on the basis of components from the late work of Michel Foucault, in particular his lectures at the *Collège de France* from 1979-84 as well as interviews and shorter texts from the same period. I use the word 'attitude' in acknowledgement of this heritage to signify that the anchor point for my investigation is not a theoretical or conceptual programme, but rather a particular way of relating myself to contemporary reality: A certain *ethos* in working with the social ontology of the present.[25]

There are a couple of things with regards to this that require initial elucidation. First, in what sense do I speak of a *social* ontology of the present? This is, again taking a cue from Foucault, to distinguish my approach from two other possible ways of analysing contemporary phenomena, namely on the one hand a mode of analysis indexed to the interior of subjective experience, and on the other a mode of analysis indexed to objective, universal schematics. What I would like to do instead is to engage with the present insofar as it is made up from a number of *social experiences* that constitute the always unfinished product of a collective process of *thought*; the continuous, reflexive effort at handling issues that appear pressingly unsettled at a certain moment in time.[26] 'Experience' is as such to be understood as a specific, temporally situated and conditioned manner of relating to a certain issue.[27] It should not be

[25] Foucault: "What Is Enlightenment?", p. 39, 50.
[26] Foucault: "What Our Present Is", p. 408; Foucault: "Problematics", p. 421.
[27] Gudmand-Høyer: *Stemningssindssygdommens historie i det 19. århundrede*, p. 33.

inferred from the 'social ontology of the present' that I consider the present to be exclusively a social construct. The phrasing is a declaration of analytical commitment: I am interested in the ontology of the present *to the extent* that it is social.

Second, when speaking of an *ethos* in *working* with the present, it is to signify a practical relation to the subject matter, public value. This has to do with the status of philosophy, something that Foucault takes up in his discussion of Plato's fear, expressed in his letters, of seeing himself as "at last nothing altogether but words (*logos*), so to speak – a man who would never willingly lay hand to any concrete task (*ergon*)."[28] The question that is posed, according to Foucault's reading, is how philosophy can be made more than bare discourse regardless of its truth or untruth.[29] And the answer given is when the philosopher commits herself to a specific work (*ergon*) in relation to the constitution of society.[30] The implication is that, insofar as it is committed to taking part in a concrete task, philosophy is in addition to being an exercise of learning, a science (*mathēsis*), also a way of life (*askēsis*), a mode of relating to oneself and the world.[31]

As such I insert myself into the question of the *Republic* as posed earlier, namely the question of what we are willing to commit to given that we can argue for certain things as true and for having certain aspirations as to the consequences of this commitment, and the question is reactivated in relation to a contemporary political field: That of the problem of value judgments in the public sector. By this the triadic set of demands running through the delimitation of the task at hand in Part One is mirrored in the methodological attitude described here. These demands are the three questions of the Kant's vision of critique: What can we know? What must we do? What may we hope for?[32]

IV: Problematization as a work of thought – making the attitude operational

By considering public value as a problem, as I have done in section I, I have also delineated the domain of analysis of the thesis, namely what Foucault called *problematizations*: The various ways in which public value is established as problematic and what is said and done in an

[28] Foucault: *The Government of Self and Others*, p. 221 n. 14; cf. Plato: *Letters*, 328b-c.
[29] Foucault: *The Government of Self and Others,* p. 227.
[30] Ibid., p. 229-230.
[31] Ibid., p. 219.
[32] Gudmand-Høyer: *Stemningssindssygdommens historie i det 19. århundrede*, p. 49.

attempt at dealing with it.[33] In this *analytic of modes of problematization* I am moving backwards, as it were. I am taking specific activities in relation to public valuation as though they were responses to a problem, exploring what this problem might consist in, and how the response was conceived as a relevant.[34] It is important that this register of problem-response is not binary. A single problem is likely to have different responses that can even be contradictory. The analytical exercise in to understand what makes them simultaneously possible.[35] It is equally important that neither problem nor response need to be articulated expressly as such. This is a hypothetical reconstruction of social phenomena in the register of problematizations.

This form of analysis entails asking, again echoing Socrates and his companions, which reasons could be given for committing to a specific manner of doing things. As such, my analysis is a sort of charitable critique insofar as it is a critique that insists on the reality of the present, insists that it is not merely an illusion of power or an aggregate of accidents, but the product of will in relation to obstacles. This clearly does not mean, however, that it is a deterministic critique that shows the inevitability of the present. On the contrary, it is a critique that is motivated by an eagerness to reimagine the present, but whose eagerness is tempered by a practical confrontation with that very present. A critique on the principle that if I want to imagine a tomorrow that is different from today, I must first understand what difference today introduced with respect to yesterday.[36]

By including 'yesterday' I make explicit the historical character of the analytic of problematizations. If one wants to understand how the present became possible it is, I think, inescapable to look at the avenues whence it arrived. I should be clear, however, that this is not a historical investigation in the scientific sense of the term. It is, rather, an "interaction between history and contemporary reality" that unfolds the importance of historical events from the perspective of today.[37] I do not presume to be writing *the* history of public valuation. I do, however, attempt to write *a* history of public valuation.

As such, the analysis gains specificity from the careful attention to singular historical activities onto themselves. The singular activities are made comparable by analysing them as modes of problematization. Finally, these modes are made systematic through their reorganization in terms of forms of a possible knowledge, in terms of normative frameworks for be-

[33] Foucault: "What is Enlightenment?", p. 48.
[34] Gudmand-Høyer: *Stemningssindssygdommens historie i det 19. århundrede*, p. 33.
[35] Foucault: "Problematics", p. 421.
[36] Foucault: "What Is Enlightenment?", p. 41.
[37] Raffnsøe, Gudmand-Høyer & Thaning: *Michel Foucault: A Research Companion,* p. 434.

haviour, and in terms possible modes of subjective existence. These three dimensions – production of truth, relations of power, and forms of subjectivity – constitute what Foucault termed the "focal points" of the social experiences with which I am concerned in this thesis.[38] Analytically, this means that the various modes of problematization that I have reconstructed on the basis of specific, historical sources are reconfigured according to three modes of questioning: What does the dynamic of truth production implicated in a certain problematization mean for what can be accepted as knowledge? What forms of subjectivity does this make possible for those operating in the field of problematization? How does this structure their space of judgment?[39]

As such, to the overall question of why we do something rather than something else, this analysis explores what needs to be true for a certain action to be the most acceptable and how this truth is manifested, what it presupposes of us as subjects, and how this structures our relation to others. Putting this into the context of the organization of the *res publica*, one can see how this connects with my formulation of Socrates' question of what we are willing to commit to given that certain things are established as true and given certain expectations to the commitment.

On the whole what I am trying to do is to analyse groupings of activities of problematization in relation to public value as *systems of obligation*. This means an analysis into how specific organized practices produce and are produced by certain commitments, and how certain systems of obligation become hegemonic in the sense that they are perceived as, if not strictly necessary, then at least more appropriately possible than others.[40]

Analysing on the level of obligation is analysing the interplay between the forms of rationality that structure practices and the particular modes of managing them. 'Obligation' is in this respect a productive analytic term because it couples the force of the system and the will of the practitioner while retaining their irreducibility. It presumes neither systemic determination nor unrestricted autonomy: An obligation is imposed, imposes itself, but it must be answered, taken up, in order to function.

In keeping with the analytic of problematization and its investigation of historical events onto themselves, analysing in terms of obligation induces me to sidestep, or at least postpone, any judgment with regards to the *rightfulness* of the obligations or the activities that stem

[38] Foucault: *The Government of Self and Others*, p. 3.
[39] Ibid.; Gudmand-Høyer: *Stemningssindssygdommens historie i det 19. århundrede*, p. 51.
[40] Foucault: *Subjectivité et vérité,* p. 15; Foucault: *On the Government of the Living,* p. 94.

from them. This is possible inasmuch as the notion of obligation itself implies that a judgment has already been made: It is before anything else the instalment of an authority, regardless of its validity, of whether such authority is really, intrinsically mandated. Any attempt at understanding this mechanic in its specific manifestations must refer to the structure of obligation itself. Were I to assess it, for example by relating it to a particular conceptual framework exterior to it, I would risk violating its rationality and as such preclude any meaningful understanding of it. However, this presumption of rationality on behalf of the analysed does not ultimately imply accession to its inevitability. On the contrary, there is a decided political or strategic purpose to it, since insofar as it is possible to identify obligations there is a keystone for interrogation: Once expressed or agreed to, an obligation, well, it obligates, and there are as such limits to what can be said without violating it. This is, it seems to me, a distinctively Platonic approach insofar as the formulation of a theory of ideas, irrespective of its ontological or epistemological status, is taken as the construction of *something without which we cannot speak*. In a similar manner obligations are that to which we refer the constraints that we are placed and place ourselves under.

The dimensionality of this is important to keep in mind. The three modes of questioning – of truth, of power, of self – are modes of intelligibility, which are at once implicated in and irreducible to each other, that can be used to open up an analysis of social experiences as systems of obligation.[41] The point of the analysis is precisely to explore how the dimensions are implicated in each other in the context of a specific social experience, and how their relationship condition a particular structure of obligation.

Insofar as the debate sparked the KORA-report, as outlined in Part One, revolved around results-based management as founded on a particular 'science of results', namely one of a particular sort of quantitative, aggregable and transferable metrics, entering the analysis from the perspective of production and manifestation of truth seems obviously appropriate. However, there is also quite clearly the question of what this particular way of manifesting the truth about the results of specific public services means for how the normative schemas of the behaviour of public professionals are structured. The analytical purpose is to investigate how these questions interweave, support and rely on each other, as well as oppose each other.

It should be apparent that what I am putting forward here as an analytical strategy is not a strict methodological programme in any scientific meaning of the term. It is, rather, a repeated

[41] Cf. Foucault: "Impossible Prison" [Table ronde du 20. mai 1978], p. 277-279.

reconstruction, reordering, of material according to different modes of questioning; on the one hand according to an analytic of problematization, and on the other hand according to the three-dimensional analytic of social experiences as structures of obligation.

V: The test of concrete reality – materials and collaborations

The quite lengthy explication of my methodological attitude and how I intend to make it operational was required in order to underscore that my investigation of judgments of value in the public sector will not be a sociological or politological study of organizational and political practices in relation to the value of public services, or an assessment of the efficiency, effectiveness or equity of how judgments of public value are currently handled. The difference also becomes clear with regards to the material that I will be analysing; the material that constitutes the 'social phenomena' and 'activities of problematization' that I have been referring to so far. Collectively described it consists of texts. Considering the etymology of 'phenomenon' (from Greek *phainomenon*) as 'that which appears',[42] texts have the advantage of being manifestly phenomenal: They are there for all to see. This touchstone of non-disputability is helpful given the somewhat anarchaeological nature of my approach.[43] While there is no predefined method in the strict disciplinary sense of the word that can act as a guarantee for a certain validity, there is the common ground of the texts as an extra-analytical authority. I will be relying on texts stemming from three very broad areas. The individual authors and texts will be presented in greater depth as they appear in the analysis, but I want to introduce the different areas at a general level:

1. *Economic theorizing*. A recurrent feature in the modernization programmes described in Part One has been an ambition of increased marketization in the management of the public sector which involves a reconfiguration of administrative structures according to an economic logic, and in the debate concerning the public sector this influential status of economics is often a central point of contention.[44] So I wanted to explore how economics, as the science of wealth, have dealt with the problem of public valuation, which is to say with the dynamics of the creation and allocation of value specifically in the context of the public sector.

[42] Cf. LSJ, *s.v.* "φαινόμενον".
[43] Foucault: *On the Government of the Living*, p. 79.
[44] Cf. Part One.

In relation to this there is something I would like to avoid. When I said that in the debate concerning the public sector the status of economics is a point of contention, I think I was putting it rather mildly. Economics and economists are often taken as representative of a whole set of more or less well-defined phenomena – marketization, globalization, financialization; a lot of -zations – very often collectively referred to by the decidedly less well-defined term *neoliberalism*. There is much of research influenced by Foucault's studies on what he termed "neoliberal governmentality" analysing various activities according to various interpretations of Foucault.[45] In other words, activities are subjected to an analytical schematic consisting in different categories that taken together supposedly constitute a particular ideology, namely neoliberalism. What I would like to do is precisely the opposite. I would like to analyse economic responses to the overall problem of public value without presupposing any unifying framework.[46]

So, economic theorizing, taken as historical phenomena that in their individual specificity appears as responses to problems in a manner that I think is relevant for the problem that I am investigating, namely that of public value.

2. *Public administration*. Narrowing the field of analysis in terms of practicality to an area in which aforementioned economic theorizing is supposedly influential, it seems obvious when analysing public valuation to look at material from those specific practices that are formally and institutionally charged with the administration of *res publica*. I am interested here less in the particular institutional structures and more in the self-reflection on what those structures are supposed to do. Given its pivotal position in the recent debate concerning the public sector in Denmark, I will be returning to the KORA report to engage with it as an ar-

[45] For a recent discussion of the current status 'neoliberal govenmentality' in academic research see Brady, M.: "Ethnographies of Neoliberal Governmentalities: from the neoliberal apparatus to neoliberalism and governmental assemblages", *Foucault Studies*, no. 18, October 2014, pp. 11-33. Cf. also Brady, M: "Foucault Studies Special Issue: Ethnographies of Neoliberal Governmentalities", *Foucault Studies*, no. 18, October 2014, pp. 5-10; Dean, M.: "Neoliberalism, Governmentality, Ethnography: A Response to Michelle Brady", *Foucault Studies*, no. 20, December 2015, pp. 356-366.

[46] Incidentally, although he is not concerned with public value as I have described it, I believe that this is the same approach that Foucault is trying to adopt in what becomes his famous analysis of neoliberal governmentality in his 1979-lectures at Collège de France under the title *The Birth of Biopolitics*: Analysing the problem of the state without a theory of the state, and analysing liberalism and neoliberalism as names given to a multitude of responses to this overall problem of the state (which, of course, consists of several sub-problems) without ever formulating theories of either (cf. Foucault: *The Birth of Biopolitics*, pp. 2-4, 33-37, 76-78). There is without doubt an interesting discussion to be had about the conceptual status of Foucault's analyses, however, since it is not my intention to establish and situate my methodological approach in relation to Foucault's oeuvre or to Foucault studies as such, I will not be taking this up.

ticulation of some crucial tensions in the current of managing the public sector. This will be compared with other studies from KORA. I will juxtapose this with some material from a non-Danish context, more specifically the British Government, the British National Health Services (NHS) and the BBC Trust. The reason for this jump into another national setting is that the listed British institutions have all reflected in texts explicitly on the creation and management of public value. The NHS has, for example, run a broad initiative under the headline *Realising the Value* trying to engage various stakeholders in exploring the question of how to define the value of public services. Given the affinity of this to my investigation, it would seem quite amiss not to look into it.

These British initiatives are to a large extent influenced by *public value theory,* considered to be established by Harvard scholar Mark H. Moore in his book *Creating Public Value* from 1995, so I will be using this not in its theoretical capacity, that is as a framework for analysing judgments of public value, but as an attempt at responding to the problem of public value in accordance with the analytic of problematization.

3. *Medicine and person-centered healthcare*. If public managers and administrators constitute one important element of the practices related to public valuation, another is surely the public professionals who are responsible for the actual delivery of specific public services, who work under the various initiatives promulgated from the management level. For this, I turn to an emerging field in medical research generally referred to as *person-centered healthcare*, analysing it on the one hand as a critique of the perceived hegemony of another field, namely *evidence-based medicine*, and on the other as an attempt at inventing new modes of relations of the medical practices to the building of public value.

Furthermore, the practical context of health care constitutes an attempt at sharpening the "test of concrete practices" to which Foucault thought that the historico-critical reflection of the analytic of problematization and experience should be put in order to "grasp the points were change is possible and desirable, and to determine the precise form this change should take."[47] The basic elements of this test are the individual texts analysed insofar as these are conceived as singular actions that taken together make up a field of situated specificity irreducible to any abstract or global framework. However, from the outset of this investigation I wanted to raise the stakes of the engagement with concrete practices. Although the analytic of

[47] Foucault, "What Is Enlightenment?", pp. 50, 46 .

problematization is methodologically hypothetical as an analytical tool, I decided that if problematizations are to be conceived as formative for social experiences, then it must be possible to put the analytic to work in an *in vivo* interrogation of contemporary problematizations. If my nominalist move of gathering a set of difficulties concerning the organization of society under the common header of 'a problem of public value' has sense, if people are in fact trying to handle unsettled issues that they perceive as being important enough to merit being done something about, and if the combination of these efforts shape our collective experiences; or, rather, if these manners of making intelligible our present are in fact practically meaningful, then there must be people who are doing something about valuation in the public sector. And if what is done is a product of will, then it must be possible to ask questions of it.

