Strategic Public Management as Holistic Approach to Policy Integration

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Abstract

Policy integration is very much about how political decisions are reached and implemented. Although policy integration addresses a broad understanding of governance, the issue is often addressed in a relatively narrow sense. Scholars and practitioners are addressing policy integration most often by discussing particular policy instruments or mechanisms, rather than new, more appropriate patterns of governance or administrative narratives in general. In this paper I advocate that policy integration on a broad scale requires a holistic approach, i.e. a new narrative of the public sector. Since the most important narratives of public administration, i.e. the models of bureaucracy, New Public Management and New Governance, all fail to address the quest for policy integration adequately, I propose "Strategic Public Management" (SPM) as holistic administrative approach. Strategic Public Management addresses the issue of policy integration more adequately than any other administrative narrative because of two reasons: The concept seeks to combine the advantages of bureaucracies, NPM and New Governance to a hybrid pattern of governance and it advocates to strengthening the strategic capacity in the public sector. Strategic Public Management (or a similarly hybrid administrative approach) could be for the challenge of policy integration what New Public Management was (and to a certain degree still is) for the quest for efficiency.

1. Policy Integration and Public Administration

The quest for a stronger integration of different policy fields, also referred to as "horizontal integration", is as old as the division of labour in governments in the form of ministries or departments (Peters 1998). Since environmental issues are considered as distinct policy field they are often perceived to conflict with objectives in other, more traditional policy fields such as economic growth (Steurer 2002). As a consequence, environmental issues are often handled rather as appendix than as central part of other policy fields, although they are highly relevant from an environmental point of view. Transportation policies, for example, often ignore environmental policy objectives set by the same government. Even the rise of the concept of sustainable development in the course of the 1990s, which expanded the concept of policy integration in various respects (Steurer 2004), was not able to change the policy incoherence prevalent so far. Thus, policy integration, both horizontally (i.e. between the ministries within a government) and vertically (i.e. between different levels of government), is widely regarded as key principle on the way to sustainable development (OECD 2001 & 2002; Lenschow 2002; Martinuzzi & Steurer 2003).

Despite the fact that the challenge of policy integration is very much about how political decisions are reached and implemented, i.e. about a broad notion of governance (Peters 2000), the issue is often addressed in a relatively narrow sense. Both scholars and practitioners address the issue of policy integration often by discussing particular policy instruments (such as Environmental Fiscal Reforms) or mechanisms (such as inter-ministerial co-ordination structures) rather than by exploring new, more appropriate patterns of governance or administrative narratives in general. However, since policy integration strongly depends on better co-ordination on the administrative level of government, I advocate that the challenge cannot be met without an adequate administrative pattern in place. Like the quest for efficiency in the public sector which was addressed by the narrative known as "New Public Management" (NPM), the issue of policy integration requires a similarly comprehensive, yet different narrative of public administration.

This paper links the issue of policy integration with the study of public administration by developing the following two strings of argumentation: First, I show that none of the three existing administrative narratives, i.e. classical bureaucracies, New Public Management and "New Governance", address the issue of policy integration in an adequate way. Second, a hybrid pattern of governance, seeking to combine the strengths of all three administrative narratives in a problem-driven way, is put forward as comprehensive response to both, horizontal and vertical integration. This approach, largely known in its components, but innovative in its comprehensiveness, is referred to as "Strategic Public Management" (SPM). As hybrid approach, Strategic Public Management neither rejects nor substantially transforms one of the three existing narratives. Instead, it offers a way of reconciling them to a diverse yet coherent pattern of governance, serving not only the governance principle of integration, but also the ones of effectiveness, efficiency and accountability.

Since the details of NPM reforms differ strongly from country to country because of traditional and structural particularities (Araújo 2001; Christensen et al. 2002), and even from decade to decade because the concept is in flux (sometimes leading to conceptual contradictions even within a country), and since the same can be assumed for New Governance and for Strategic Public Management, this paper briefly characterises the administrative narratives as ideal-types in very general terms. The purpose of the paper is not to describe the particularities of various administrative policy approaches for different countries and times, but to raise awareness for the need and the potential of an administrative narrative that is tailor-made for

the challenge of policy integration. Metaphorically speaking, the paper is rather a landscape painting than a portrait.

