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The
Administrators

THE REFORM OF THE CIVIL SERVICE

A FABIAN GROUP

FOUR SHILLINGS

This pamphlet is based upon the work of a group of Fabians interested in the reform of the higher Civil Service. The views expressed in it are the result of discussions held over two years, and have received general agreement. No individual member of the group, however, necessarily accepts all the conclusions of the pamphlet.

FABIAN TRACT 355

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FOREWORD

THIS pamphlet is not about the Civil Service as a whole. It deals mainly with the Administrative Class, which is the governing class in the Service, and with those members of the professional class of roughly equivalent status. The administrative class numbers about 2,500, excluding the Foreign office, and the senior specialists about 500, making 3,000 together—whereas there are over a million civil servants in all.¹ The pamphlet discusses these 3,000 and their relations with Ministers, the public and other classes in the Service.

The last major Fabian Report on the Service was published in 1947.² That Report said that it was time for a new set of reforms, so as to enable the service to cope with the new tasks of overall planning and of the control and guidance of some industries. The Report made a large number of proposals, very few of which have been carried out.

In the past the Service has been slow to adapt itself to political, social and economic changes. This did not seem to matter too much in previous periods. Now, however, it has become necessary to improve the instruments of policy to keep pace with changes in our society; indeed some alteration in the higher civil service may be a pre-requisite to enabling a Labour Government—or any other government—to carry through the modernisation of the country. We have reviewed the question mainly in the context of economic and social policy. This embraces the greater part of the field of government. But we believe our conclusions to be largely valid in all fields.

¹ Including industrial civil servants, e.g. workers in dockyards.

² *The Reform of the Higher Civil Service*, Fabian Society, 1947

I. The Background

History

FOR many years it has been customary to say that Britain has the best civil service in the world. The depth of this conviction has perhaps deflected people from considering what they mean. There is no absolute "best" in these matters. A civil service, like other institutions, is best when it is best adapted to the requirements of the time. The present civil service system dates back to the mid 19th century, notably to the Northcote-Trevelyan Report of 1854. Before that time the system was corrupt and inefficient—though it would be wrong to conclude these always went together. Pepys, although he, with other contemporary officials, took bribes from contractors, was a great administrator. Similarly, in the 18th century, posts in the administration were used as a form of jobbery to secure and retain political friends, but they were sometimes used for good purpose. For example, Pitt the Younger developed an efficient service because he was himself interested in administration and he saw to it that organisations like the Land Tax Office were capable of carrying out effectively his fiscal reforms.

It is important, therefore, in assessing the present image and traditions of the Service not to misjudge the nature of the great changes that started taking place in it from the middle of the 19th Century. These alterations should not be regarded as a revolution from absolute corruption and inefficiency to absolute integrity and intelligence.

The middle-class Victorians who were rapidly gaining political influence had, in this context, four dominating ideas.

First, they were suspicious of aristocratic influence exercised through jobbery; secondly, they felt that many of the country's institutions were obsolete (just as they are today) and tended to obstruct reforms designed to cope with illiteracy, lack of hygiene, bad housing and factory abuses; thirdly, they admired the "open" professions where a man could rise by his own efforts and which, in their view, ensured that merit was rewarded. All this might have produced a new model service in which initiative was at a premium.

But at the same time the Victorian businessmen had another dominating obsession. They feared and distrusted the centralised power of the State in social and economic matters. They associated this power with the paternalistic economic controls of medieval, Elizabethan, and Stuart times, controls which seemed to them to inhibit progress and were moreover likely to be abused for the advantage of the landed aristocracy, as had been the case with the Corn Laws. Suspicion of State control made it unlikely that they would want a service filled with officials as energetic, self-reliant, and outward looking as the Victorian business men were themselves. What they wanted was a corps of reliable umpires.

The Northcote Trevelyan Report of 1854 was unsparing in its criticisms of the existing system. "Admission into the service is . . . eagerly sought after, but it is for the unambitious, and the indolent or incapable that it is chiefly desired."

"Those who are admitted into it (the service) at an early age are thereby removed from those struggles which, for the most part, fall to the lot of such as enter upon an open profession: their course is one of quiet and generally of secluded performance of routine duties and they consequently have but limited opportunities of acquiring that varied experience of life which is so important to the development of character."