In this spirit, I sought out a collaboration with a group of physicians. When I started out on the investigation I had no particular intention of using health care as a primary practical perspective, however, the opportunity arose to form a relationship with some physicians who have been working amongst themselves and in the auspices of various political and interest organizations on quality and value creation in the primary health care sector. The terms of the partnership were quite simple: We agreed to commit ourselves to thinking together about judgments of value in public health care. Over a period of six months I sat down with one or more of them regularly and confronted them with my work in the sense that I asked them questions based on my analysis. I then reflected their answers back on my work to move the analysis further along.

I describe this generically to make it clear that the general practitioners were not my informants in any sociologically scientific sense of the word. I did not interview them in order to produce empirical data that I could subsequently analyse. Rather, I did an analysis and at intervals put parts of it on the table and asked: "Is this not relevant for the problem we are discussing, for this problem that is *yours* as well as *mine* although in diverse registers, and if I am right that it is, what difference does it make for how you think and what you can do about the problem?"

In this relationship, then, the doctors were my guides as well as my discussion partners. They did not provide me with data that I could use as evidence to confirm or deny hypotheses. Rather, I provided them with something and through their response they gave me new directions or ushered me further along routes already established. As such I assign no privileged epistemological authority to the exchanges. Rather, in a sort of Foucauldian twist on a Goe-

thean experimentalism, it is a question of engaging a plurality of minds in the work with making intelligible social experiences objectified as problematizations.[48]

I describe this collaboration to show how it has been and continue to be a practical horizon of the work undertaken in this thesis. The general practitioners will not be represented explicitly in the text. I will not be citing them or otherwise calling upon them as an empirical authority. However, inasmuch as the collaboration has constituted a form of 'practical friction' to my analysis, I think it is important for the reader to be aware of it to better understand the arena in which the thinking of this thesis moves.

Economic theorizing, public administration, and person-centered healthcare. Each of these will be analysed through a selection of texts. It is a limited selection in terms of quantity. As such, I think it is necessary to reflect briefly on their status. Insofar as the texts are assumed to constitute singular, historical voices, what authority can be attributed to them and what do they say to one another? In answer to this, two initial points: First, I do not suppose that the texts are representative examples in the sense that each contains traits that mirror the traits of a larger context that is comprehensible when enough of these traits are gathered together in an exemplary sample. Neither are they representative in the sense that they constitute indicative signs or symbols of possible causalities. Second, I do not wish to posit the texts as manifestations of transcendental dynamics in the sense that they merely play the role of illustrative examples of universals. According to the former, the texts would serve as elements of evidence whether in an inductive or a deductive process of reasoning. In the latter, the texts would be nothing more than a performance of a presupposed script, a showcase of a conceptual discussion. So, the texts are neither representations nor illustrations.

Yet, I do suppose some kind of exemplarity for them. The selection is not arbitrary, although it was not done according to pre-established criteria either. It is a *paradigmatic* exemplarity if 'paradigmatic' is understood in the sense of Giorgio Agamben's reformulation of Goethe's *Urphänomen* as the case that "[suspends] and, at the same time, [exposes] its belonging to the group, so that it is never possible to separate its exemplarity from its singularity" thus constituting a form of knowledge that is analogical as it "moves from singularity to singularity".[49] However, in contrast with Agamben's understanding, I will not make the ges-

[48] Cf. Goethe: "The Experiment as Mediator of Object and Subjects"; Foucault: "What Is Enlightenment?", p. 46.
[49] Agamben: "What is a Paradigm?", p. 31.

ture of proposing that this constitutes a "paradigmatic ontology", nor suppose any "originary phenomenon" as Goethe would have it.[50] This is for the same reason as I am interested in the *social* ontology of the present: I want to investigate *relationality of human wills* before any arguments are made as to their fundamental ontological or epistemological nature. I am studying the collective experiences formed by individuals acting upon each other and themselves, but this does not require that I make any claim to the ontological status of this. It does not mean that I believe that this is all there is, as it were, that this is the only constituent of reality. It is merely, for the purposes of this investigation, the most interesting.

As such, the texts I use have the status neither quite of empirical data nor of theoretical framework, but of both at the same time. Phenomenally speaking they are empirical, however, insofar as they relate to on another in a paradigmatic manner, inasmuch as they relate to the formation of social experiences in terms resonance rather than representation, they are theoretical.

It might well be wondered which criteria of quality can be applied to an investigation such as this. Although I do not presume to be doing scientific research, as should be quite clear from the preceding paragraphs, it does not entail that I am absolving myself of any demands of rigour and transparency. After all, this is not a private investigation. It is my intention to produce sharable knowledge and in this I strive to be scientific to the extent that it is understood as the ambition, however unattainable it ultimately may be, to share knowledge onto itself, for its own sake, and not for a particular set of consequences that I might like to be drawn from the knowledge. This follows, again, a Goethean dictum by which the analysed materials "should be ordered and presented in series and should not be arranged according to a hypothesis or used to serve a system. After that everyone is free to combine the material according to his manner and to create a whole that suits our way of thinking."[51]

The ordering and serial presentation of the material corresponds to the repeated, nominalist reorganization carried out in the analytic of problematization and experience in terms of structures of obligation. It should be noted that the analytic is not a theoretical system of hypotheses, but precisely a mode of ordering and presentation. If it is to fulfil the scientific ambition of the investigation, this ordering, which is in fact a sequence of continuous reordering, must be based on a treatment of the texts that is *precise* and *transparent*. Precision here refers to the care taken in analysing the texts onto themselves, in allowing the texts to speak in their

[50] Ibid., p. 32, 31.
[51] Goethe: "The Experiment as Mediator of Object and Subjects", p. 23.

singularity, and to the attention paid to the specificity of the text, so it is clear what is being said and in which context. Transparency refers to the care with which each analytical move is articulated, so there is nothing esoteric in the arguments made. As it were, these are *internal* criteria of quality for the investigation: Care in the form of precision and transparency.

The second part of Goethe's axiom refers to an external horizon at which the ultimate test lies: What happens *after* the investigation? In the end I undertake it because it seems *important* to me.[52] There is no intrinsic measurement by which I can conclude that the investigation has furthered our understanding of the present. The foremost trial is in the force of reception, in whether the importance that I ascribe to it is *resonant*.[53]

As should be clear by now, I will not be formulating plans of action or proposing new conceptual frameworks for dealing with public valuation. I will not in this thesis put forward a definition of a new form of public politics. I will be asking question in the belief that these "certainly don't define a politics; but they are questions to which those who do define a politics ought to respond."[54] This 'those' includes myself as well as my collaborators, the physicians, and anyone to whom the problem of the constitution of the *res publica* is important, however, I think the response must be produced through collective work, *ergon*, if it is to have any reality.

[52] Foucault: "The Concern for Truth", p. 462.
[53] Raffnsøe, Gudmand-Høyer & Thaning: *Michel Foucault*, pp. 20, 434.
[54] Foucault: "The Concern for Truth", p. 464.

Part Three: Reconstruction of economic theory

VI: Economic theorizing – Scientific description or artistic practice

I think it is fairly uncontroversial to suggest that the development of economics as a would-be science sprang from considerations concerning human actions, especially those of the British empiricists like Locke and Hume in the 17th and 18th century.[55] Once the individual subject had been proposed as the most meaningful fulcrum of studies of human behaviour, a central question became to investigate what defined this subject, and for the empiricists this was the *choices* it made, or in other words what it did, which actions it took.[56] This, of course, prompted the question of what motivated such choices, how such choices might be analysed, and it is here that Hume famously articulates the proposition that choice is governed not by abstract moral principles, but by passions, by the play of pain and non-pain, by the *interests* of the individual subject.[57] Aversion to pain, Hume says, "is an ultimate end, and is never referred to any other object."[58] This foundation was necessary for the formulation of the utilitarian approach to politics and legislation championed by the likes of Bentham and Beccaria. What is important in the present context is to bear in mind how economics appeared as a distinct field of thought in conjunction with a mode of reflecting on human action that concerned itself with how individuals manage, which is to say *economize*, their actions in relation to their interests. In other words, a mode of reflection on *means* and *ends*.

Initially, of course, it appeared as *political economy*, referring to society as its ultimate object of reflection. This can be no surprise to anyone. After all, the book that purportedly founded 'modern economics', by which I think is usually meant economics as a distinct *science* in contrast with simply the practice of managing a household, with *art* of managing resources,[59] promises in its very title to investigate how societies come to prosper. As is clear from *The Wealth of Nations*, for that is of course the book I am referring to, Smith is in his theory about the prosperity of societies reliant on his previously formulated analysis of individual actions as set out in *A Theory of Moral Sentiments*.[60] So from the very beginning there

[55] Foucault: *The Birth of Biopolitics*, pp. 271-273.
[56] Ibid.
[57] Ibid.
[58] Hume: "Concerning Moral Sentiment", p. 293.
[59] Cf. LSJ, *s.v.* "οἰκονομία".
[60] Cf. Smith: *The Wealth of Nations*, Book 1, Chapter 2.

is in economics the question of a relationship between the constitution of the individual subject and the constitution of society. To be sure, I am not saying that such a relationship was introduced with political economy. After all, the image of this very relationship as being one of analogy is a driving analytical assumption in Plato's *Republic*.[61] Rather, political economy is introduced as part of the new register for speaking and conceiving of this relationship. And this register rested on another relationship, namely the one between the actions and interests of individuals that Hume articulated, and which across Smith's two works is articulated as being managed by 'sentimental self-love, that is, self-interest founded on particular (moral) sentiments.[62]

However, while these relationships are clearly foundational for Smith's inquiries, they are kept at quite an abstract, generic level. Following his famous and often-quoted assertion that it is "not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner" he states that in transactions with other people we "address ourselves, not to their humanity but to their self-love", though despite this being key to his analysis of the circulation of wealth and his argument against protectionism, he does not go into the specific *dynamics* of this address.[63] So, even though Smith's "study of wealth" is reliant on his "study of man", it is not quite, as economics would evolve into, a study of how the two are connected, that is, how the activities of people are related to the production and circulation of wealth.[64] To do that one would have to develop a manner of speaking not only about subjects as being defined by interest as a broad category, but also how different interests relate to each other and to things that might further or oppose them; in other words, about relations of means and ends.

It is in this context that *utility* appears as an expression of the degree to which something conforms to the interest of someone and, if inserted into a political context, as a concept that could be used to act *on behalf* of someone: If you could know the utility of something, you would, as Bentham sought to do, be able to say what was the right thing to do, at least under

[61] Cf. Plato: *Republic*, II, 268c-269b

[62] In contemporary commentary on Smith, his conception of 'sympathy' from *A Theory of Moral Sentiments*, is often put centre stage in the discussion of the relation between individuals and the market (cf. for example Herzog, L.: *Inventing the Market. Smith, Hegel and Political Theory*, Oxford, Oxford University Press, 2013). There is no doubt great merit to this synthetic reading, however, it should be remembered that it assumes that *The Wealth of Nations* can only be read meaningfully in light of *A Theory of Moral Sentiments.* I myself assume that Smith bases the individual market actors of his political economy on his analysis of individuals as social actors, however, I think it fair to point out that the word 'sympathy' does not figure, not once, in *The Wealth of Nations*.

[63] Smith: Ibid., p. 13.

[64] Parsons: *The Structure of Social Action*, p. 453.

the assumption that conforming to the interests of people is moral.[65] Certainly, Smith was not particularly concerned with utility as an analytic concept, nor was Hume for that matter (though, of course, neither was he particularly interested in the study of wealth). How could they be when both were advancing theories that ultimately precluded final knowledge of the motivations of people? The alluringly empowering notion that no one could have better knowledge of people's interest than themselves was, and remains, crucial in the appeal of *laissez-faire* economic policy. For Smith and other classical liberalists, the truth about the value of government actions could only be produced in that place, created by government, were the play of interests could take place, namely the *market*.[66]

Smith was occupied with the question of why some nations became prosperous and some not. In other words, he was interested in national and intra-national dynamics of wealth at an overall level. Although he did comment at length on contemporary political issues – wages, taxation, and usury to name some – he involved himself first and foremost with the general nature of these from the point of view of production of wealth. Bentham, at least in his *Principles*, deals with a somewhat different problem. He is also concerned with foundational dynamics, but of legislation rather than wealth. [67] As such, while both are occupied with the welfare of society, they approach it differently: Smith from a (proto-)economic avenue, Bentham from a jurisprudential one.

Bentham is accordingly rarely considered an economist. He did write specifically on political economy, but even in these works he appears to be more of a legal critic or commentator than an economist.[68] In any case, what is of interest in this context is not so much the disciplinary status of Bentham's work, but more the role he played in the establishment of economics as a *science*. In "Of Systems of Political Economy", Book IV of *The Wealth of Nations*, Smith explicitly introduces political economy as a science or at least as something that can be considered a science.[69] However, a century later the utilitarian Henry Sidgwick, whose reputation as a contributor to economic science is largely overshadowed by the pre-eminence of his contemporary colleague and rival at Cambridge, Alfred Marshall, pointed out that after this initial presentation of political economy as a science, Smith promptly goes on to describe it as an *art* insofar as he regards it as a study with "an immediate practical end", namely to "enrich both

[65] Bentham: *An Introduction to the Principles of Morals and Legislation*, p. 1.
[66] Foucault: *The Birth of Biopolitics,* pp. 31-33.
[67] Bentham: Ibid., pp. 1-4.
[68] Cf. Stark: *Jeremy Bentham's Economic Writings*.
[69] Smith: Ibid., p. 375.

the people and the sovereign."[70] Sidgwick notes that while "the substance of [Smith's] economic doctrine naturally leads him to expound it in the form of science" inasmuch as it is concerned with tracing the "laws (in the naturalist's sense) by which these processes [of the production and distribution of wealth] actually *are* governed", it seems that he has not himself realised "the extent to which, in the hands of the Physiocrats as well as his own, the method of Political Economy has changed its fundamental character and become a science" when he in Book IV goes on to discuss "laws (in the jurist's sense of the word) by which the national production and distribution of wealth *ought to be* governed".[71]

Sidgwick's formulation of the distinction in relation to political economy between *science* as the "establishment of certain general propositions" through the analysis of positive facts, and *art* as "giving practical rules for the attainment of certain ends", describes, it seems to me, a fundamental tension in economics between description and proscription.[72] Smith does not dwell explicitly on this tension. An interpretation of this might be that Smith did not in the end consider the division between science and art, between knowledge and use, a matter of principle. In any case, it seems to me that after Smith the articulation of precisely this tension and attempts at either overcoming or harnessing it becomes a driving question in the further development of economics.

In Bentham's writings on political economy, some thirty years after Smith and eighty-five before Sidgwick, the distinction between science and art in relation to economics is explicitly brought up, though not as a binary but rather as two sides of the same coin: "Political economy may be considered as a science and as an art", he declares in the first lines of his *Manual of Political Economy*, going on to say that the "in this instance, as in others, it is only as a guide to the art that the science is of use."[73] According to Sidgwick's later description, Bentham would on the face of it not be particularly concerned with political economy as science, occupied as he is with reforming juridical laws and institutions. Sidgwick himself does not rule out the merit of conceiving of economics both in scientific and artistic terms. In fact he confesses himself as conforming "so far to the older and more popular view of my subject as to consider the discussion of [governmental principles] an integral part of the theory of Political Economy."[74] The crucial point to Sidgwick is to understand and be aware of the distinc-

[70] Sidgwick: *Principles of Political Economy*, p. 15; Smith: *The Wealth of Nations*, p. 375.
[71] Sidgwick: Ibid., pp. 17-18; emphasis original.
[72] Ibid., p. 13.
[73] Bentham: *Manual of Political Economy*, p. 223.
[74] Sidgwick: Ibid., p. 27.

tion when embarking on any study of political economy, lest the "gravest misunderstanding is likely to result".[75] And in spite of his belief in the importance of discussing political economics as an art as well as a science, he does appear to have been of the mind that the two things should be kept separate.[76]

What is at stake in this tension between the science and the art of economics is not so much, or at least not primarily, a question of methods. Rather, the issue is the question of the normative consequences of economic description, the authority accorded to economic description in political matters or the authority with which an economist may speak on the subject of policy. Despite whether they adhered to this in practice or not, the answer for the political economists of the 18th and 19th century generally seems to have been 'none', however, for somewhat divergent reasons. When Nassau Senior wrote in 1836 that the conclusions of the political economist "whatever be their generality and their truth, do not authorize him in adding a single syllable of advice" it was because he accorded that privilege only to those "who has considered all the causes which may promote or impede the general welfare of those whom he addresses, not to the theorist who has considered only one, thought among the most important, of those causes."[77] He asserted that the "business of a Political Economist is neither to recommend nor to dissuade, but to state general principles, which it is fatal to neglect, but neither advisable, nor perhaps practicable, to use as the sole, or even the principal, guides in the actual conduct of affairs."[78] According to this view, to which many of Senior's contemporaries subscribed including Bentham, as previously shown, as well as John Stuart Mill, economics is one of many sciences subservient to the art of government, and Senior additionally advanced the argument that due to this partiality economists, as economists, ought to assume no judgmental authority with regards to politics.[79]