The two strings of argumentation outlined above are laid out as follows: Section 2 briefly describes the changing nature of the study and the practice of public administration over the last few decades. Section 3 describes the three existing narratives of public administration and shows how they (fail to) tackle the issue of policy integration. Because bureaucracies, NPM and "New Governance" have in common that they are not geared toward cross-sectoral challenges, Strategic Public Management is proposed as adequately integrative approach in section 4. Section 5 offers a brief discussion of Strategic Public Management.

2. Administrative reforms as response to governance challenges

The administrative branch of the public sector is generally perceived as embodiment of stability in at least two respects. First, regarding personnel administrators are appointed officials who serve elected officials (i.e. politicians) from different political parties. While the former keep their office often for a lifetime (and therefore constitute a strong institutional memory), the latter change frequently. Second, regarding structure, the administrative branch of government is often perceived as sluggish apparatus which is protected from competition and, as a consequence, from the pressure to change. However, at last since the emergence of the concept known as New Public Management in the early 1980s, administrations have been subject to change on an ongoing basis. Since then administrative reform, reshaping the notion, structure and mechanism of public governance, is widely recognized as one of the major challenges of our time (Christensen et al. 2002; Jann 2002, 2003); or as Jackson (2001, 5) puts it with regard to a more recent wave of reform referred to as "New Governance", "Today there is a search for a new understanding of the role and function of democratic government and along with it an answer to the question how best might the institutions of government add value to the services that they provide?". This section briefly points out the political relevance of administrative ideas and gives a first glimpse on how the notion of public administration has changed over the last few decades.

Like with other policy fields, administrative policy is continuously shaped by ideas, which are often condensed to a dominating narrative. Such narratives provide a coherent picture about fundamental problems, objectives, solutions and actors in a particular policy field. As "cognitive reference points", narratives reduce complexity, define the scope of possible actions and provide normative justifications to defend or to prevent change (Jann 2003, 97). As Kuhn (1962/1970) has pointed out for the natural sciences and as others have shown for the social sciences (for the field of macro-economic policy, see, e.g., Hall 1989, 1993; Steurer 2002), dominant narratives or paradigms adapt to changes or are replaced by new ones whenever anomalies are perceived. Anomalies may be due to changing societal circumstances, newly emerged problems or altered problem perceptions.[1] As Werner Jann (2003, 115, 105) concludes in a study about governance in Germany, the same is true for administrative policy: "Narratives change because of practical experiences" and "a cumulative learning process".

Between the 1920s and the 1980s, the classical model of bureaucracy as characterised by the sociologist Max Weber was the predominant paradigm of the public sector. Its remarkable continuity over 60 years certainly fostered the perception of a public sector relatively immune to change. However, around the 1980s, the rising perception of an inefficient public sector

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[1] The shift from Keynesian to Neo-liberal growth policies was, e.g., mainly due to the neither expected nor predicted concurrence of inflation and stagnation during the so called oil crisis in the first half of the 1970s, and to ever rising public expenditures (even in times of strong economic growth).

challenged the well established bureaucratic narrative. New Public Management (NPM) both popularised and tackled this administrative failure by triggering a significant change in public administration let's say from "Bureaucratism" to "Managerialism" (Gray & Jenkins 1995).[2] While Bureaucratism is mainly concerned with state accountability and public order maintenance through a hierarchical mode of governance, Managerialism's key concern is to increase the efficiency of public administration by making use of the market mode of governance. Since the administrative branch of government makes up a good part of the state, these changes went hand in hand with an adaptation of the state narrative altogether. While the classical model of bureaucracy was a stronghold of the active state, the NPM became the advocate of the so-called lean state in the early 1980s (Jann 2002, 2003).