The Report came down in favour of a career system recruited by competitive examination from the universities. This was the first step in the creation of a middle-class salariat at the top of the Government service. But the process was slow. The Report was not fully and quickly implemented; it was followed by a succession of Government enquiries, the effects of which were not complete until later in the century. Briefly, the main features of the system that emerged (which still remains largely intact) were competitive entry, in place of patronage and jobbery; the direct recruitment of university men for superior jobs and, going with it, the separation of staff into the administrative and other classes; reliance on the all-rounder from Oxbridge with a good degree in the liberal arts; the assumption that men can be non-political advisers on policy within the limits of the British political spectrum; and the effective closing of the career by confining recruitment to those in their early 20s and withholding pensions until they are 60.

The reliance on the all-rounder was no accident. It stemmed very naturally from the Victorian's faith in the virtues of higher general education for the sons of the new middle class. The Northcote-Trevelyan Report followed, and was much influenced by, Macaulay's reform of the Indian Civil Service. Macaulay had clear views on the matter: "We believe that men who have been engaged, up to one or two and twenty, in studies which have no immediate connection with the business of any profession, of which the effect is merely to open, to invigorate, and to enrich the mind, will generally be found in the business of every profession, superior to men who have, at eighteen or nineteen, devoted themselves to the special subject of their calling"³

The image of the administrative civil servants eventually created by these reforms was that of intelligent, highly educated, incorrupt and distant officials, administering an essentially regulatory system of government, in which the emphasis was on fair and equal treatment for all persons under the law, rather than on positive ideas to promote social and economic change. These characteristics came to be admired abroad and gave rise

³ *Report on the Selection and Examination of Candidates for the Indian Civil Service*, Parliamentary Papers 1854/55.

to the view that the British Civil Service was the best there was. Since bureaucracies abroad were often corrupt, incompetent and illiberal at that time, this view was probably right.

The civil servant's qualities have continued to serve their original purpose well, wherever these purposes are still applicable. In particular, outsiders remain impressed with administrators' capacity for varied and effective forms of written expression. A good administrator can seize a point and express it fittingly.

The changes that took place subsequently in the Administrative Class have not been of great significance compared with that which has just been described. The wide introduction of social services in the early decades of the present century gave scope to a few outstanding civil servants, but its effect on the service lay rather in the consequent expansion in the clerical and executive services, to cope with the new routines. Whilst a series of specialist grades was also developed over the years, for a long time this seemed to have very little effect on the administrative service, which preserved its primacy and also its separateness from the others.

The Second World War, like the First, caused a major temporary upheaval in the job and character of the Civil Service and an expansion in the scientific classes. But the underlying system was not changed and over the post-war years the old system has re-emerged, subject to some modifications.

Broadly speaking, the task of the government in the economy before the war was to set the rules of the game within which private industry and commerce should operate on a competitive basis. The Government concerned itself with tariffs, with the supply of credit, with factory safety, labour legislation and company legislation; it provided some unemployment relief. It did not intervene in the economy except where industries were in dire difficulties. It did not accept responsibility for full employment; it was far more concerned with sound money and the stability of the pound.

The war and immediate post-war years were an extraordinary period, when the Government, in response to emergency, became involved in the running of the economy in great detail by a system of allocations, rationing and other direct controls. This was temporary. But during the period the Government accepted a vast permanent increase in responsibility for the conduct of the economy—for full employment, for the nationalised industries, for health, education and all the welfare services, for town and country planning, for regional development and—though this has only recently received wide public attention—for economic growth. Instead, however, of acknowledging this great permanent increase in responsibility and changing the machine to deal with it, the 1950s saw an attempt to "return to normal", meaning, implicitly, the pre-war world. There were many reasons for this. The false identification of post-war controls (inherited from the war) with peace-time planning encouraged the simple cry of decontrol and freedom; everyone was glad to get rid of controls; politicians and civil servants were glad to be rid of the responsibility of operating them:

and the Conservatives were glad to arrest or reverse the economic and social reforms of the post-war Labour Government. But one consequence of this reaction has been that the Government and Civil Service have tended to revert to the old role of umpires supervising the rules of the game.