Sidgwick arrived at the same conclusion, but by another route. He thought it problematic that economists should dispense practical advice in their scientific studies since "such advice presupposes ultimate valuations that are extra-scientific by nature – preferences that are beyond the range of scientific proof."[80] This did not mean that economist should not consider specific practical, governmental issues. Sidgwick devoted the final volume of his *Principles*

[75] Ibid., p. 13.
[76] Ibid., p. 27.
[77] Senior: *An Outline of the Science of Political Economy*, p. 3.
[78] Ibid.
[79] Schumpeter: *History of Economic Analysis*, p. 540. I refer to Schumpeter's historical magnum opus a few times in the following in order to situate some of the analytical points in a larger historical context.
[80] Sidgwick: *Principles of Political Economy*, pp. 66-67, 396-397.

to the art of government. However, he considered this to consist in considerations on government *informed* by scientific analyses of economic phenomena, and not scientific economic analysis of government.[81]

This, it seems to me, is a very important difference. On the one hand there is a view of ultimate value judgments as, at least potentially, scientifically valid as long as proper (scientific) account is taken of all the relevant influences on a phenomenon, among which the scientifically economic account is preeminent but not alone. This requires a reality, natural as well as social, that is ultimately totally penetrable and coverable by science, that there is no *exterior* to scientific explanation, that reality is in its very structure essentially scientific. It is in the context of such a belief, it seems to me, that the relation between Bentham's utilitarianism, his "moral science", and his economics should be considered.[82] There is no necessary bond between utilitarianism and economics. To be sure, most of the contemporary political and business class of Bentham's time continued to adhere to theologically anchored theories, or to theories less hostile to religion such as Smith's sentimentalism, both of which Bentham considered adverse to the principle of utility.[83]

On the other hand there is a view of ultimate value judgements as scientifically questionable because they rely, have to rely, on extra-scientific assumptions, which in this context is to say assumptions that cannot be positively proven. Rather than a seriality of sciences founded on a scientistic ontology, science is in this account enveloped in a reality that exceeds it. Sidgwick noted that while "a *qualitative* definition of the common notion of value" was quite a simple matter since it is sufficient that someone would "if necessary, *give something*" to possess something or prevent its destruction, any attempt at using "the notion *quantitatively*", which is necessary for any comparative value judgment, requires a "Standard of Value".[84] Furthermore, Sidgwick points out, to make the comparison precise the economist must rely on an assumption of "a 'perfect market'", which is acceptable when analysing a particular phenomenon at a specific time and place, but causes all kinds of difficulties when doing analysis across space and over time.[85] Sidgwick was not the first to touch on this issue. Mill himself

[81] Sidgwick: *Principles of Political Economy*. Cf. in general Book III, Chapter I.
[82] Bentham: *An Introduction to the Principles of Morals and Legislation*, p. 2; cf. also Chapter V, pp. 29-32.
[83] Schumpeter: Ibid., pp. 408; Cf. Bentham: Ibid., Chapter 2, pp. 8-23.
[84] Sidgwick: *Principles of Political Economy*, pp. 53-54; emphasis original.
[85] Sidgwick: Ibid., pp. 54-55.

recognized the problem and thought that it amounted to the conclusion that a "measure of exchange value" of the same thing at different times and places is "impossible".[86]

These difficulties persist regardless of which standard is adopted. Trying to reach a more fundamental level of analysis on which to base the notion of exchange value by positing 'labour' as the measure of *real* value, whether according to the method of Smith or that of David Ricardo (or Marx, for that matter), only displaces the problem a little further down the line: Though it is now termed "cost of production" rather than "exchange value", it remains a dynamic that requires a common measure, in this case for labour.[87] In fact, Sidgwick notes, "if, in order to determine the real value of any thing, we were to suppose knowledge of all facts materially affecting its value, in the estimate of intelligent persons, to be substituted for ignorance and error in the minds of all the persons concerned, we should generally get a hypothesis so remote from reality that it would be at once impossible to calculate the hypothetical value, and absurd, if we could calculate it, to call it 'real'."[88]

Thus rejecting a notion of real value and keeping in mind the difficulties of attempting to establish a measure of value, Sidgwick concludes that it is necessary to "abandon the *primâ facie* exact method of comparing [value as prices] and substitute the inevitably more indefinite procedure of comparing the amounts of ability or satisfaction obtainable respectively from the different aggregated of hypothetical purchases", or in other words "comparison of amounts of utility".[89] By this, he signals a crucial departure from the economics of Smith, Ricardo, and Mill: A move away from value as being determinable in absolute terms and towards value as a question of *margins*.

VII: Economic theorizing – the Paretian turn and the (im)possibility of logical social action

Sidgwick might have considered it to be inexact, but nonetheless this Theory of Utility, which schematically speaking is the theory of value as being defined by the balance of utility and scarcity, in other words the equilibrium of supply and demand, became the *sine qua non* of economic analysis. It is, it seems to me, not entirely wrong to say that it is what chiefly distinguishes the so-called 'neo-classical' economics from its purportedly 'classical' predeces-

[86] Ibid., p. 60; Mill: *Principles of Political Economy*, p. 566, cf. in general Book III, Chapter XV.
[87] Sidgwick: *Principles of Political Economy*, pp. 57-59; Mill: Ibid., 566-568.
[88] Sidgwick: *Principles of Political Economy*, p. 67.
[89] Ibid., p. 63, 63 n. 1.

sor. It was, of course, not Sidgwick's invention. The *dramatis personae* usually connected to it includes the previously mentioned Marshall, as well as Jevons, Wicksteed, Edgeworth, Menger, von Weisen, von Böhm-Bawerk and Walras.[90] Although it is undoubtedly of paramount significance in the history of economic analysis, I will skip the details of the 'Marginal Revolution' that unfolded during the tenure of these economists. After all, the basic mechanic of their theory of value was not exactly new. The analysis of value in terms of utility and scarcity may be traced all the way back to Aristotle and was developed further by scholastic doctors such as Thomas Aquinas and Duns Scotus.[91]

What is important in the context of this investigation is the introduction of the notion of "Marginal Utility", coined in English by Marshall with reference to the German term *Grenznutzen* proposed by von Wiesen.[92] The idea was to analyse in terms of *changes* in utility relative to changes in possible consumption rather than utility *as such*, or "Total Utility".[93] This enabled economists to, amongst other things, explain the so-called "paradox of value" with which Smith and others had also wrestled, namely the seemingly illogical higher exchange value of diamonds over water, although diamonds are practically useless whereas water is eminently useful. In fact, the 'paradox' had been resolved much earlier by John Law with a reasoning of supply and demand, a theory of utility, quite congruent with the one of the marginalists, however, it was not until the marginalists that the full potential of this approach began to be realized.[94] The marginalist conceptual framework enabled economists to represent economic phenomena in a manner that allowed them to be analysed mathematically, in particular by means of the mathematics of change, namely infinitesimal calculus.

The significance of this can scarcely be overestimated. If the issue for the early economist was to analyse economic phenomena *onto themselves* and not as a subclass of phenomena under, for example, government, or indeed to articulate and analyse a fundamental economic

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[90] William Stanley Jevons (1835-1882): *A General Mathematical Theory of Political Economy* (1862), *The Theory of Political Economy* (1871); Philip Wicksteed (1844-1927): *The Common Sense of Political Economy* (1910); Francis Ysidro Edgeworth (1845-1926): "The Hedonical Calculus" (1979), *Mathematical Psychics* (1881); Carl Menger (1840-1921): *Grundsätze der Volkswirtschaftslehre* (1871); Friedrich von Weiser (1851-1926): *Der natürliche Werth* (1889), *Theorie der gesellschaftlichen Wirtschaft* (1914); Eugen von Böhm-Bawerk (1851-1914): *Kapital und Kapitalzins I-II* (1884-89); Marie Ésprit Léon Walras (1934-1910): *Éléments d'économie politique pure I-II* (1874–1877)

[91] Cf. Schumpeter: *History of Economic Analysis*, Part II, Chapter 1 & 2.

[92] Marshall: *Principles of Economics*, p. 153; von Wieser: *Über den Ursprung und die Hauptgesetze des wirtschaftlichen Werthes*, p. 128; *Der natürliche Werth*, §5, pp. 11-15.

[93] Marshall: Ibid.

[94] "Water is of great use, yet of little Value; Because the Quantity of Water is much greater than the Demand for it. Diamonds are of little use, yet of great Value, because the Demand for Diamonds is much greater, than the Quantity of them." (Law: *Money and Trade Considered*, Chapter 1, pp. 4-5)

reality, then mathematics is the obvious language in which to speak. Why is this? In a thesis from 1866 entitled "Brief Account of a General Mathematical Theory of Political Economy", before going on to sketch a theory of marginal utility, Jevons writes: "Economy, indeed, being concerned with *quantities*, has always of necessity been mathematical in its subject, but the easy comprehension of its quantitative laws has been prevented by a neglect of those powerful methods of expression which have been applied to most other sciences with so much success. It is not to be supposed, however, that because economy becomes mathematical in form, it will, therefore, become a matter of rigorous calculation. Its mathematical principles may become formal and certain, while its individual data remain as inexact as ever."[95]

A little less than ten years later, in 1874, he delivers a lecture to the Manchester Statistical Society in which he expands on this. Paraphrasing a little, he says: The economic laws must be mathematical because they deal with quantities and relations of quantities. In fact it is rather curious that this seemingly did not occur to any of the chief authors of political economy. Smith spoke of quantities of labour as determinant of value. So did Ricardo, though in a different way. Senior, McCulloch, Say, Mill – they all had quantities as the predominant theme of their analyses, and yet they deal with them in the crudest manner rather than using the aids so evidently present in recognised modes of mathematical expression.[96]

Jevons continues, and I still paraphrase: Their error stems from conceiving of utility as a *fixed quality*. As soon as it is recognized that this is not the case, and that can be demonstrated through a few simple examples, it must be conceded that it is variable and thus a matter of quantities and their inter-relations.[97] But this error was firmly established in an "orthodox economical creed", said Jevons, engendered by the assumption that "Smith founded the science, that Ricardo systematized it, and that Mill finally expounded it in a nearly perfect form."[98] Risking to be treated as a noxious heretic, Jevons maintains that it is necessary to go back and reconsider "the primary notions of the science" by using mathematics as "the touchstone which can decide between truth and error."[99]

So, as economic phenomena are inherently quantitative, economic analysis should be mathematical, since mathematics is the language of relations of quantities. This is, important-

[95] Jevons: "Brief Account of a General Mathematical Theory of Political Economy", §1, p, 282; emphasis added.
[96] Jevons: "The Mathematical Theory of Political Economy", p. 480.
[97] Ibid., p. 481.
[98] Ibid., p. 479.
[99] Ibid., pp. 479, 488.

ly, purely a formal principle and does not necessarily rely on the availability of mathematically exact data. Taken together these two points allowed precisely for economic theory onto it self, economic theory that, using a synthetic word, treats phenomena in their 'economicality', economic theory that does not need 'political' as a prefix: A *pure* economics.

It *almost* allowed for this, anyway. In response the problems they saw with an economic theory reliant on an *objective* conception of value, the marginalists proposed an economic theory reliant on a *subjective* conception of value, in which utility, as a determinant of value, was not dependant on properties intrinsic to some thing, but on the peculiar preferences of the person using that thing. Utility was, as Schumpeter later summed it up, considered a *psychological fact*, evident from introspection, and as such, utility theory was in fact a *psychology of value*.[100] This led to the question of how to fuse the quantitative nature of economics with the subjective nature of value. The generalized marginalist conception of utility as being defined by demand and supply was built on a congruent idea of utility as the satisfaction of wants under certain constraints. The proximity to the utilitarian notion of pleasures and pains can hardly go unnoticed, and for many of the marginalists it was two sides of the same argument: Utility was inherently a quantitative notion because it was relative notion, a matter of less or more. That which is related is pleasure, and this is also a quantitative notion because it is a notion relative to the stimuli received. A fundamental axiom in Edgeworth's "The Hedonical Calculus" was that pleasure "is measurable, and all pleasures are commensurable; so much of one sort of pleasure felt by one sentient being equateable to so much of other sorts of pleasure felt by other sentients", and it was his intent to harness this axiom to the problem of finding "the distribution of means and of labour, the quality and number of population, so that there may be the greatest possible happiness."[101] Economics was a subspecies of "The Calculus of Pleasure" which was conceived as a "moral arithmetic [supplemented by] a moral differential calculus" capable of assuming the position of "a criterion for alternative actions" which is needed "when we descend from faith to works".[102] Edgeworth was clearly not particularly occupied with establishing economics as a distinct science, and thus letting his economic value judgments depend on utilitarian (philosophical) principles did not strike him as a problem. Jevons, who was much more insistent on conceiving economics as an independent, mathematical science, and who maintained that his mathematical conception of utility was purely for-

[100] Schumpeter: *History of Economic Analysis*, p. 1056.
[101] Edgeworth: "The Hedonical Calculus", pp. v-viii, 396, 394; mathematical notation omitted.
[102] Ibid., pp. 396, 405.

mal, still referred to economics as the "Science of Pleasure and Pain" and held that its objective was to "maximise happiness".[103]

Marshall, on the other hand, deplored such confusion of "Hedonics and Economics" and maintained that it was "clearly not the part of economics to take a side in ethical controversy".[104] However, he as well as other economists less than thrilled with the utilitarian association, continued to believe in utility as a definite psychic reality that was measurable in a manner that was both quantitative and commensurable. This "Cardinal" view of utility, as it was later termed, was found to be problematic by later economists because it assumed precisely such an extra-scientific scale or dynamic according to which utility was measured that they sought to avoid in their formulation of a *pure* economic science.[105] Inasmuch as the idea of economics as a science onto itself had been articulated in order to move away from economic analysis that was censored by what was perceived to be arbitrary commitments, be they to tradition, religion or political ideology, the continued adherence by the marginalists to a common notion of utility and value was to these later critics unacceptable. Economic analysis "does not by itself provide any ethical sanctions", Lionel Robbins wrote in 1932 and continued: "There is no penumbra of approbation round the Theory of Equilibrium. Equilibrium is just equilibrium."[106] In a relation of means and ends, economics can analyse the relation of the former to the latter, but not the latter in itself. There are, Robbins wrote flatly, "no economic ends. There are only economical and uneconomical ways of achieving given ends. We cannot say that the pursuit of given ends is uneconomical because the ends are uneconomical; we can only say it is uneconomical if the ends are pursued with an unnecessary expenditure of means."[107]

The decisive move away from cardinal utility and the formulation of what became the fundament for "the modern theory of value" was made by Vilfredo Pareto, successor at The University of Lausanne to Walras, whose version of the marginal utility theory he more or less adhered to until the close of the nineteenth century. [108] He begins his *Manual of Political*

[103] Jevons: *Theory of Political Economy*, pp. vii, 27
[104] Marshal: *Principles of Economics*, pp. 101 n.1, 17 n.1.
[105] Hicks & Allen: "The Theory of Value Reconsidered", p. 54; cf. Robbins: *Essay on the Nature and Significance of Economic Science*, Chapter VI.
[106] Robbins: *Essay on the Nature and Significance of Economic Science*, p. 127.
[107] Ibid., p. 129.
[108] Schumpeter: *History of Economic Analysis*, p. 1062-1063. In my analysis of Pareto's work, I will from time to time supply his own texts with commentaries on the same texts by Schumpeter and Talcott Parsons. This is, aside from the analytic poignancy of some of their formulations, in order to signify the heritage that Pareto

Economy by remarking on the possible objectives of "the study of political economy and sociology".[109] Such a study may be concerned with "gathering together prescriptions which are useful" to the activities of individuals or authorities similarly to how an "author of a tract on raising rabbits merely has the objective of being useful to those who raise these little animals." It may the revelation of "a doctrine, an excellent one in [the author's] opinion, which should provide all kinds of benefits to the nation, or even to the human race". Or, finally, it may be to "search for the uniformities that phenomena present […] *to know, to understand*, no more."[110] Pareto warns his reader that in the *Manual* he will occupy himself exclusively with this last, *scientific* objective, and that he is not "seeking to convince anyone", but only to investigate uniformities of phenomena.[111] Science, according to Pareto, entails *suppression of obligation;* there can be no 'ought' in scientific propositions.[112]

Pareto's conception of economics as a science is radically unequivocal in comparison with his predecessors. He was preoccupied with cleansing science from what he perceived as previous theoreticians' reliance on extra-scientific objectives. Whereas most of the economists who came before him were strong advocates of 'free enterprise' and insistent on the intimate relationship between political and economic freedom, Pareto called liberalist government "demagogic plutocracy" noting that "[our] demagogic plutocracy has learned how to turn political 'freedom', and for that matter anarchy, into profits."[113] He dismissed the methods of positivist predecessors such as Comte and Spencer writing that the "positivism of Herbert Spencer is nothing but metaphysics. […] He asserts the existence of an Unknowable, but claims, by an amusing contradiction, to know at least something about it."[114] While he might have agreed with Marshall that economics was "on the one side a study of wealth and on the other, a more important side, a part of the study of man", Marshall's delineation of the latter part as "a study of man's actions in the ordinary business of life" was much too wobbly and unspecific to Pareto.[115] Not just any sort of actions will do for scientific economic studies.