Table 1: Overview on changing public sector narratives from the 1920s to today

	Time		
Aspect of change	**1920s - 1970s**	**1980s - 1990s**	**Mid 1990s - today**
Key challenge(s)	Public order and accountability (legality and legitimacy)	State/administrative failure due to slack (inefficiency)	State/administrative failure due to complexity (ineffectiveness)
Overall approach	"Bureaucratism"	"Managerialism"	Governance
Administrative policy paradigm	Classical Bureaucracy ("Public Administration")	New Public Management	New Governance
State paradigm	Active state ("welfare state")	Lean state ("minimalist state")	Enabling State ("hollowed-out state")

However, neither the lean state nor NPM are the end of the administrative story line. Against the background of unresolved "wicked issues" and a public sector dealing with them rather ineffectively, an approach widely referred to as "New Governance" gained momentum in the course of the 1990s. In the New Governance reform wave, the network mode of governance gained significant ground at the expense of hierarchical and market-oriented modes, which dominated public sector practices so far. Key features of the New Governance are, for example, various forms of Public-Private Partnerships or policy networks, i.e. sets of "relatively stable relationships which are of non-hierarchical and interdependent nature linking a variety of actors" (Börzel 1998, 254). The associated state narrative is often referred to as "enabling state", encouraging civil society groups to participate in policy making and in service delivery processes (Jann 2002, 2003). However, since some scholars claim that New Governance implies a transfer of power from the state to relatively autonomous and self-regulating networks, both upwards to the international and downwards to the sub-national level, they prefer speaking of a "hollowed-out state" (Rhodes 2000).

The following section explores in more detail what this overview shows in brief, i.e. that the three widely discussed administrative narratives serve all kinds of purposes, except for cross-sectoral policy integration.

3. How classical bureaucracies, NPM and New Governance disregard policy integration

For decades, Max Weber's account of the bureau as pivot of public administration was regarded as accurate description of the administrative branch of governments. It replaced a cen-

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[2] Whether this change has to be seen as shift or rather as "twist" of the bureaucratic paradigm of the public sector is a disputed issue (see, e.g., Mathiasen 1999, 95; Hughes 2003, 1ff), which is of minor importance in this paper. Fact is that public sector theories and practices have changed significantly since the 1960s, at least in some countries like in the UK, in New Zealand and Australia.

tury-old system of patronage which built on personal loyalty and subjective randomness in both recruiting staff and delivering public services, with a system in which professionalism and accountability play a key role. Besides professionalism based on recruitment by merit, impersonality and objectivity, the bureau was also about specialization. The organisational structure of a classical bureaucracy is described best as unambiguous structure of departments, each headed by a minister who is responsible for all actions of the departmental sub-units. The smallest units of the departmental sub-units are bureaus which are designated to fulfil very specific and clearly defined tasks in a rule-bound way (Hughes 2003, 17-24). Thus, "The idea was to create a system that was at the highest possible level of technical efficiency" (Hughes 2003, 24). Obviously, the bureaucratic narrative was strongly influenced by the efforts of rationalization and labour division in factories, based, e.g., on the works of the US engineer Frederick Taylor (therefore the bureaucratic model is often described as "Taylorism"). Weber himself explicitly refers to this private sector influence as follows: "The decisive reason for the advance of bureaucratic organisation has always been its purely technical superiority over any other form of organisation. The fully developed bureaucratic mechanism compares with other organisations exactly as does the machine with non-mechanical modes of production. Precision, speed, unambiguity, knowledge of the files, continuity, discretion, unity, strict subordination, reduction of friction and personal costs – these are raised to the optimum point in the strictly bureaucratic organisation" (Weber, quoted in Hughes 2003, 24). In other words, with the narrative of classical bureaucracy the public sector moved from the age of craft to the age of mechanisation.

Overall, bureaucracies imply policy separation rather than policy integration. Although the introduction of professionalism and specialization in the public sector was a major achievement compared to the arbitrary patronage system it has replaced (therefore the connotation of the term bureaucracy was very positive for decades), it ultimately turned the public sector into a compilation of "administrative silos" which are constructed around policy domains, ignoring related policies or problems. Although this policy "silofication" seems to be a crucial factor for the poor record of policy integration so far, one could object that, since policy integration is rather a matter of the political than the administrative branch of government, the disintegrating effect of the specialized bureau is somewhat limited. If one remains within the bureaucratic narrative, which assumes a strict separation between the political and the administrative branch of government, this objection may be convincing. However, if newer findings about the relationship of politicians and administrators are taken into account, the separation thesis, and with it the above objection, are clearly disproved. Since the two spheres of government are closely intertwined, which implies that civil servants often play an important political and legislative role and vice versa (Hansen & Ejersbo 2002; Page 2003), the silo-character of public administration leaves its imprints also on the political level. Thus, the bureaucratic narrative of public administration is indeed a key challenge for the task of policy integration.

Although classical bureaucracies are obviously based on private sector experience with specialization, the narrative provoked serious criticism from a managerial point of view. In the course of the 1980s this criticism resulted in a new narrative of public administration, commonly referred to as "New Public Management" (NPM) (Bevir et al. 2003b, 1). Much has been written about NPM, both about its prescriptive recipes (see, e.g., Hughes 2003) and about their actual manifestation in administrative policy reforms throughout the world (see, e.g., Gray & Jenkins 1995). Although NPM practices differ strongly from country to country (Araújo 2001), the smallest common nominator seems to be the "focus on management, not policy, and on performance appraisal and efficiency" (Bevir et al., 2003b, 1). For Lane (2001, 14), "NPM is basically about focusing upon efficiency". Since NPM assumes that "Competition squeezes slack out of slacky organizations" (Christiansen 1998, 283), it favours the gov-

ernance mode of markets to the one of hierarchies (Jackson 2001). In other words, the guiding principle of NPM is efficiency, best served by competition (Hood 1991) as guiding governance mechanism and effectively supported by the leitmotiv of "getting prices right" (Jann 2002, 296). Typical policy instruments of NPM are the "marketisation" or outsourcing of particular services, the market-testing of public agencies (i.e. public agencies compete with private enterprises), the privatization of state-owned firms (a rather recent phenomenon), and the further disaggregation of departmental structures into service agencies, each responsible for a specific product (Bevir et al 2003b, 13; Hood 1995, 95, 97). Since NPM focuses rather on the output of a particular agency (like, e.g., on the number of trucks inspected technically) than on the overall outcome of a particular policy (such as road safety), the performance of single agencies is at the narrative's focal point (Hood 1991; Dunleavy & Hood 1994; Hood 1995; Gray & Jenkins 1995; Mathiasen 1999; Lane 2001; Jackson 2001; Jann 2002 & 2003; Hughes 2003).

Generally speaking, NPM does not moderate but rather enhance the "silo-character" of classical bureaucracies. It disregards cross-sectoral challenges because it focuses on how to increase the efficiency of particular agencies, i.e. it tackles intra-organisational rather than interorganisational challenges (Jann 2002, 288). Since the departmental focus of bureaucracies is replaced by what is often referred to as "agencification" (i.e. the disaggregation of public administration in particular agencies), the organisational scope of NPM is even narrower than the one of classical bureaucracies.

This trend of disaggregation is frequently stated as one of the driving forces behind another administrative reform, away from the market mode of governance toward a pattern of networks often referred to as "New Governance" (Rhodes 1996; Peters 2000; Salamon 2002b) or "Modern Governance" (Kooiman 1993).[3] As Rhodes (2000, 54) asserts, "Governance is part of the fight back. It is a description of the unintended consequences of corporate management and marketization. […] The networks so central to the analysis of governance are a response to this pluralization of policy making." Compared to NPM, the guiding principle of "New Governance" is not efficiency (i.e. the costs at which an objective is achieved) but effectiveness (i.e. the extent to which an activity achieves its objectives); or as Jackson (2001, 20) puts it, "Too much emphasis has been given to techniques and managerialism and not enough to the processes of effective management" (see also Salamon 2002a, 23; Jervis & Richards 1997, 9). In 1997, even the World Bank (1997, Chapter 2), so far an important advocate of NPM reforms around the world, suggested in its remarkable World Development Report on "The State in a Changing World" to "Refocusing on the Effectiveness of the State". A look into the governance literature shows that this "refocusing" implies a shift from the Leitmotiv of getting prices right to getting institutions right (Jann 2003). For most governance scholars, an important way of getting institutions right is to establish networks, i.e. "patterns of long-term relationships between mutually interdependent actors, formed around policy issues or clusters of resources" (Jervis & Richards 1997, 13; see also Börzel 1998, 254). The network mode of governance is assumed to deal effectively with complex issues because it provides access to important resources by involving those with a stake in a particular issue. Among the resources provided by networks are, e.g., commitment and ownership (making expensive in-