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has left, not only in terms of specific tools of economic analysis, but also in a more broad context of philosophy of science in economics as well as other social sciences, as articulated by eminent authors within these fields.

[109] First published in Italian as *Manuale di economia politica con una introduzione alle scienza sociale* in 1906 and translated into French under Pareto's supervision as *Manuel d'économie politique* in 1909. An English translation, based on the French 1909 edition, did not materialize until 1971, a testament either to the linguistic capabilities or the astonishing ignorance of their predecessors amongst Anglo-American economists.

[110] Pareto: *Manual*, pp. 1-2; emphasis original.

[111] Ibid., p. 2.

[112] Ibid., p. 20.

[113] Pareto: *The Mind and Society*, vol. IV, §2550, n. 1.

[114] Pareto: Ibid., vol. I, §112.

[115] Marshall: *Principles*, p. 1.

He distinguishes between two modes of actions, carefully noting that it is a distinction by abstraction and that in reality the two are mixed together: Logical and non-logical actions.[116] *Logical actions* are those activities "that logically conjoin means and ends not only from the standpoint of the subject performing them, but from the standpoint of other persons who have more extensive knowledge".[117] The latter signifies that the relation of means to ends corresponds to what to Pareto's mind are *experimental facts verifiable by observation*.[118] Crucially, Paretian facts should not be taken to mean exclusively 'sense data', but also the shared *meaning* of various phenomena: Theories and propositions are experimental facts as much as a coin changing hands.[119] Furthermore, facts are *never* comprehensive accounts of phenomena: "We do not know and we can never know a concrete phenomenon in all its detail. There is always a residue."[120] Talcott Parsons later summed up this conception in his comprehensive (sociological) analysis of Pareto's work: Rather than superimposing 'theory' in relation to 'facts', Pareto included "the element of theoretical abstraction in his concept of fact itself."[121]

Logical actions, then, are operations with a verifiable congruence between logical reasons and facts. Economic science in Pareto's rendition deals exclusively with such actions.[122] In contrast, *non-logical actions* constitute a residual category for all those actions that do not meet the criteria for logical actions. These are, for examples, operations based on facts that it is not possible to verify by observation, on *imaginary facts*.[123] Consequently, actions based on, for example, religious or moral notions such as 'God' or 'Natural rights', are non-logical. So far, discounting possibly his quite unique and interesting conception of facts, Pareto comes across as another logical positivist of the early twentieth century. However, contrary perhaps to more staunch positivists of his time, Pareto insisted on the fundamental reality of non-logical actions. They are precisely *non*-logical and not illogical; "they are unverifiable, not 'wrong'."[124] And he thought the rationalization of such actions based on unverifiable facts played an immensely important role in the creation of sociality. Schumpeter later, in 1949, summed up this point in a sharper formulation: "The masses of thought and the conceptual structures that form the conscious surface of the social and in particular of the political pro-

[116] Pareto: *Manual*, p. 30.
[117] Pareto: *The Mind and Society*, vol. I, §150.
[118] Parsons: *The Structure of Social Actions*, p. 181.
[119] Pareto: *The Mind and Society*, vol. I, §7.
[120] Pareto: *Manual*, §10.
[121] Parsons: *The Structure of Social Actions*., p. 183; emphasis omitted.
[122] Pareto: *Manual*, p. 103.
[123] Pareto: Ibid., p. 34-35.
[124] Parsons: Ibid., 202.

cess have no empirical validity whatsoever. They work with entities such as liberty, democracy, equality, that are as imaginary as were the gods and goddesses who fought for the Greeks and the Trojans in the *Iliad*. […From] a logical standpoint, they are nonsense unalloyed."[125]

The affinity with the 'noble lies' of Plato's *Republic* is striking. Poignantly, for Pareto as well as for Plato, there is no contradiction between the existence of 'Truth' in the scientific sense and the necessity of structures that are, essentially, false. Even though Plato maintains a notion of the transformative force of truth, the idea that when confronted with truth one must accede to it, this is in fact only the case for those whose constitution is the right (that is, the philosophical) one. The noble lies are falsehoods that enable Truth to function in society: They safeguard Truth from the onslaught of sophistry.[126] There is, it seems to me, a certain similarity in Pareto's insistence on the normative neutrality of science: There can be no 'ought' inherent in scientific propositions. If someone believes that scientific propositions are, or should be, normatively prescriptive by virtue of being logical and empirically verifiable, it has convictive force outside that individual only insofar as logic and empirical verifiability are accepted as criteria for normative prescription, something that cannot be scientifically proven. It must be founded precisely on a belief. In other words, the truth of scientific propositions can function as a determinant for societal action only if they are *attributed* moral authority, something that science in Pareto's conception cannot do itself, but for which it must rely on synthetic argumentation that assume untestable facts. Ultimately, logical nonsense is the foundation on which scientific truth operates in society.

Inasmuch as 'value' is indeed a normatively evaluative term, economics, as a science according to Pareto, cannot actually deal with it. This was the problem of his predecessors, he thought. To solve what he believed was the problem, Pareto used the preference and indifference curves introduced by Edgeworth, but whereas Edgeworth began from a notion of (cardinal) utility as a known quantity and arrived at the specific curves, Pareto did the opposite: "We have inverted the problem. We have shown that by starting with the notion of indifference lines, a notion given directly by experience, we can arrive at the determination of economic equilibrium and work back again to certain functions, among which will be ophelimity [utility], if it exists. In any case *indices* of ophelimity [utility] will be obtained."[127] So more than a theory of value, Pareto indexed economic analysis to what Hicks and Allen later

[125] Schumpeter: "Vilfredo Pareto (1848-1923)", p. 170.
[126] Plato: *Republic,* III, 414b-415d.
[127] Pareto: *Manual*, p. 391, n. 2.

termed "a logic of choice" according to the basic idea that instead of conjecturing about ultimate hierarchies of utility, the economist would take *observable behaviour* concerning preferences (that is, empirically verifiable, or at least potentially empirically verifiable, choices between different outcomes) as *indicative* of (ordinal) utility.[128]

As such the value judgments propagated by Pareto's economic science are in fact not judgments in the sense that they pronounce a final sentence. Rather, inasmuch as they are founded on *indications* they seem to be, somewhat oxymoronically, *indeterminate* or *unpronounced* judgments in need of something in the way of a ratification. As long as the analysis remains within the strict economic schema of Pareto, which is to say a schema consisting of individuals carrying out logical actions, such a ratification can be arrived at fairly easily by letting an individual choose between different outcomes, bearing in mind, of course, that even then the judgment is conditioned insofar as the selection of outcomes is presupposed. When crossing over into analysis of social and political processes, however, this question of the completion of the indeterminate value judgment passed by the indications of economic analysis reappears with renewed force.

So Pareto responded to what he perceived as an unwarranted moralistic foundation for studies of economic phenomena. In this he created a vision of an economic science that was divested from normative prescriptions and concerned only with phenomena that could be analysed through observation and application of schematics of logic. I shall refrain from going into a discussion of whether he actually succeeded in this. What in the present context is of interest in Pareto's attempt at handling the problem he perceived for economic theory is that rather than 'solving' it as such, Pareto turned it around or at least redirected it. Rather than the problem of distinguishing the science of economics from the art of economics, the problem of drawing the line between what economic science can and cannot speak about, the problem becomes: Given that economics is a science, given that the line is already drawn, how does it address societal practice in relation to which it is an abstracted and partial account, but which is nonetheless the subject matter to which it refers?

The economic analysis according to the strict Paretian ambition pronounces a sentence that is onto itself morally meaningless. It speaks of individual actions perceived as being indicative of value, but inasmuch as value is a non-scientific concept there remains a gap between an economic proposition and a finalized judgement of value that cannot be closed un-

[128] Hicks & Allen: "A Reconsideration of the Theory of Value", pp. 53-54; Schumpeter: "Vilfredo Pareto (1848-1923)", p. 162.

less the economic proposition is either supplemented by auxiliary pronouncements or 'fundamentalized', which is to say that it is made primary, that it is considered not a partial account but a total ontology. The latter was precisely what Pareto wanted to avoid, so his own response to this problem was to explore other theories that he perceived as relevant for social action: "Political economy does not have to take morality into account. But one who extols some practical measures ought to take into account not only the economic consequences but also the moral, religious, political, etc., consequences. […] One who praises free trade, restricting himself to its economic effects, is not constructing a faulty theory of international commerce, but rather is making an incorrect application of an intrinsically true theory. His error consists of disregarding other political and social effects, which are the subjects of other theories."[129]

As such, on the whole Pareto seems to articulate a particular synthesis of the positions that I previously attributed schematically to Mill and Senior, on the one hand, and Sidgwick on the other. The first was the position that economics was a science amongst sciences the totality of which constituted a complete account of social and political reality when brought together. The second was that economics was a science that could only ever provide a partial account of a reality that could not be exhaustively accounted for in a scientific manner. In the first, government is the artistic bringing together of sciences. In the second, it is the attempt at reconciling scientific and extra-scientific propositions. To Pareto, phenomena can never fully be accounted for, however, various sciences can deliver analytic *approximations* and in the context of government *those that are relevant* to the concrete situation are brought together.[130] Of course, this 'relevance clause' means that government is ultimately reliant on extra-scientific judgment. Pareto does not really dwell on the criteria for relevance, noting only that with regards to some phenomena economics is more relevant than other sciences and vice versa.[131]

In any case, the point is that on the matter of value economics can, inasmuch as it deals with structures of choice, only speak in indicative pronouncements that have to be completed by something outside of the pronouncement itself in order to constitute a value judgment. For value judgments pertaining to individuals, one does not need to posit more than rules of logic to close the gap between choice and value, specifically non-contradiction and transitivity: If an individual claims to prefer A over B and yet repeatedly chooses B over A, it is impossible

[129] Pareto: *Manual*, pp. 13-14, §§ 26, 28.
[130] Ibid., pp. 14-15, n. 13, 14.
[131] Ibid., p. 14.

to maintain that B is not more valuable to her unless one accepts that A > B and A < B can be true at the same time. So from knowledge about the tastes of an individual, which are revealed by the choices she makes, it is possible to proceed to a pattern of action that would maximize the satisfaction of her tastes, which is to say be most valuable for her. However, insofar as economics have as its horizon not specific individuals, but rather populations or societies, the question becomes whether the same manoeuvre is possible for social actions: It is possible to pass from the preferences of more than one individual with regards to a given set of outcomes, to a logical ordering of outcomes that maximise the aggregate, i.e. social, satisfaction?

This question of the possibility of founding social choice on a formal and rational mechanic that takes as its data individual preferences has exercised economic science through the twentieth century. In 1951 Kenneth J. Arrow famously asked himself this very question and concluded in his "General Possibility Theorem", that there is in fact no such possibility: "If we exclude the possibility of interpersonal comparisons of utility [i.e. cardinal utility], then the only methods of passing from individual tastes to social preferences […] are either imposed or dictatorial."[132]

To demonstrate this, Arrow first established a handful of conditions that he thought ought to be reasonable for any social choice: First, social choice is conceived as the aggregate of individual preferences. Second, the process of aggregation must be able to handle any individual ordering of the options available, that is, no complete *a priori* knowledge of individual orderings is assumed. Third, the aggregation must have a positive association with individuals' preferences, that is, it cannot be contrary to an individual ordering. Fourth, the ordering must not be imposed, that is, the ordering of some of the outcomes cannot be defined in advance regardless of individual orderings. Fifth, the ordering must not be dictatorial, that is, based on the ordering of a single individual. Arrow then showed that under these conditions, if there are at least three outcomes to choose from, no rational ordering can be produced.[133]

In fact, some of the problems that Arrow's theorem formalized had already been noted by Condorcet in the eighteenth century, namely that traits exhibited by individual choices are not necessarily reflected in the aggregate, composite choice. Condorcet's 'paradox of voting' shows that transitive orderings of three or more choices by three or more individuals become cyclical (intransitive) when aggregated: Situations can arise when majorities prefer A to B, B

[132] Arrow: *Social Choice and Individual Values*, p. 59; emphasis omitted.
[133] Ibid., pp. 28-31, 58-60.

to C *and* C to A.[134] Arrow generalized the analysis and shows that no formal procedure for social decision-making exists that complies with all the conditions mentioned above. Arrow shows that *even when* standard economic assumptions are granted, specifically that individual preferences are given and not altered by the decision-making process itself, it is still not possible to arrive at aggregate social preferences through formal procedures of choice unless some form of restrictions are placed on the individual choices. I will not go into the further details of Arrow's (or Condorcet's) analysis or the consequences it has had for subsequent economic and decision-making theory. What is important in the context of public value judgments is that it brings out starkly the tension between the individual and the population, and that it shows that this tension cannot be resolved formally unless the conditions that Arrow posited for the system of judgment are relaxed. [135]

Inasmuch as the conditions preclude restrictions on individual choice, what Arrow points out is that the notion of a harmonious relation between unrestricted individual choice and aggregate social choice is not formally possible. In other words, social choice involves some sort of restriction of the individual. This may come across as a rather banal point. After all, does not the contractual conception of politics, which forms a basic part of most contemporary democratic constitutions, revolve precisely around individuals restricting themselves in exchange for safety and security? Nevertheless, for the purposes of this investigation and in general, I think it is an important point to bear in mind when considering what can be expected from the political process: It is not a question of *whether* it imposes a certain order, but rather of *which* order is imposed and *how* the imposition is structured.

It is important to bear in mind the ambiguity of Arrow's theorem. On the one hand, he shows that there is only so far we can go with economic analysis in the case of social welfare. This might lead to the conclusion that less faith should be placed in economics with regards to political matters. On the other hand, Arrow's analysis is directed at political systems of aggregation, voting systems for example, and following this one might conclude that the essence

[134] Cf. Arrow (1951): Ibid., pp. 2-3; Condorcet (1785): *Essai*, pp. lvj-lxx.

[135] Arrow articulates the conditions in two manners: In the original 1951-edition of *Individual Values and Social Choice* they are explained in Chapter III (pp. 22-33) as: Unrestricted domain (incomplete *a priori* knowledge of individual orderings), positive welfare association (social preference cannot violate individual preference), independence of irrelevant alternatives, citizen sovereignty and non-dictatorship. In the second 1963-edition he replaced conditions 2 and 4 with the Pareto principle (that unanimity of individual preferences implies a social preference) to make comparisons with other formulations of the problem of social choice easier (because the Pareto principle was widely accepted and used (cf. Chapter VIII, pp. 92-120). In addition to these condition were axiomatic assumptions: Givenness of preferences and rationality (compliance with principles of non-contradiction and transitivity).

of his argument is that aggregation should be left to market dynamics. In any case, Arrow shows the precarious relation between economics and politics.

As such, with Pareto and with Arrow there appears the contours of an economic science, an economic form of knowledge, that, it seems to me, constitutes a decisive figure for politics from the beginning of the twentieth century and on. The authors I have dealt with here, culminating with Pareto, endeavoured to divest economics from non-scientific elements, to fashion a pure economics. At the same time the practicality of social action, of politics, remained a horizon, a potential addressee, towards which economic analysis was turned although it purported not to deal with it directly, but only through partial reference.

By this was created a zone of indistinction, a grey area between analytic economic science and whatever synthetic practice toward which it relates, whose borders and constitution is not defined by economics alone. This is the zone of public value judgments, and whom- or whatever defines it also sets the criteria for what can be conceived as valuable for the *res publica*. It is not the exclusive property of economics. In fact, economics, as presented here, continuously and simultaneously pulls away from it and gestures towards it: Economic analysis speaks into this zone with indicative pronouncements that may have a judgmental direction but cannot be finalized without extra-economic support.

As evident already from Pareto and later more strictly articulated by Arrow this zone of value judgment is formally irreducible to economics, and yet it constitutes that towards which economics must refer to possess any reality. Finally, through Pareto's conception of facts and of non-logical action I find a crucial characteristic of this zone, namely that although it may draw on such entities, it has no natural, no physical, substance in itself. Neither does it have any given permanence. It is *artificial* and subject to a continuous process of *reartificialization*.[136]

It is the management of this zone, the conversion of reartificializations into concrete and particular practical systems that public administration has been formally charged with. And so, it is with this that I turn to some specific attempts within public administration at dealing with the problem of public value judgments.

One final remark, however. I leave off economic theorizing at the beginning of the twentieth century. This does not mean that I do not believe that there has been any development in economics with regards to the problem of public value since. On the contrary, I believe that

[136] Cf. Raffnsøe (2002): *Sameksistens uden common sense*, vol. I, pp. 119-120.

this problem has continued to occupy the minds of economists up through the century. However, within the scope of the present investigation, the formulation of the problem itself in the context of an economic science will have to suffice. With Pareto and Arrow the indicative relation between economics and value has been established, as well as the zone of reartificialization resulting from this relation, and I believe that, in different ways, a significant driving force of subsequent economic theorizing has precisely been a question of defining this zone.