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[3]   While the "Anglo-Governance School" (Marinetto 2003) uses "the term governance to refer to a pattern of rule characterized by networks that connect civil society and the state" (Bevir et al. 2003, 192), an increasing number of scholars refers to the same phenomenon as "New Governance" (see, e.g., Meadowcroft 1997; Paquet 2001; Salamon 2002a, b; Davies 2002). Here "New Governance" is preferred because it leaves room for the broader notion of governance, comprising not only networks, but also hierarchies and markets as governance modes.

centive and enforcement mechanisms obsolete), motivation, "actionable" or local knowledge, and the fact of voluntary co-operation itself as form of social asset (World Bank 2003). Since New Governance approaches focus on the interaction of a variety of actors over an extended period of time (Jervis & Richards 1997), they not only take "public administration out of the narrow tunnel of formally designed structures and mandated organizations" (Toonen 1998, 250); they also favour an inter-organisational to an intra-organisational focus (Jann 2002, 288; Williams 2002, 105).

Yet, does the rise of New Governance imply a transition from bureaucratic silos to cross-sectoral networks? Not necessarily. Although networks open the public sector to a variety of actors, their scope most often adheres to particular policy domains such as fossil fuels or renewable sources of energy. And if, for example, wind and solar energy compete with each other for subsidies, even a unified network for "renewables" is likely to be jeopardized. In other words, although networks make bureaucratic silos permeable in an institutional sense, they most often do not change the fact that they are constructed around particular policy issues (Peters 2000, 41). In contrast, the co-operative yet advocating nature of networks might even "institutionalize and legitimate the conflicts among policy domains, and reinforce those natural divisions" (Peters 2000, 45); in other words, they may turn bureaucratic silos into societal ones.

The good news of the administrative story line briefly outlined here is that both, public administration theory and practice became more diverse both regarding purposes and procedures. Starting out from the relatively uniform model of classical bureaucracy, public administration and governance scholars shifted their attention first to NPM in the 1980s and then to New Governance in the 1990s. The bad news, however, is that none of the administrative paradigms discussed so far is geared toward cross-sectoral challenges such as Environmental Policy Integration or sustainable development. Thus, the more relevant the quest for policy integration becomes, the more urgent is the need for an integrative narrative in public administration.

4. How "Strategic Public Management" tackles policy integration

Strategic Public Management (SPM) is an integrative narrative of public administration in various respects (Steurer & Martinuzzi/forthcoming). Here I want to highlight two of its integrative features which are important for improving policy integration: First, Strategic Public Management integrates the strengths of the three administrative narratives to a hybrid pattern of governance in a problem-driven way. Second, since the cross-sectoral ignorance is not undone by simply reconciling the three administrative narratives to a hybrid pattern of governance, Strategic Public Management is also about increasing strategic capacities throughout the public sector.

Strategic Public Management as hybrid pattern of governance:
Strategic Public Management builds on the assumption that neither one of the three administrative narratives is the perfect solution for any challenge, but that every one of them has some strengths in dealing with particular issues. Thus, a core purpose of Strategic Public Management is to match the strengths of the hierarchical, the market and the network mode of governance (and with them the seemingly antagonistic administrative narratives) on the one hand with the challenges to be addressed by the public sector on the other (for a discussion of the strengths of different governance narratives, see, e.g., Meuleman [2003]). Consequently, SPM is a hybrid pattern of governance drawing on all three modes of governance in a problem-driven way.