Part Four: Governing public value

VIII: Public administration – Serving and shaping the preferences of society

In this part begins a new reconstruction, namely one of the governing of the practical field in which public value is supposed to originate – public organizations and institutions. In distinction from the previous sections on economic theorizing, this part deals with more recent events, intertwined with the modernization of the public sector that I have described in a Danish context in Section II. These reform programmes were, on a theoretical level, closely connected to a "group of ideas" that Christopher Hood, professor of public administration and public policy at the University of London, in 1991 collectively named "new public management".[137] Today, I think it is uncontroversial to say that this has become a household term, and often, as discussed in Section I, a derogatory one. Despite its perceived dominance, however, it has been subject to substantial criticism from within the field of management studies for quite some time before it became the subject of newspaper opinion columns.[138]

A key figure in this academic critique was Harvard professor Mark H. Moore.[139] In his 1995-book *Creating Public Value*, Moore sets out to investigate strategic management in government from the basic premise that just as the aim of managerial work in the private sector is to create private value, the aim of managerial work in the public sector is to create public value.[140] This seemingly self-evident proposition is actually a quite far-reaching statement about the role of government in society, insofar as delineates the public sector as a *productive* sector. In a society such as the Danish, shaped for many years by variations of social democratic policies, such a view is perhaps not particularly controversial. However, it should be borne in mind that opposed to such a notion, the liberalist political tradition usually conceives government as, at best, a *conductive* sector, in other words one that maintains a frame that allows private individual actors to create value: Government sets the rules of the game, but does not, should not, play.[141] This is worth mentioning at least to underline that in relying on

[137] Hood (1991): "A Public Management For All Seasons?", p. 3.
[138] Cf. O'Flynn: "Paradigmatic Change and Managerial Implications".
[139] O'Flynn: Ibid., pp. 358-360.
[140] Moore (1995): *Creating Public Value*, p. 28.
[141] Cf. Foucault: *The Birth of Biopolitics*, pp. 281-283.

or by taking as inspiration Moore's analysis, as the other texts I will be dealing with in this section do, one accepts to some extent a notion of government as (potentially) value producing.

In addition to the conception of government as a productive sector, Moore's analysis draws on the fundamental assumption that it is possible to analyse the value production in this sector in the same register as value production in the private sector.[142] For Moore, this does *not* entail that one can simply apply analyses of private value creation to a public setting or that public value production is subject to the same dynamics as private value production. That would have obviated any need for a separate analysis. It simply means that creation of public value can be analysed in the same register as private value, namely that of *management*.[143] What this means in this context is that there is implied some measure of wilful activity, some form of judgment. It is not a spontaneous or automatic mechanic in the sense that it is subject to 'natural' laws. Neither, however, is it entirely a political sort of judgment in the sense that it is the product of ethical conviction and deliberation or of legislation. As such, the managerial register of Moore's analysis is suspended between a technical-professional axis on the hand and a political-spiritual axis on the other.

Regardless of its breadth and particularities, there are three points that I would like to draw out of Moore's analysis. Three central problems that considerations regarding creation of public value must take into account, according to Moore. I will nuance Moore's analysis with four texts produced within the sector that it is directed at. These text are "Public Value in Practice" by the BBC Trust; "Deliberative democracy and the role of public managers" (2006) by The Work Foundation, a public policy think tank based in the United Kingdom whose work is sponsored by various public institutions including the BBC Trust and the Metropolitan Police as well as government organizations such as the British Home Office and the National Health Services Institute for Innovation and Improvement; "How should we think about value in health and care?", a discussion thesis produced on behalf of a group of think tanks and NGOs participating in a project entitled *Realising the Value* which is funded by the National Health Services (NHS); and "Creating Public Value" (2002), a discussion thesis produced by the strategy unit of the British Cabinet Office.

[142] Cf. Moore (1995), *Creating Public Value*, pp. 28-31.

[143] It should, perhaps, be noted that I do not presume that this is the only register in which private or public value creation can be studied. It is merely the one that Moore chooses.

Firstly, there is what I will call the *problem of neutrality*. Moore proposes that anyone seeking to theorize about public management in contemporary democracies is faced with the "tension between the desire to have democratic politics determine what is worth producing in the public sector and the recognition that democratic politics is vulnerable to corruption of various kinds" such as self-serving politicians or pressure from special interest groups.[144] According to this view, public value lives a precariously unstable existence, at all times in danger of collapsing into private value, whether for single individuals or particular groups. In an attempt to respond to this, Moore says, politics was separated from administration: Public managers were to act as though political mandates came to them in the form of coherent and well-defined policies, and their charge is to administrate these mandates most efficiently and effectively.[145] In political reality, however, policy mandates are rarely stable, coherent and well-defined, and as such public administrators have been found to challenge, or be expected to challenge, political authority with reference to quite ephemeral notions such as 'general public interest' or 'integrity of public institutions' or 'conscience'.[146]

As such, there is a tension between on the one hand deferment of (political) value judgment and on the other hand assumption of personal and professional value judgment on behalf of the public manager: They are expected to administrate neutrally – until they are not. Moore suggests that it is in an endeavour to resolve this tension to some extent that public management began to rely increasingly on analytic techniques particularly from economics and statistics that are supposed to guarantee a certain measure of neutrality.[147] However, despite their merits such technical solutions are, Moore notes, only another form of displacement of judgment, as was also seen in the analysis of economic theorizing.[148] This problem of neutrality echoes the general aspects of Arrow's theorem, namely the irreducibility of public value judgment either to technical analysis or formal procedure, and adds its irreducibility to personal judgment on behalf of the administrator. From the managerial perspective, public value judgment is thus triadically suspended between politically mandated judgment, technical-analytical judgment and individual professional judgment. The problem of neutrality is the continuous balancing act for the public manager in this suspension.

[144] Moore: *Creating Public Value,* p. 31.
[145] Ibid., p. 32.
[146] Ibid., p. 33.
[147] Ibid.
[148] Ibid., pp. 34-36.

The BBC Trust builds on Moore's analysis in their work on public value. They point to what I will call the role of *outcome directionality* in public value creation. The traditional conception of public managers as administrators of delivered mandates focusses on 'downward outcomes', meaning that public managers seek to perfect the operationalization of the mandates inside their organization.[149] In the conception of public managers as creators of public value, the focus is instead increasingly 'outward outcomes', understood as value in society, and 'upward outcomes', understood as challenging existing mandates through innovation.[150] These different directions are not necessarily incompatible, but the tension generated by their different points of gravitation does preclude purely analytical solutions, meaning that public value creation "is always going to be a matter of judgement."[151]

Secondly, there is what I will call the *problem of responsiveness*. This is closely connected to the problem of neutrality, but rather than being a problem for the public manager in relation to her work, it is a problem for the public manager in her relation to the public. Moore axiomatically defines public value as being constituted first and foremost by the "desires and perception of individuals" rather than "physical transformations" or "abstractions called societies".[152] This does not mean that these latter two categories have no relevance to public value judgments, only that they are not primary.

In any case, given this definition, Moore suggests that successful public value creation could be intimately connected to the capability of public organizations to *adapt* to continuously changing desires and conceptions, as well as changes in the contextual environment.[153] A crucial question, however, becomes how such adaptation is supposed to play out. There has been, Moore says, a tendency to view it as a matter of *serving* the demands of the public conceived as customers or clients.[154] Insofar as public organizations do provide services, this seems to be quite an obvious way of conceiving of public value creation. However, Moore points out, public organizations are not exclusively service providers. They are also frequently charged with imposing obligations.[155] Sometimes it is fairly easy to distinguish these two different roles, but more often they are intertwined, and different perceptions of which role is primary varies.

[149] Coyle, D. & Woolard, C.: *Public Value in Practice*, p. 6.
[150] Ibid.
[151] Ibid., p. 7.
[152] Moore: *Creating Public Value*, p. 52.
[153] Ibid.
[154] Ibid., p. 36.
[155] Ibid., p. 37.

Public value, then, is produced in a latticed field of 'service encounters' and 'obligation encounters', and the organizations involved in this production is recurrently faced with the question: To which extent do we work to respond to the desires of the public and to which extent do we work to refine them? This is also a question of how public organizations relate to the demands of individual citizens and the context in which they are made: To which extent should public organizations take into account the particular circumstances of each encounter, whether it is one of service, obligation or both, and to which extent should they insist on their politically mandated formal systems? In relying too much on the latter, organizations risk losing touch with the actual needs of the public that they are supposed to be creating value for, while highly responsive organizations will have to confront the potential danger of destabilizing the fundamental principles of equality (before the law, of process, of protection) in democratic societies, lest they wind up creating value only for some. The value judgment of the public manager is thus suspended once more, this time between the formal principles of public organization in question and the specific, particular cases which with it deals. This is the problem of responsiveness.

Of the three problems outlined that of responsiveness is by far the most pervasive in the secondary texts analysed in this section. According to the BBC Trust, public value creation is only possible if public organizations are "responsive to [citizens'] 'refined preferences'".[156] This concept of *refined* preferences, rather loosely defined in the text, suggests that public value is not merely purveying satisfaction of any odd desire, but preferences that are properly *informed*. Creation of public value "requires policy or services to be responsive to what is valued by the public, but also to shape what the public needs."[157] By 'responsiveness' is as such understood not a one-sided plasticity on behalf of the public institutions that moulds to the blunt imprint that is the desires of the public. Citizens are not merely passive consumers of public value. The value judgment of the citizen and the value judgment of the public manager are somewhat like the seeming two sides of the one-sided surface of a Mobius strip: At first sight they appear distinct, but you cannot tell where one begins and the other ends. It is, however, part of the charge of public organizations to "provide relevant information and set out key choices" to ensure that citizens are properly empowered to carry out a judgment that is not merely prejudice.[158]

[156] Coyle, D. & Woolard, C.: *Public Value in Practice,* p. 9.
[157] Ibid., p. 10
[158] Ibid.

Being responsive is thus not a matter of following opinion polls, of asking the public once in a while what they want, but a continuous labour of "engagement with [constituencies] to *work through* their priorities".[159] In contradistinction from economic conceptions of value, public value is not exclusively a matter of preferences revealed through the *choices* made by actors in a field. The *voices* of those actors are equally material in understanding their preferences.[160] This, however, is not a simple matter of allowing citizens to speak. Their voice must be formally empowered, but not unbridled: "Where voice accords no real power or weight to what users have to say, it can result in consultation fatigue. Equally, where voice does accord such power and weight, it may be result in unrepresentative groups taking control of the decision-making process."[161] Systems for allowing citizens to speak "often favour the educated and articulate", leaving behind those whose needs "may be the most urgent or serious."[162] As such, the importance of voice for the possibility of responsiveness introduces a problem of potential authority of voices, which must be balanced with a problem of inequality of voices.

Thirdly, there is what I will call the *problem of demonstration*. According to Moore "it is not enough to say that public managers create results that are valued; they must be able to show that the results obtained are worth the cost of private consumption and unrestrained liberty forgone in producing the desirable result."[163] This means that public value it not self-revealing, but must be made visible: It must be demonstrated, not in the economic marketplace of individual consumers as with private value creation, but in the political marketplace of citizens.[164] For public value, then, it appears that for Moore there is a dynamic of pronouncing the value judgment that is distinctly different from, if not exactly reverse to, that of private value: Whereas private value is precisely supposed to be self-revealing by way of the dynamics of the economic marketplace – private value is revealed *by* the market, *in* a market – public value is to be demonstrated *to* a market.

The point is that even if Moore adheres to a conception of public value creation that is market-based, this does not entail that the dynamic of pronunciation of value judgments is seamlessly congruent to that of markets in economic theory, even before the different respective constitutions of what Moore calls 'the economic marketplace' and 'the political market-

[159] National Voices: *How should we think about value in health and care?*, p. 3; emphasis mine.
[160] Horner, Lekhi & Blaug: *Deliberative democracy and the role of public managers*, p. 23.
[161] Ibid., p. 24.
[162] Ibid.
[163] Moore: *Creating Public Value*, p. 29.
[164] Ibid., p. 31.

place' are taken into consideration. For private value, different elements of information are generated in the economic market by actors *within* the market and, according to the theory of equilibrium, the *spontaneous* balancing of these elements pronounces a judgment. However, as was shown with reference to Robbins in section VII, this is purely a judgment of means that speaks in final states of allocation of means, but says nothing about ends.[165] For public value, elements of information are generated in entities, public organizations, which are not direct actors in the political market where the pronunciation of value judgment is supposed to take place. These are compounded, along with information from other sources, by the public manager into a *potential* value judgment that is in suspension, as described previously in this section, according to neutrality and responsiveness. This judgment is then pronounced *to* a political market that will accept or reject it, thus actualizing the potential or not, and that speaks not only of final states of allocation of means, but also of *process* and of *ends*.[166]

This difference notwithstanding, there is also at least one similarity, which is crucial, namely the incompleteness of value judgments. "Public managers create public value", Moore says, "[the] problem is that they cannot know for sure what that is".[167] They must therefore give an account of what they believe it could be through "both a story and demonstrated accomplishments".[168] The problem of demonstration is the problem of how, where and in what form such an account is given.

Moreover, as with the economic value judgments, this account is only ever *indicative*.[169] It must somehow be finalized with reference to an authority. In the ideal framework of public value theory this authority is supposed to be 'the public', however, it is not difficult to imagine public managers, or politicians, appealing to others in political practice: National security, national social cohesion, economic growth, to name a few that seems to have been widespread in recent years. In any case, the organization of the space between indication and finalized judgment seems to be a fundamental challenge in creating public value.

Public value theory as proposed by Moore and advanced by the various organizations presented here quite evidently have similarities with economic analysis of private value, dealing as it does with necessity of choice (scarcity of means), multiple actors in market-like condi-

[165] See Section VII, pp. 36-37.
[166] Cf. Moore: *Creating Public Value*, pp. 48-50.
[167] Ibid., p. 57.
[168] Ibid.
[169] Horner, Lekhi & Blaug: *Deliberative democracy and the role of public managers*, pp. 37-39; cf. Section VII, p. 38.

tions and preferences. However, rather than conflating the two, it seems to me that it is more fruitful to be attentive to their relation. A particularly interesting question that seems to be continuously reappearing in the different analyses examined in this section is one of the anthropology presumed by them. In this regard I do not think that it is satisfactory to say that the managerial analysis is simply an extrapolation of an economic rationality that anthropologically presupposes subjects as *homines oeconomici*. Yet, I do not think it is sufficient either to advance against this with the truism that public value judgments presuppose citizens rather than consumers. It would be more interesting, and more important, it seems to me, to refine the analysis by exploring how it is possible that the subject presumed can be both *homo oeconomicus* and citizen at the same time. More than the self-interested rationality that is usually seen as fundamental for economic man, or the duty-bound rationality that might be suggested as fundamental for the subject as citizen, what seems to be the most defining trait of the subject of public value theory is that it has *preferences* that can be expressed by judgments pronounced by both choice and voice.[170]

In viewing the subject presupposed by public value theory as what I will call with a neologism *homo praepositus,* preferential man, the subject who is capable of putting something first, it is I think possible to contain some of the ambiguities expressed in the analysis above.[171] It is a subject of whom preference is expected, but *active* preference, which is to say preference instituted by judgment in the face of alternative ends as well as allocative alternatives. This also means that it is *conditioned* preference, and thus is implied the possibility of altering – 'refining' – preferences.[172] It is a subject whose value judgment both shapes and is shaped by that towards which the judgment is directed. A subject who is responsive but who also demands responsiveness.

The dynamic of public value creation imagined here, where public managers engage with preferential subjects in a continuous process of co-judgment suspended between the problems of neutrality, responsiveness and demonstration, operates with a ubiquitous currency: Infor-

[170] Kelly, Mulgan & Muers: *Creating Public Value*, pp. 6-8, 31; Coyle, D. & Woolard, C.: *Public Value in Practice*, pp. 9-11; Horner, Lekhi & Blaug: *Deliberative democracy and the role of public managers*, pp. 23-24.

[171] Cf. Lewis & Short, s.v. "praepono" meaning *to put* or *set before, to place first, to prefer*.

[172] The question of the formation and status of preferences in economics continues to exercise a good deal of debate. Particularly controversial is the question of whether they are exogenously given or endogenously produced (cf. for example Nussbaum (1997): "Flawed Foundations", pp. 1207-1211). My conceptualization of 'preferential man' conforms most closely to an endogenous conception of preferences, however, it should be borne in mind that my propositions relegate under the auspices not strictly of economics, but of public management, and for this reason I do not dwell on the exogenous/endogenous debate at any length that does justices to its complexities.

mation. Public managers require information about the work of their organization, about the citizens it engages with, or could potentially have to engage with, and they must provide information to superiors and to citizens. They cannot *know* public value, so instead of knowledge they make do with information. The value judgment co-pronounced by public managers and citizens are supposed to solidify the freely flowing information into 'moments of knowledge', but these seem to exist in a precariously unstable state, at all times ready to dissolve into indicative information once again.

IX: Public administration – Documentation and the paradox of standardization

In order to situate the preceding analysis in a Danish context I should like to analyse a few texts concerning the Danish public sector. So far as I have been able to ascertain, no work comparable to that presented in the British texts dealt with in the previous section has been undertaken in Denmark. However, the Danish Institute for Local and Regional Government Research (KORA) has produced a series of studies that, although they do not specifically and explicitly treat public value, investigates the management of various sections of the public sector with a view to exploring what effects these have. Such 'effectual' studies are relevant to the discussion of public value insofar as 'effects' are considered against the horizon of value.[173] I will be returning to the report on results-based management in the public sector introduced back in section I. Although the report relies on international data and is as such not restricted to a Danish context, it has occupied a central position in the debate in Denmark concerning the public sector. I will supplement this report with another from KORA, a general management review of the Danish hospital sector.

The authors of the KORA-report on results-based management point to the formulation of *strategic goals* for organizations and the continuous usage of *documentation* of the performance of these organizations in relation to these goals in the management of them as key elements in this theory.[174] Both of these are in important ways related to the problems analysed in the previous section. For public sector organizations, the issue of strategic goals is mani-

[173] As such, looking at the 'effects' of a certain form of management means looking at how it impacts the ability of the managed institutions to fulfil their purpose of creating public value. In other words, studying 'effectiveness' or 'efficacy' means looking at what is done in a practice in relation to the *ends* of this practice. Contrariwise, studying 'efficiency' means looking at how *means* are allocated.

[174] Møller, Iversen & Andersen: *Review af resultatbaseret styring*, pp. 11-12.

festly one of ends, prompting the question of what type of goals are defined and of who defines these goal: To what extent do the goals focus on professional aspects of the work of the organization, and to what extent do they focus on organizational aspects? To what extent are the goals politically mandated by regional and national government, and to what extent can local managers and/or employees as well as end users influence them?

The report on results-based management presents the argument that if public employees are managed according to goals on which they perceive to have little influence, they tend to rely less on their professional judgment and apply the standard measures of the goals in an instrumental manner.[175] A displacement of focus in the daily work of employees occurs, away from professional consideration of the specific case at hand and towards organizational demands: Instead of asking how the interaction with the citizen in question can generate most value, the employee asks how this case can help the organization complete quotas, deliver better overall metrics, prevent negative attention and so on.[176]

The report on management in the hospital sector point to negative effects of "limited *local space of management*", because goals are typically delivered in standardized packages that determine in advance what is relevant for fulfilling them.[177] It is recognized, however, that standards are meant to serve the purpose of equality of treatment. Somewhat analogous to the tension between the public manager being responsive to particular circumstances and insisting on politically established mandates, the report points to what I will call a *paradox of standardization*, namely that on the one hand "standards are meant to ensure that no patient is overlooked. On the other hand, the individual patient is precisely at risk of being overlooked when the content of the interaction is determined in advance."[178]

The requirement for documentation can be seen as a derivative of the problem of demonstration: Because public managers need to give an account of the public value they create, and because they require information in order to construct this account, they must make sure that such information is generated. The problem of demonstration thus seeps into every layer of the organization, as every employee is in turn obliged to account for themselves in a manner that produces information for an account of the organization as a whole.

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[175] Møller, Iversen & Andersen: *Review af resultatbaseret styring*, p. 63.
[176] Ibid., p. 55.
[177] Holm-Petersen, Wadmann & Andersen: *Styringsreview på hospitalsområdet*, p. 9; translation and emphasis mine.
[178] Ibid., p. 8; translation mine.

Documentation is meant to further quality assurance in the public sector, however, the proliferation of documentation has engendered a shift of perspective towards a general operations level at the expense of specific professional practice. According to the report on hospital management, what is controlled through the generalized demand for documentation is the *registration* of clinical practice rather than the practice itself. For example, nurses are required to perform and register 'pain scorings' (patients' own perception of their pain on a numeric scale) of individual patients, but the registration of such a score offers no insight into how the pain was dealt with.[179]

The report on results-based management point to tendency for "the numbers of indicators to escalate" when management relies on indicators to demonstrate that documented performance fulfil the strategic goals set.[180] If the indicative rationality which I have ascribed to the incomplete pronunciation of value judgment in market contexts, whether these are economic or political, always gestures towards the closing of the judgmental gap, what is suggested by this 'logic of escalation' is that a common form that this gesture takes is the proliferation of the only type of account that this rationality can take into consideration, namely indications. Faced with the problem that one indicator constitutes only a partial account of a state of affairs, this form of rationality responds by offering more partial accounts, forming ever-larger aggregated corpora of accounts.

Similarly to Zeno's Achilles who will never catch the turtle, however, no amount of additional partial accounts will make a complete account. However, while Zeno's paradox can in fact be mathematically overcome because Achilles' run is a converging infinite series, an infinite series with a final member, the incompleteness of indications cannot precisely because there is no final member.[181] As with Pareto's theory of action and Arrow's impossibility theorem, ends must be taken as given for any logic of choice. They cannot be defined from within the logic itself.

When taken together with the recent history of the Danish public sector as presented in section II, there are seemingly two central consequences of the absence of local influence on goals, the downward saturation of the demand for documentation, and the proliferation of

[179] Holm-Petersen, Wadmann & Andersen: *Styringsreview på hospitalsområdet*, pp. 50-52.
[180] Møller, Iversen & Andersen: *Review af resultatbaseret styring*, p. 14.
[181] A simple example of a converging infinite series is 1 = ½ + ¼ + ⅛ … , in other words even though 1 can be divided infinitely, the sum of these infinite parts is still one. The calculus for testing convergence is commonly attributed to Augustin-Louis Cauchy in his seminal book on infinitesimal calculus *Cours d'Analyse de l'École Royale Polytechnique; I.re Partie. Analyse algébrique* (1821).

indicators in the public organizations studied in the two KORA-reports. First, there is what I will call *creeping normativity*. In the more modest versions of results-based management, the metrics derived from documented performance are often ideally meant to constitute a tool of reflection for improving what the organization does. Being constituted by information, it is meant to *inform* decision-making.[182] However, in practical reality they are often imbued with judgmental authority so that they *dictate* decision-making rather than informing it, although they are not formally or explicitly mandated as such.[183] One possible way of explaining this is that when faced with a large and increasing number of incomplete value judgments in the form of indicators, each of which requires a finalization, it becomes easier to act as though they were in fact finalized judgments and as such to defer judgmental authority to the indicators. If such a deferral is perceived to already have taken place due to lack of local influence on goals and their relation to indicators, the risk is evidently exacerbated.

Secondly, there is what I will call the *appeal to leadership*. In confrontation with the different problems described above, a widespread reaction seems to be the aspirational insertion of 'leadership' as an unqualified concept into the judgmental gap left by the indicators. When complex and controversial questions arise, employees, managers and politicians alike refer to 'leadership' as an empty signifier, as the name of that which is not known but which might resolve the outstanding judgmental issue. This was seen especially in the 1983-modernization programme of the Schlüter-government, in which the key focus of central public managers was shifted away from a technical-administrational capacity to a spiritual-directional one; from management to leadership, as it were.[184]

Both KORA-reports also point to the importance of leadership for working with systems of indicators and documentation. In the auspices of the hospital sector fact that politically mandated models of quality assurance has forced management to dedicate time and will to working with value generation, something that was previously perceived to undertaken primarily by individual 'rogue' professionals particularly passionate about their line of work, is presented as a positive consequence of results-based management.[185] Moreover, there is found to be support for the argument that authority of leadership has significant impact on the success of results-based management.[186] Regardless of this increasing appeal to leadership, how-

[182] Møller, Iversen & Andersen: *Review af resultatbaseret styring* p. 12.
[183] Ibid., pp. 61-63.
[184] Cf. Section II.
[185] Holm-Petersen, Wadmann & Andersen: *Styringsreview på hospitalsområdet*, p. 24.
[186] Møller, Iversen & Andersen: *Review af resultatbaseret styring,* pp. 16, 31.

ever, it is found that rather than strengthening judgmental capacity of those operating at the leadership-level of the decision-making process, which is an assumption about the effects of results-based management in theory, there is instead a tendency for a strengthening of the administrative level and often at the expense of the leadership-level.[187] When considering the permeation of the demand for documentation and the escalation of indicators, it is perhaps not surprising that the administrators, being charged with collecting and processing the information generated through documentation and relating it to the growing number of different indicators, assume the greater part of judgmental authority: Those who control the opaque zone between indication and judgment are the ones who can define its topography, who can say where indication ends and judgment begins.

[187] Møller, Iversen & Andersen: *Review af resultatbaseret styring,* p. 55.

Part Five: Public value at the frontline

X: Person-centered healthcare – From curing to caring in the management of suffering

After considering judgments of public value from the perspective of the administrative branch of the public sector, from the perspective of public managers and public organizations in a generic sense, I would now like to approach it from the other side, as it were, namely from the perspective not of those who administrate, but of those who are administrated. In other words, the frontline of the public sector: Those who are charged with delivering public value on a daily basis in direct interaction with the public in accordance with, or in spite of, the framework set up by the administration and ultimately the local, regional and nation government.

I have chosen to focus on the healthcare sector. This is firstly for the purposes of specificity. What I am interested in here is the practice of delivering public value as thought of by practitioners themselves. Secondly, the question of how the sector might create most value for its users is presently something that exercises a great deal of *thought* within the sector itself: Practitioners are writing papers on value in healthcare. They are doing seminars and conferences. They are organizing in political interest groups. In other words, the value of their profession is something that many practitioners within sector are recognising as an unresolved difficulty and are moved to work on, to expend their energies on.

One particularly interesting current in this is what is known as *person-centered healthcare*.[188] One the one hand, I do not want to overstate this as a coherent, organized, and established movement. It seems, rather, to be a number of people, and groups of people, working independently, but nonetheless on similar issues and in a similar overall direction. On the other hand, there is indeed some degree of organization going on, at least insofar as the existence of some forums dedicated specifically and explicitly to person-centered healthcare where some of these different people voice their thoughts on the matter. Two such forums are *The European Society for Person Centered Healthcare,* with its corollary academ-

[188] Sometimes this is also referred to as person-centered medicine, personalized healthcare or personalized medicine, and there might even be other names still. I will be calling it *person-centered healthcare* in the remainder of this thesis.

ic journal *The European Journal of Person Centered Healthcare,* which published its first issue in September 2013, and *The International Journal of Person Centered Medicine*, which first appeared in April 2011. The greater part of the texts analysed in the following section are from these two journals, and the primary *dramatis personae* are the key people of these forums, namely Andrew Miles and Juan E. Mezzich, the editors-in-chief of the two journals respectively, and Sir Jonathan E. Asbridge, president of the society.[189]

These practitioners and authors posit person-centered healthcare firstly as a humanistic critique of what they perceive to be the prevailing model of clinical practice over the past century, the biomedical, and the crisis that the exaltation of this model has engendered for the profession: A crisis of, amongst other things, care and compassion, as well as knowledge, according to Miles and Asbridge in their inaugural editorial of *The European Journal.*[190] It is not a critique, they are quick to underline, by which they seek to abolish the biomedical model entirely or completely appropriate the entire field of debate on humanistic health care, but one that tries to "enrich" and "expand" the current understanding of clinical practice.[191]

The development of this critique has not sprung out of untouched soil. For some years, various clinical practitioners and medical researchers have been working with a concept of *patient*-centered healthcare, and in many ways *person*-centered healthcare build on ideas already articulated to some extent by authors writing on the former. I will not analyse this relationship in any depth, but only point to the main difference. In all simplicity, the clue is in the name: While patient-centered healthcare consider users of healthcare only insofar as they are ill, insofar, that is, as they are patients, person-centered healthcare seeks to consider them holistically in their individuality.[192] As such, from the viewpoint of person-centered healthcare, patient-centered healthcare still subscribes to the "anatomico-pathological" focus of the bio-

[189] Asbridge is former Chief Nurse of the Teaching Hospitals of Oxford and Cambridge University and current Chief Nurse and Executive Director of Quality at St. Bartholomew's and The Royal London Foundation NHS Trust, and has been involved in an executive capacity in several initiatives from the British Government. Miles, gaining his first chair at the age of 30, has been Professor of Clinical Epidemiology and Social Medicine at the University of Buckingham UK and has held positions at numerous British and European universities. Mezzich is Professor of Psychiatry and Director at the Division of Psychiatric Epidemiology and International Center for Mental Health at the Mount Sinai School of Medicine at New York University, and president of the World Psychiatric Association.

[190] Miles & Asbridge: "The European Journal for Person Centered Healthcare", p. 1.

[191] Ibid., pp. 1-2.

[192] Miles & Asbridge: "Clarifying the concepts epistemology and lexicon of person-centeredness", p. 1; Starfield: "Is Patient-Centered Care the Same As Person-Focused Care?", p. 63. As an in-depth analysis of the similarities and differences between patient centered and person-centered healthcare, Starfield's thesis may be considered seminal.

medical model of clinical practice, which they propose to supplant with a broader "anthropocentric basis".[193]

The main fault lines in the debate that Miles and Asbridge, amongst others, are launching, are not concerning the overall goals of the medical profession. On their account, the fundamental purpose of medicine as a profession is, and has been virtually since the time of Hippocrates, the "management of suffering".[194] It is as such a governmental practice, which is also to say a judgmental practice, insofar as management is understood as the act of putting one's hand to the direction of something in accordance with the etymology of 'the word as derived from Italian *maneggiare* meaning 'to handle', and ultimately from the Latin *manus* meaning 'hand'. [195] Although in a practical rather than methodological register, there is a similarity with my layout of this etymology and the Foucauldian-Platonic conception of *ergon* as 'putting one's hand to the task' outlined in section III: The central point with both is precisely that analytical knowledge is, though necessary, not sufficient for the success of the practice, that a good practice does not spring spontaneously from knowledge, but requires acts of judgment which are irreducible to knowledge. In accordance with this, Miles and Asbridge call person-centered healthcare "a new way of 'thinking and doing' in clinical practice" with the overall aim of restoring "humanism to healthcare."[196]

It is as such not the fundamental purpose of the medical profession that proponents of person-centered healthcare perceive themselves as wanting to reform, but rather the manner in which medical practitioners work to fulfil this purpose. I will structure the analysis of their reformative critique around the key areas of crisis that they deal with: Care and compassion, and knowledge.

First, with regards to *care and compassion*, what seems to be some sort of unofficial slogan for advocates of person-centered healthcare is that clinical practice, in the management of suffering, should be concerned as much with *caring* for the patients as it is with *curing* them.[197] This seems to be an attempt at rethinking the personas of the medical practitioner as well as the patient, and, importantly, the nature and practical reality of their relationship. It is

[193] Miles & Asbridge: "The European Journal for Person Centered Healthcare", p. 1.
[194] Miles & Asbridge: "Clarifying the concepts, epistemology and lexicon of person-centeredness", p. 2.
[195] Cf. OED, *s.v.* "manage".
[196] Miles & Asbridge: "Contextualizing science in the aftermath of the evidence-based medicine era", p. 286.
[197] Miles & Asbridge: "The European Journal for Person Centered Healthcare", p. 1; "Clarifying the concepts, epistemology and lexicon of person-centeredness", p. 3.

in other words here that the question of what constitutes the *personhood* of person-centered healthcare comes into play. As such, it is an *ethical* confrontation with the biomedical model insofar as it is an attempt at reconfiguring the *selves* of clinical practice by asking the question 'Who am I as a manager of suffering?' and proposing that this can only be answered by another question, namely 'Who is the one who suffers?'. This ethical confrontation is considered an anamnestic as well as a reformative exercise that takes "medicine *back* as well as *forward*".[198] It is "a 'remembering' of what has been forgotten – or put aside – with the aim of strengthening medicine and safeguarding its development within the utilitarian and economically driven systems that now typify health services".[199] There is as such a notion of reclaiming something that was previously essential to the medical profession but which is perceived to have been lost with the 'scientification' of medicine. Miles and Mezzich speak of "the rediscovery of the 'soul of the clinic'."[200]

According to Miles, the biomedical model of clinical practice deals almost exclusively with patients as "biological bodies".[201] This has increased the pace of an "ongoing shift towards superspecialization" because patients are conceived as bundles of more or less independent systems that, following a logic of division of labour, can be dealt with most effectively and efficiently by specialized professionals.[202] This has in turn pushed healthcare services to "compartmentalization, fragmentation and reduction" to the detriment of the ability of the profession to fulfil its purpose of managing suffering and ultimately of delivering public value.[203]

Against this, Miles and Asbridge call for a model of practice that is sensitive to the "psychological, emotional and spiritual dimensions of patient care", which is to say a model in which patients are more than bodies, more than bundles of biological systems.[204] Miles and Mezzich illustrates this view of the patient by invoking an analogy introduced in the 1927-book *The Care of the Patient* by Francis Peabody, who as a physician insisting on a person-centered practice in an almost extremist positivist-scientistic environment looks like a sort of godfather of the current movement: "[The] clinical picture of the patient should never be understood simply as 'just a photograph of a man sick in bed; it is an impressionistic painting of

[198] Miles: "Person-centered medicine", p. 331.
[199] Ibid., pp. 330-331.
[200] Miles & Mezzich: "The care of the patient and the soul of the clinic", p. 219.
[201] Miles: "Person-centered medicine", p. 333.
[202] Miles & Asbridge: "The European Journal for Person Centered Healthcare", p. 1
[203] Ibid.
[204] Ibid.

the patient surrounded by his home, his work, his relations, his friends, his joys, sorrows, hopes and fears'".[205]

Following the logic of the analogy, conceiving of the patient as a person entails a certain opacity that requires the medical practitioners to look beyond what is immediately presented to them, to take account of different perspectives, to step back and attempt to consider what they see in its totality. This means taking "full account of [the patient's] values, preferences, aspirations, stories, cultural context, fears, worries and hopes".[206] For it to be possible to uphold this impressionistic conception of the *ethos* of the patient in clinical practice, there is required, according to Miles and Mezzich again citing Peabody, a medical practitioner whose own *ethos* combines the roles of "physician, clinical scientist, teacher, healer, counsellor, confident and friend …".[207] This means that the medical practitioner according to person-centered healthcare is not merely one who is capable of activating different disciplinary perspectives such as biomedicine, psychology, pedagogics, and so on. It is also someone who is capable of intimacy on a more private level with the patient. Such a composite *ethos* is needed in order to know patients as "persons in (the) context of their own social worlds (where they need to be) listened to, informed, respected and involved in their care and [to have] their wishes honoured … in their health care journey".[208] As such, it seems that for medical practice to be capable of conceiving patients as persons, the medical practitioners must also conceive of themselves as persons even in their professional capacity.