Reconciling the seemingly antagonistic narratives of public administration to a hybrid pattern of governance is a crucial step toward policy integration because this challenge can hardly be resolved by a single administrative narrative, even not by New Governance. This has to do with the narratives' characteristics, in conjunction with the types of problems to be addressed. Let's first address the latter. The types of problems standing behind the quest for policy integration often share the features of so-called "wicked issues". According to Rittel and Webber (1973),[4] wicked problems or issues not only "bridge and permeate jurisdictional, organizational, functional, professional and generational boundaries" (Williams 2002, 104); they are moreover controversial social constructions rather than unambiguous matters of fact, constantly changing (in particular with every attempt to solve them), and most often not open to quick or standardized fixes. As Williams (2002, 104) puts it, "real progress is dependent on systematic change". In this sense, policy integration is both, a wicked administrative issue by itself, and a solution to other wicked issues. Yet, which administrative narrative is suited best to cope with a "wicked issue" such as policy integration? Most governance scholars regard networks as the most appropriate mode of governance for dealing with wicked issues for the following reasons:

- Since networks involve a broad variety of societal actors they help not only to finding widely accepted solutions but also to socially constructing wicked issues in the first place; or as Jackson (2001, 17) puts it, "The sharing of problems and the sharing of information increases the probability of finding agreeable solutions to 'wicked problems'".
- The fact that networks provide strong inter-organizational capacities implies that they serve inter-connected issues better than approaches with a strong intra-organizational focus, such as NPM (Williams 2002, 105).
- While competition is good for efficiency, collaboration is assumed to serve the principle of effectiveness very well because networks provide valuable resources such as local knowledge and experience, ownership and commitment (Jackson 2001, 18).

For these reasons, networks are often seen as the most appropriate "paradigm for the architecture of complexity" (Börzel 1998, 253, who quotes Kenis & Schneider 1991); or as Rhodes (1997, p. xv) puts it, "Messy problems demand messy solutions".

However, as stated above, networks are often constructed around particular policy issues ("issue networks"), and thus fall short in addressing cross-sectoral challenges in an adequate way. This is the point where Strategic Public Management enters the picture as hybrid narrative.

A pragmatic way of overcoming the sectoral character of networks is to deliberately extend existing ones across sectoral boundaries or to establish new, cross-sectoral networks. Since both options are likely to require governmental steering, Strategic Public Management is not only about mixing different modes of governance to a hybrid pattern, but also about deliberately merging, for example, the steering function of governments with the activating function of networks to a hybrid mode of governance. Although such "networks in the shadow of hierarchy"[5], also referred to as "heterarchical forms of governing" (Kooiman 2000, 146) are not fully independent and self-governing (two characteristics of networks according to Rhodes [2000]), they are common place in administrative practice (Cabinet Office 2000; Davies 2002; Marinetto 2003; Martinuzzi & Steurer 2003; Steurer & Martinuzzi/forthcoming), per-

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4   For a brief summary of Rittel and Webber's (1973) paper see, e.g., www.poppendieck.com/wicked.htm (9/16/04) or http://cognexus.org/id42_m.htm (9/16/04).

5   Scharpf (1993, 9) states that "Networks, in other words, often exist in the shadow of the market, majority rule, or hierarchical authority – and there is reason to think that these hybrid or multilevel forms of coordination may have particularly attractive welfare implications."

haps because they serve the challenge of policy integration better than fully independent, yet issue-centred networks. The value-added of SPM is then to provide a coherent theoretical framework for deliberately shaping and applying genuine or hybrid modes of governance with regard to the challenges to be addressed (for how the framework may look like, see Steurer/forthcoming). Thus, SPM attempts to take public administration practice a step beyond "'muddling through' with governance" (Stoker 2000, 107).

Strategic Public Management and strategic capacities in the public sector:
Yet, how can the hierarchical mode of governance be expected to serve the challenge of policy integration through networks, especially since its cross-sectoral record is even poorer than the one's of networks? This is the point where Strategic Public Management enters the picture as narrative that advocates to strengthening strategic capacities throughout the public sector. By adapting some key findings of private sector strategic management theory, an ideal-type strategy process in the public sector can be characterized as follows (Montanari et al. 1989; Mintzberg 1994; Taylor 1997; Mintzberg et al. 1998; Poister & Streib 1999):

- Strategic management is an objective-driven process of thought and action: "While there is considerable diversity in the definitions proposed by different authors, there is also considerable common ground: strategic management involves purposeful thought, choice, and action that is designed to enable the organization to achieve its desired future state" (Wechsler 1989, 355).
- Strategic management is not restricted to a planning unit, but involves the entire organization.
- The implementation of a strategy is regarded as an integral part of the strategy process. This implies that a strategy is not finished with the formulation of an "intended strategy", i.e. a strategy document, but is seen as an open, circular process: "Formulation […] may precede implementation. But even so, there has to be 'implementation as evolution' […] because prior thought can never specify all subsequent action" (Mintzberg 1994, 289).
- Such an open strategy process is flexible regarding changing circumstances and objectives (many of which may be due to implementation efforts), i.e. it turns intended strategies into a subject of learning.
- The understanding of the strategy process as adaptive learning process implies that the outcome, i.e. the "realized strategy", depends not only on intended strategies, but also on "emerging strategies" as their flexible counterpart.
- Despite this emphasis on flexibility and learning, strategic devices like action plans are not rejected as outdated, but they are embraced as an intermediate step on the way from an intended via an emerging to a realized strategy. "Thus, strategy is not the consequence of planning but the opposite: its starting point. Planning helps to translate intended strategies into realized ones, by taking the first step that can lead to effective implementation" (Mintzberg 1994, 333).

In short, strategic management, and with it the public sector derivative SPM, is "the central integrative process that gives the organization a sense of direction and ensures a concerted effort to achieve strategic goals and objectives" (Poister & Streib 1999, 323).

Evidently, the OECD and UN guidelines for National Strategies for Sustainable Development (UNCED 1992, chapter 8A; United Nations Department for Economic and Social Affairs 2001a, b; OECD-DAC 2001, 18f; IIED 2002, 33-36), and with them some actual strategy processes in Europe (which often led to the establishment of inter-ministerial co-ordination bodies, or to cross-portfolio budgeting), resemble this model of strategy formation very well (Steurer & Martinuzzi/forthcoming). Thus, if framed as evolving cross-sectoral strategic proc-

ess rather than as strategy document (resisting implementation to varying degrees), National Strategies for Sustainable Development can be an important element of SPM, both aiming at an improved cross-sectoral strategic capacity in the public sector.

5. Discussion of "Strategic Public Management"

Transferring lessons from private sector theories or practices to the public sector is, of course, always problematic because the two sectors serve different purposes and follow different rules and mechanisms (Stewart & Walsh 1992). However, especially the strong parallels of planning and strategy making in the two sectors over the last three decades show how closely related they can actually be in certain respects: While planning thrived from the late 1950s throughout the early 1970s in businesses and in public administrations alike, planners in both sectors faced very similar failures thereafter (Mintzberg 1994) which led to an overall decline of planning (Mintzberg et al. 1998). However, in the course of the 1990s, strategic management as described above, which embraces planning as part of a broader strategy process, gained significant ground in theory and in practice (Mintzberg et al. 1998). Now it is the public sector's turn to catch up with this development (Poister & Streib 1999).

No matter whether one agrees with the administrative narrative I refer to as Strategic Public Management, and although "Governance is constructed differently and continuously reconstructed so there can be no one set of tools" (Bevir et al. 2003a, 203ff); it seems to be safe to say that policy integration indeed requires a holistic governance approach, which can be described as ideal type only in very general terms. However, since "it took perhaps a century […] for the structure of the modern welfare state to emerge fully […] It is plausible that a similar sort of span will be required to develop a more comprehensive response to issues raised by the increased scale of human impacts on the environment" (Meadowcroft 2002, 178). Overall, Strategic Public Management (or a similarly hybrid narrative) can be another step toward such a comprehensive response, aiming to be for policy integration what New Public Management was (and to a certain degree still is) for the quest of efficiency: a narrative that both popularizes and tackles a particular challenge, in this case more coherent policies.

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