Clinical practice, then, is an encounter between two composite selves, between two persons. Miles argues that this encounter should be understood first and foremost as a "hermeneutical enterprise" in which the medical practitioner is navigating a complex network of "textual forms, including the experiential text of illness as lived out by the patient; the narrative texts constituted during history-taking; the physical text of the patient's body as objectively examined and the instrumental text constructed by diagnostic technologies."[209] True to the hermeneutic ideal, the medical practitioner's interpretation of these 'texts' will be influenced by her constitution and must as such continuously be tested against the 'owner' of the various texts. This is most obviously the patient, recalling, however, that the patient-as-person

[205] Miles & Mezzich: "The care of the patient and the soul of the clinic", p. 209.
[206] Miles & Asbrigde: "Clarifying the concepts, epistemology and lexicon of person-centeredness", p. 1.
[207] Miles & Mezzich: "The care of the patient and the soul of the clinic", p. 209.
[208] Ibid., p. 219.
[209] Miles: "Person-centered medicine", p. 330.

is not a fixed, pre-set entity. Moreover, in the case of the physical and the instrumental text, the ownership is in some sense shared: The body that forms the basis of the text may belong to the patient, but the language in which the text is written is that of biomedicine.

In any case, this hermeneutical notion of the clinical encounter leads to a conception of the judgment promulgated as a result of the encounter as the product of a process of "shared decision-making" in which individual patients are supported "to arrive at informed preferences, while preserving the stewardship role of the profession".[210] The parallels with composite public value judgment between the public manager and the citizen as discussed in sections VIII and IX are striking. In the case of person-centered healthcare there is too a professional whose judgment is suspended between various authorities, chiefly that of the individual patients, that of disciplinary knowledge and that of the professional's own practical experience. There is a professional who must be responsive to the preferences of the patient, while at the same time taking part in the formation of those preferences. There is a judgment, which is not delegable to any single authority, but whose pronunciation the professional must nonetheless formally carry out.

The ideal medical practitioner is then, similarly to the public manager, the one who can balance these different tensions in the encounter between herself and the patient: "It is the need to consider the higher dimensions of *suffering* and the concern to understand the effects of the organic disease on the *overall functioning of the patient* that distinguishes the *clinical professional* from the *technician* in applied bioscience and technology. […] It is the application of science *in the context of the patient and the clinician as persons* that raises clinical technique to a nobler level, a level which allows excellence in clinical practice to be actively pursued and eventually achieved."[211]

This notion of the 'application of science' brings me to second area of crisis that person-centered healthcare identifies itself as rising out of, namely *knowledge*. The main source of the problems that Miles, Asbridge, Mezzich and the rest perceive themselves as responding to is precisely one of knowledge: What according to the proponents of person-centered healthcare is a "misrepresentation of medicine as a science" has severely restricted the forms of knowledge that clinical practitioners are able to take account of, what can count as

[210] Miles & Mezzich: "The care of the patient and the soul of the clinic", p. 213; Elwyn, Tilburt & Montori: "The ethical imperative for shared decision-making", p. 129.

[211] Miles & Asbridge: "Contextualizing science in the aftermath of the evidence-based medicine era", p. 286, emphasis original.

knowledge in clinical practice.[212] In the storyline of person-centered healthcare, the main event of this problematic misrepresentation is constituted by the advent in the early 1990s of "the 'new paradigm' for clinical practice" that was *evidence-based medicine*, and it is against the knowledge hegemony of this particular rendition of medical science that advocates of person-centered healthcare are striving.[213]

Right from its inception, evidence-based medicine, according to Miles and Mezzich, "de-emphasised intuition, unsystematic clinical experience and pathophysiology as adequate grounds for clinical decision-making, preferentially recommending the use of scientific evidence from clinical research as the *basis* for practice."[214] The fact that many who read this today might well find it ridiculous to suppose that decisions made in clinical practice should *not* be based on scientific evidence but rather on intuition and unsystematic experience, is testament to the paradigmatic success of evidence-based medicine. Has it not always been the goal of medicine to be based in science? Who would want a doctor whose decisions were not based on evidence?

Yet, the apparent uncontroversial nature of this central proposition of evidence-based medicine belies the fundamental reconfiguration of medical practice that it brought about. The crucial question is what counts as evidence in evidence-based medicine: "For the first time," says Miles and Mezzich in reference to the formal promulgation of the method in the *Journal of the American Medical Association* in 1992, "an explicit recommendation was made within medicine that argues for medical practice to be *based* on the principles of clinical epidemiology, astonishingly accompanied by a formal admission from the authors that no definitive evidence existed to demonstrate the superiority of the proposed new paradigm over and above the existing one."[215]

The radicality of the change brought about by evidence-based medicine was as such constituted by two successive propositions: First, that clinical practice should have as its *basis*, as its fundamental principle, scientific, biomedical theorizing about illness. By this, the scientific, biomedical account of suffering was posited not as one tool amongst others, one source of knowledge, but rather as that which *defines* clinical practice. Second, that this basis was in fact not just any sort of scientific theorizing, but a particular one, namely clinical epidemiolo-

[212] Miles: "Person-centered medicine", p. 329.
[213] Miles & Mezzich: "The care of the patient and the soul of the clinic", p. 212.
[214] Ibid., emphasis original.
[215] Ibid., emphasis original.

gy. These two steps together effectively made "aggregate statistical results from large clinical trials" the first principle of healthcare.[216]

The function of aggregate, linear statistics in evidence-based medicine is to handle the problem of bridging the analytical gap between people and populations, by using the information generated by populations for the purpose of "classification and prediction": Patients' illnesses are classified, and a treatment is then chosen based on a prediction that it will successful in dealing with said classified illness. As such, biostatistical *information* about populations constitutes the *evidence* in evidence-based medicine, built around the application of the law of large numbers in clinical trials, and with *randomized controlled trials* as the gold standard for data generation.[217] In accordance with this, concurrent with the introduction of evidence-based medicine there has occurred a quite incredible escalation in the sizes of populations that underpin its conclusions: The median size of trials in two leading British medical journals increased by almost two orders of magnitude between 1972 and 2007, from 33 and 37 respectively to 3116 and 3104.[218]

It is this suspension to the point of dissolution of the individual patient between the biomedical body on the one hand and a biostatistical population on the other that advocates of person-centered healthcare see as the heart of the problem with evidence-based medicine. This is precisely because it precludes the possibility of grasping the patient in her individual, concrete specificity – as a person. However, even before such a critique, the methods of evidence-based medicine can be, and has been, subjected to critiques on its own terms. A crucial one is that evidence-based medicine's reliance on population statistics for individual prediction is subject to an ecological fallacy or a fallacy of division, namely that population statistics is a 'lossy' method of data compression in the sense that it cannot contain information about the individual datum, meaning that population statistics cannot be inferred to hold for the different individuals constituting the population. A classic example of this is that the median shoe size of a population can be established fairly easily, but if everyone is given the average shoe, most will experience a poor fit.[219]

Randomized controlled trials, which are supposed to be the most reliable way of generating the data required for the population statistics of evidence-based medicine, has also been

[216] Hickey, Hickey & Noriega: "The failure of evidence-based medicine?", p. 69; Miles & Mezzich: "The care of the patient and the soul of the clinic", p. 212.
[217] Ibid.
[218] Hickey, Hickey & Noriega: "The failure of evidence-based medicine?", p. 69.
[219] Ibid., p. 70.

criticized, though in this case the critique is mainly directed at the appeal to randomized controlled trials as authoritative support for efficacy claims, that is claims about what works. However, randomised controlled trials deal only with *correlations* in relation to the specific circumstances of the trial, not causalities. They support "it-works-somewhere" claims, but not "it-will-work-for-us" claims.[220] Judgments based on data generated by randomized controlled trials are, in other words, *indicative*. Similarly to the tendency for escalation of indicators, as discussed in the analysis of the KORA-reports in section IX, a common manner of dealing with this is to inductively aggregate results from different randomized controlled trials, and while this might certainly increase the probability of the correlation, there is still a gap that cannot be closed analytically.[221]

In spite of these internal critiques, the people advancing person-centered healthcare are not, on their own view at least, trying to supplant biomedical population statistics and randomized controlled trials with another specific methodology that might form the basis of healthcare.[222] The primary problem, as they see it, is not that evidence-based medicine is a poor form of clinical epidemiology, but rather *how* this particular form is used. It is not that the form of knowledge constituted by evidence-based medicine is in itself dangerous, but that clinical practitioners, medical researchers, politicians and patients are *relating* to this form of knowledge in a way that is dangerous: According to the advocates of person-centered healthcare something in the status of evidence-based medicine has changed so that rather than "being considered a tool, a *means to be applied to clinical activities*, it is now used to *define the aims for such activities*."[223]

Against this, they insist on a conception of clinical care "*informed* by" rather than "*based* upon" biostatistical evidence, in addition to a plurality if other forms of knowledge.[224] In fact, they consider the superiority of such a model "entirely uncontroversial".[225] The central question then becomes how such a model might look like. For this they describe a model of various "'warrants' for clinical decision-making" meant to encompass the plurality of forms of knowledge that they consider important for proper judgment with regards to care: empirical

[220] Cartwright: "The Art of Medicine", p. 1401.
[221] Ibid.
[222] Although there are numerous suggestions taken from cybernetics, neuroscience, artificial intelligence studies, crowd psychology, and elsewhere as to computational methods superior to linear statistics with regards to classification and prediction, cf. Hickey, Hickey & Noriega: "The failure of evidence-based medicine?".
[223] Kirkengen et al.: "Medicine's perception of reality", p. 3; emphasis mine.
[224] Miles & Mezzich: "The care of the patient and the soul of the clinic", p. 214.
[225] Ibid., p. 215.

evidence, experiential evidence, pathophysiological rationale, patient values and preferences, and system features.[226] The judgment that takes into account these different forms of knowledge is supposed to be casuistic in the sense that the relation between them is to be decided by the medical practitioner and the patient in collaboration in each concrete clinical encounter.[227] As such, there is no *a priori* hierarchy between the forms of knowledge. Accordingly, person-centered healthcare, as its proponents continuously insist on, "is not 'patient-*directed*' medicine" in which practitioners carry out "the 'mindless enactment' of a patient's desires".[228]

The central elements, then, of the clinical practice envisioned by advocates of person-centered healthcare is a *shared value judgment* that is *informed* by a plurality of forms of knowledge. This is where Miles et al. leave off, recognizing that their critique is a "work in progress" facing key challenges of developing "person-centered models of care for a wide variety of specific clinical conditions [such as female breast cancer, HIV/AIDS, child leukaemia, and dementia], so that general principles can be addressed with specific questions", as well as "a range of process and outcome measures" to assist and evaluate "the implementation and effectiveness" of such models and structure the funding of clinical institutions.[229] Practitioners within healthcare as well as local and national politicians must be made to see that it is possible not only to *think*, but also *do* in terms of person-centeredness. In other words, person-centered healthcare needs to be made *governable*.

My intention with the analysis of the critique of the hegemony of the biomedical model of healthcare and the paradigmatic status of evidence-based medicine presented in the form of person-centered healthcare, was to transilluminate the problem of public valuation from the perspective of the frontline of the public sector, which is to say of those whose daily practice unfolds in the encounter with the public, the place where public value is supposed to be created. The central features of this perspective on public valuation were on the one hand what I have called an *ethical* question, insofar as it concerns the possible *ethos* of the public professional and of the individual citizen, and on the other hand a question of what can count as evidence for the value judgment that is supposed to be pronounced as a result of the relation between these two *ethea*.

[226] Miles & Mezzich: "The care of the patient and the soul of the clinic", p. 215.
[227] Ibid., pp. 215-216.
[228] Ibid., p. 217.
[229] Ibid., p. 218.

Having thus analysed the three different perspectives on the problem of value judgments in the public sector, I will now conclude this thesis by reconstructing what I believe to be the most important analytical points across the three perspectives.

Part Six: Transversal considerations

XI: Contours of an obligational map

The purpose of the preceding analysis has been to investigate what seems to be at stake in the manner in which public value is dealt with today. The motivation was that the problem of how we as a society decide on the value of what is done with those things that we call public seemed to me to have become problematic in a new way. The three perspectives – economic theorizing, public management and person-centered healthcare – were each intended to illuminate different dimensions of this new manner of being problematic. Schematically speaking, the first was a look to the past to reconstruct a history of how the current state of affairs became possible; the second was a reconstruction of the legacy of this history in the form of three decisive problems characterizing the current state of affairs, namely problems of neutrality, responsiveness, and demonstration; the third was a look to the future in the reconstruction of the attempt of a group of people to bring about a different state of affairs. This is too schematic, of course. The perspectives are irreducible to each other and certainly I claim no causal relationship between them. I have forcibly brought them together here, because it was my belief that each of them says something individually that is important about public value in our present, but also because I believed that the reflection of each of them upon the others could say something of further importance still. The latter is what I will now conclude the investigation by drawing up. It will be a description of obligational dimensions that cut across the differences of the three perspectives thus constituting an outline, however incomplete, of an obligational map of how we relate to the question of public value in present society. These dimensions are neither statements about what public value is, or should be, nor are they recommendations for how public valuation should be carried out in practice. They are, to paraphrase Foucault, not questions that define a practice of public valuation, but questions to which anyone who would seek to define such a practice ought to respond. As delineated in my initial methodological discussion, these dimensions are drawn up according to the triadic schematic of the focal points of social experiences: (α) Forms of knowledge, (β) forms of subjectivity, and (γ) normative frameworks.

α. Information, indications, and incomplete pronunciations of judgment

A central issue across the perspectives is a certain knowledge topography, which is to say a particular structure to what may count as the fundamental building blocks of knowledge and what such a knowledge can speak about. The material from which this topography is made, its elementary particles as it were, is *information*. It was information about observable behaviour that Pareto thought allowed economics to produce statements about the laws of logical action. For the public manager according to Moore, information was necessary to reveal the value of the work of her organization, and to grasp the preferences of those for whom this work was intended. And propositions from various forms of scientific research were to assume the function of information for the process of clinical judgment in person-centered healthcare.

There are as I see it five characteristic features of information. The first is that information is data, in the etymological sense of 'given things', but not facts, in the Paretian sense of clusters of data held together by meaning.[230] Information is, in its composite individual pieces, meaningless.

However, and this is its second characteristic, in spite of not really being anything in itself, information is always on its way to becoming something. It does not rest in its meaninglessness but points, or is pointed rather, towards meaning in a particular direction. Etymologically, *information* is derived from Latin *informare*, meaning 'to shape' or 'give form to', via Old French *enformer*, meaning 'to instruct' or 'teach'.[231] So, while being nothing in itself, it nonetheless gives form to something, but only insofar as it is directed at something.

The third characteristic is that this formgiving is impressionistic, meaning that individual pieces of information are only *indices* in relation to that which they give form to. Information can only speak in generic categories of observability, and not in terms of meaning: A certain constellation of information might *indicate* that a person is happy, but it cannot say anything about happiness as such. Accordingly, the formgiving always requires *more* information, and thus information is always a question of quantities and their inter-relations.

Fourthly, information in its inherently quantitative route towards meaning, is always not only information *about* but also *for* something or someone. Information is never necessary in itself, only in reference to some end which constitutes the gravitational pull that brings infor-

[230] Cf. Lewis & Short, *s.v.* "datum". For my discussion of Pareto's conception of facts, see section VII, p. 42.

[231] Cf. OED, *s.v.* "information"; cf. Lewis & Short, *s.v.* "informare".

mation together in a particular relational constellation. This means that when speaking in terms of information, there is always an obligation to refer it to something outside of itself.

Taken together, and this is the fifth characteristic, this means that information is curiously plastic and rigid at the same time. On the one hand, its essential meaninglessness means that it offers little in itself by way of resistance to any application. On the other hand, once a successful application has been made, the information conditions any further understanding of that to which it has been applied, including how it will relate to other information.

Indicators are an example of such a form of conditioning. They are, in a way, information that has been turned inside out. They are particular constellations of information, a particular map of how certain elements of information relate to each other and to some meaning. They are empty, however. They are not, at least not *yet*, filled up by information. They are facts without givens, the bare form of the impressionistic informational formgiving created in advance of its content. By this I do not mean to say that indicators are non-analytical. Certainly, most indicators are fashioned on the basis on some analysis, empirical or not, however, in their function as indicators, they are no longer concerned with the specifics of their *past* informational origin, but only with a *future* informational flow. Being empty, they are in a judgmental context always calling upon this future flow of information, the interpretation of which they have already conditionalized.

In the preceding analysis of judgments of public value, I have repeatedly shown how knowledge is dissolved into information. I have also shown how there is a distinct Humean heritage to this, because of the combination of Hume's anthropological proposition of the primacy of individual interests, and the staunchly inductive empiricism stemming from his scepticism towards any definite notion of causality. Insofar as these two ideas are accepted, which seems to be the case, at least to some extent, in the texts analysed here, it becomes virtually impossible to uphold any notion of knowledge onto itself. I do not wish to posit this as a 'fall', in the sense that once there was knowledge, but then it was lost and now there is only information, and so we must try to re-establish knowledge on new foundations. However, I do want to underscore some crucial difficulties that arise in a judgmental context based on information and indicators.

One such difficulty that has kept coming up is the analytical irresolvability of judgments of public value. What is important here is not so much the general fact that judgments of public value are irresolvable. What matters is the specific structure of analytical irresolvability in

the particular context of judgments of public value, and how the different perspectives I have dealt with attempts to handle it. With my reconstruction of early economic theorizing, and with Pareto and Arrow, I have shown how economists have tried to cope with the problem by establishing economics as an allocative knowledge of means, a *purely* analytical form of knowledge in relation to which judgment was at once presumed and deferred. Yet, I have also shown how precisely the judgmental relation of this allocative knowledge of means to those ends that have been externalized, have been a defining problem of the development of economics as a science.

In my reconstruction public value management theory and of the critique of biomedicine articulated by person-centered healthcare, I have shown how the construction of a relation to different analytical forms of knowledge that are necessary, yet insufficient, for judgment constitutes a decisive problem for public value generation both in general theory and specific practice. I have also shown how a model is cultivated of a shared judgment in which *another* judging actor who reciprocally influences and is influenced by the (incomplete) judgment of one actor, is assumed for the pronunciation of judgments of public value, and how the precariousness of this model of suspended judgment in practical reality remains a key problem.

Taken together, I have described a curious obligational structure, in which the primary actors of what I might call the 'professional side' of public valuation – the economists, public managers and medical practitioners – are on the one hand judgmentally obligated towards society, the public, the patients – in the sense that their ethos hinges on their ability to say something about those fields that constitute their horizon – while, on the other hand, a central feature of their fulfilment of this obligation is instituted by their, at least partial, refusal of judgmental authority. In other words their judgmental mandate rests on a foundation that stresses the non-finality of their judgments: The economist's knowledge of social welfare, the public manager's knowledge about public value, the physician's knowledge about the patient, are all partial, and it is in their insistence on this limitation that part of their judgmental authority is found. This is because this recognition shows an intention not to transgress the boundaries of knowledge; it maintains its professional integrity. In a way, then, it appears that to an extent, the more normatively neutral a form of knowledge is held, the more normative conviction it can have.

β. People, populations, and preferences

Unfolding in conjunction with the difficulties relating to the knowledge topography described above, while being irreducible to it, another register of difficulties runs through the three perspectives of public value. The common denominator of these difficulties is the question: For whom? Or rather, who is 'the public', this entity about whom the knowledge topography revolves and towards whom the creation of public value is directed?

In my reconstruction of 19th century economic theorizing, especially with the British enclave of Bentham, Mill, Edgeworth, Sidgwick, Jevons and Marshall, it was apparent how a tension concerning the relationship of economics to utilitarianism constituted a driving force of the development of economics as a science. Bentham, Edgeworth and Jevons were more or less unequivocal in the conflation of the two: Economics constituted the mathematic operationalization of utilitarianism. Mill's utilitarianism was famously mercurial, reluctant as he was to leave value judgments entirely to the whims of the passions of any schmuck in the street. Marshall detested the hedonic impurity of the utilitarian economist, but he could not quite get rid of the taint himself, seeing as how a key conceptual dynamic of his remained individual subjects in terms of cardinal utility. It was this difficulty that led Pareto towards his great innovation: The formulation of economics as an indicative science – a science without knowledge, as it were – by shifting focus from a 'theory of value' towards 'a logic of choice'. This required reconceiving the actor of economic theory, the individual subject, purely in terms of systematic choice: A suspension of the individual subject into an idealized subject, the now infamous *homo oeconomicus* – the subject who responds to options with some systematicity.

However, while this suspended subject constituted the fundamental analytical unit of economics, insofar as society remained the practical horizon of economic analysis, there was nonetheless a need to relate this subject to others. Following Jevon's establishment of economics as inherently quantitative, and in accordance with the marginalist credo of dealing with changes in variables relative to each other, the way of handling this relation was through another suspension of the subject, namely aggregationally into a *population* in which the individual is described in terms of the group and the group in terms of the individual. So, a bipolar suspension of the subject into *homo oeconomicus* on the one hand, and *populations* on the other, while retaining a common indexation of description, namely *choice*.

This proved to be an immensely productive way of handling the problem, insofar as the scope of analysis was restricted, according to the schematic of Pareto, to descriptions of logical actions. However, as I showed with Pareto's conception of non-logical action and especially with Arrow's (im)possibility theorem, in the context of judgments of public value it was not quite enough, because it does not say anything about how either polarities of the suspension relates to the formulation of *ends*. Arrow specifically argued that individual choice, however systematized, was an insufficient foundation for judgments of 'social welfare', unless the choices where somehow restricted in advance, which is to say situated in a schematic of defined ends.

As I have suggested in my analysis, it for this reason that Moore's managerial vision of public value creation and its offshoots in various public organizations were induced to add *voice* to the conception of the subject for and with whom public is created. In distinction from the economic marketplace as the place of judgment for private value, the political marketplace that Moore envisioned as the place of judgment for public value required not only *actors* that choose amongst given options, but also *thinkers* who voice their considerations as to their choice, how it relates to the choices of others, and as to the options themselves. The subject of public value management theory, then, was one who speaks on behalf of the public as well as of herself.

The critique of evidence-based medicine formulated by advocates of person-centered healthcare was in several ways directed at the conception of the patient only as a biophysiological body and the resulting inability of the biomedical model of healthcare to allow patients to speak for themselves. Accordingly, a key tenet of person-centered healthcare was to conceive of a model of clinical practice that gives voice to the suffering.

That which was supposed to be revealed by the *choices* of actors and articulated by the *voices* of thinkers was as I have shown their *preferences.* However, the manner in which preferences are conceived in the context of public value creation was different from how they were conceptualized in economic theorizing, precisely because it was not only conceived as a logic of choice. For this reason, it did not seem sufficient for me to describe the subject of public value in terms of *homines oeconomici*, but I wanted to insist that this did not mean that the subject was the opposite of *homo oeconomicus*, some sort of non-economic man. The preferences of public value theory are neither simply self-interested choice amongst given alternatives, nor self-less deferment to a greater good. To better capture this ambiguity, I pro-

posed with neologism the figure of *homo praepositus,* preferential man. This was not to say that *homo oeconomicus* does not have preferences. It was rather to bring out a certain nuance of the notion of preferences, namely that the subject of public value is not only one who responds to influences with some systematicity, not just a respondent to market forces, but one who has a say in the constitution of the influences to which she responds. I mean 'to have a say' quite literally and formally. It is not a matter of having a say in a market sense, that is, having a say insofar as the manner in which you respond to influences the market. Having a say is not merely a secondary product of market dynamic. It is primary to and foundational for the notion of public value expressed both in Moore's theory, in those organizations whose work have been inspired by it, and in person-centered healthcare. So, *homo praepositus*, preferential man, in the sense of the subject who puts something first *by active articulation*. It is a subject about whom the capacity to exercise judgment with regards to the formulation of ends is assumed as primary for its constitution

What is seen here is the contours of an anthropocentric obligation: A conviction insisting on the primacy of the subject, not knowledge, with regards to judgment. It is nonetheless a suspended subject that must be continuously assembled and reassembled, so that it cannot be posited in advance of judgment, but must be constructed as part of the process of pronunciation of judgment.

γ. Serving and shaping – responding and refining

The knowledge topography and the conception of the subject of the public have implications for how the practical reality of judgments of public value can unfold. Through the analysis the question of how the continuously reassembled subject is supposed to relate to knowledge that is not knowledge but information has appeared. If there is on the one hand a knowledge which is composed and assembled, and on the other hand a subject who is also composed and assembled, how are these two processes of assembly supposed to relate to one another in the pronunciation of judgments of public value, and how does this condition the pronunciation both in terms of form and content?

This issue came up with regards to the question of responsiveness. The problem was a perceived rigid overreliance within both theory and practice of public management on formalized procedures of judgment resulting in a notion of estrangement on behalf of the public, a feeling that they were serving the administration and not the other way around. What is at stake here is a perception of the public administration as out of joint with precisely the

knowledge topography and the form of subjectivity described above: An administration that does not operate with a plural range of forms of knowledge held together in each specific situation of judgment by a concrete and composite subject, but which has, rather, 'fundamentalized', or 'ontologized' even, a particular form of knowledge, preventing the public administrators from grasping the public in its particular preferential constitution.

I have suggested how economics has come to play the part of such a fundamentalized form of knowledge in two ways. First, as an attempt starting from around the end of the nineteenth century to resolve a tension in public administration between strict adherence to political mandates on the one hand, and administrational principles on the other. The issue here was that public administrators were seen as possible safeguard against corrupted political mandates, as a layer of resistance to the potential pitfalls of parliamentary democracy, but at the same time viewed with suspicion that they should usurp legislative power that, as unelected officials, was not theirs to wield. Economics was taken into this context as a neutral third-party, an analytical challenge to the political mandates that could not be suspected of ulterior motives since it was just an analytical tool.

Second, economics was given a privileged position with regards to judgments of public value in the Danish modernization reforms of the 1980s-2000s in response to problems concerning the financing of the public sector. Because the issues facing the public sector in the decades after the economic crisis of the 1970s became established largely as 'crisis of means', it became obvious to appeal to the 'science of means' for solutions.

What seemed to have occurred concurrently is a sort of creeping normativity: While economic analysis was introduced as a tool, with all the normative qualifications repeated time and again by the early neo-classical economists, it ended up being perceived not as an informant for but as a dictator of judgment. As pointed to earlier, they story of how this came to be possible has been told quite eminently by Foucault and others, however, this has by and large been a story from the perspective of government. What I think my story has added is a certain perspective of judgment: How was is possible to make a form of knowledge that deliberately articulated itself as abstaining from judgment into the foundation of judgment not only on the macro-level of government of states or on the micro-level of subjects, but also middle-level of public organizations taken as irreducible to the state? What was it that made it possible for the new public management and the results-based management propagated by the modernization-programmes of the final decades of the twentieth century to assume a position of judgmental

authority? To be sure, public managers were not forced at gunpoint. They were offered a tool that enabled them to work with a problem of allocative prioritizing, a problem how to best use a dwindling portion of means.

As I have shown in my analysis of the KORA-reports and of person-centered healthcare, however, this tool was perceived to come with little local space of judgment, in the sense that the public professionals had little influence on the formulation and interpretation of those ends that the tool was meant to help them work toward, resulting in their deferring of judgment to the analytical tool.

Against this, I showed in my analysis of person-centered healthcare an attempt at (re)establishing clinical practice as a judgmental space in which the practitioner is *informed* by a plurality of forms of knowledge as tools, but not *dictated* by any of them. It was not clear, however, how this relation is supposed to be upheld in practice, how to prevent creeping normativity of any of the various forms of knowledge that the advocates of person-centered healthcare propose ought to be taken into consideration. There was, in other words, a problem of *authority* in a space that is clinical as well as public.

What is reasonably clear both with person-centered healthcare and with the initiatives by the various public sector organizations analysed here, however, is that it is not a question of replacing economics, or clinical epidemiology, with another form of knowledge. Nor is it a question of unconditional deferral of authority to the public: As shown with Moore, public value creation is constituted by 'obligation encounters' as well as 'service encounters'. Public managers and professionals are expected to respond to the preferences of the public while at the same time refining them. Conversely, the individual members of the public are expected to be able to voice their preferences, while at the same time allow them to be moulded by the professional they encounter. It is a dynamic in which both parts of an encounter are obliged to take into account the judgment of the other.

XII: Public value in a present of reartificializations

What I think I have shown through the transversal considerations on the different perspectives of the analysis, then, are three dynamics of reartificialization. First, an informational dynamic in which knowledge is continuously reartificialized from information. Second, an articulative dynamic in which the subject is continuously reartificialized through expressions of prefer-

ences. Third, a negotiational dynamic in which normative schematics for judgment is continuously reartificialized through the reciprocal resistance and submission of the involved parts.

These dynamics of reartificialization are my systematized reconstructions of related yet irreducible attempts by various practitioners in the public sector at imagining a different constitution of judgments of public value. These are made against the perceived hegemony of a particular obligational system that ontologizes the economic form of knowledge, that makes markets norm-builders and that holds individual interests as the fundamental point of gravitation for any judgment, while at the same time suspending the individual subject abstractly into *homo oeconomicus* and quantitatively into populations. Variants of such an obligational system are with varying precision often collectively named *neoliberalism.*[232] For reasons already explained, I have not analysed it through the conceptual vocabulary and methodological approach frequently associated with the term in an academic context.[233]

However, in order to express the overall direction of the collective of problematizations that I have constructed in this investigation, it nonetheless strikes me as fruitful to do so by positioning it in relation to what I might call the 'effigy of neoliberalism', which is to say 'neoliberalism' not as a specifically defined concept or a particular analytical category, but as a rather vague name for something in the present. In other words, relating it to neoliberalism, whatever that might be.

What is interesting here in the context of judgments of public value is that it is not a case of positing against a neoliberal marketization of value judgments some universal, absolute notion of value. In this respect, it is not a conservative or socialist critique. Rather, insofar as a fundamental trait of liberalism is understood as the question of freedom in relation to power,[234] it seems to be a liberalist critique: Liberalism against neoliberalism, forming what I might call a *hyperliberalism.* The central characteristic of this hyperliberalism is not only that individual judgment is founded in individual interests that are taken as given and that public judgment is constituted by the market-like interplay of those interest-founded individual judgments, but also that the interests themselves and even the capacity to be a subject that has as well as articulates interests is the product of a similar process of interplay. For judgments of public value it means a judgmental process for which there is no *a priori* determination of

[232] Popularized by Foucault's 1979 courses on *governmentality*, the term 'neoliberalism' is now so ubiquitous not only in academic discourse but also in public debate that it is next to pointless to reference particular examples, cf. Section V.

[233] Cf. Section V.

[234] Cf. Foucault, *The Birth of Biopolitics*, pp. 62-70.

and temporal stability to who is judging and what by what criteria outside of the specific situation, but which must nonetheless answer to generally articulated ends, however these are mandated.

The decisive challenge for those who would wish to see a different way of dealing with questions of public value must as such be to create concrete spaces of judgment that can contain such contingency while at the same time ensuring that judgments are pronounced. It might well be, as was claimed in the KORA-reports and by the advocates of person-centered medicine, that there are negative, destructive even, unintended consequences of the models and measures that we currently use in deciding on public value, but the main way forward is not, it seems to me, to create new models and new measures that can better capture and express the reality of public value, although I will not deny that such inventions might further the cause in some way. It is not to so much to establish new forms of knowledge as it is developing new spaces of use of knowledge. It is not a question of discovering a new Truth, but of inventing new ways of relating to truth.

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