The permanent Civil Service proved itself adaptable to the job of setting up the new social services after the War—notably the Health Service—and expanding the new ones in a pretty short time, but not so adaptable to the more novel tasks of forward economic planning and the modernisation of the national economy and industry. The Civil Service is traditionally good at judicial and negotiating functions—administering rationing schemes and dealing with local authorities, trades unions, and other associations and pressure groups. It is traditionally bad at creative financial management and any activities with direct involvement in new technological developments (but its large scale use of computers is an exception to this). It may be claimed that it was thoroughly at home in building up the new social insurance schemes and thoroughly at sea in such matters as energy policy.

The fact that the Civil Service has not been reformed in the post-war years must not be blamed too heavily on the civil servants. The Labour Government was preoccupied with immediate post-war problems and they inherited from the war a Service that was full of temporaries and apparently fluid. The Conservatives were suspicious of civil servants as the manipulators of the hated controls. Ministers did little to correct the poor view of the Service taken by the public, and in some cases failed to defend civil servants from unfair attacks; and for doctrinaire reasons everything was done to reduce their numbers, regardless of the needs of the work.

Pay was held down in spite of general increases in the outside world, and recruitment fell away. Eventually the Government was forced to appoint a Royal Commission, which ameliorated pay and working conditions to some extent, but was not allowed to examine structure or organisation.⁴

A few changes did take place. After the war the examination system was modified in a way which somewhat reduced the prestige of the purely academic mind. The specialist branches grew and became too big to ignore, but, as we note later, they have not been absorbed properly into the administrative hierarchy. Recently there have been a few more changes. These we consider later (page 12).

In the following section we summarise the present organisation and some of the main characteristics of the system.

⁴ *Report of the Royal Commission on the Civil Service 1953/55*, Cmd. 9613, November, 1955.

2. The Present Position

Organisation

THERE are about twenty-five major Government departments, including the great executive departments, such as the G.P.O. and the Ministry of Pensions and National Insurance, and Departments which have no Minister, such as the C.O.I., the Customs and Excise, the Inland Revenue and the National Assistance Board. In addition there is the Cabinet Office whose permanent head is the Secretary to the Cabinet. This office provides secretaries for cabinet committees—i.e., Ministerial and important official committees—and also houses the Central Statistical Office.

The three most senior civil servants are the head of the Civil Service, who is one of the Joint Permanent Secretaries of the Treasury; the other Joint Permanent Secretary of the Treasury, and the Secretary to the Cabinet. All these are paid more than any other Permanent Secretary. Apart from this, the administrative hierarchy consists of Permanent Secretaries, Deputy Secretaries, Under Secretaries, Assistant Secretaries, Principals and Assistant Principals (in the Treasury there are also Third Secretaries). Their pay ranges from £8,200 for Permanent Secretaries to a minimum of £791 for Assistant Principals. The career grade, that is the grade to which all direct entrant administrators can aspire, though not necessarily achieve, is that of Assistant Secretary, whose pay is £3,050 at the minimum.⁵

There are two other main classes which are general throughout the Service: the Executive Class and the Clerical Class. It is important to understand that the Executive Class ranges from Executive Officers (who enter at about 18 on an examination based on A Level and are paid from £490) to Principal Executive Officers and Senior Chief Executive Officers (in ascending order) both of whom are paid more than Administrative Principals. This class is frequently in charge of blocks of routine work, such as accounts, which may nevertheless be of great responsibility, or else they carry out the detailed application of Acts or Regulations. Some of the highest Executive grades perform duties virtually indistinguishable from those of the Administrative Class.

Economists and Statisticians, graded as such, have ranks corresponding exactly to the Administrative grades, at least, as far as the Assistant Secretary level, and are paid the same.⁶ Principal Scientific Officers are at present paid the same as Principals. A glance at the Imperial Calendar will show that there are now very large numbers of specialists—engineers, chemists, architects, veterinary officers, medical officers, planning officers, valuers—as well as a great hierarchy of scientific officers and of museum grades, not to speak

⁵ Those working in London get, in addition, a small London allowance related to the size of their salaries.

⁶ In some departments economists are recruited as Research Officers, with lower rates of pay than if they are recruited as economists, or as Scientific Officers.

of a multitude of specialisations which are very unfamiliar to the general public—e.g., hydrographic officers. The pay scales of these grades do not necessarily correspond to those of administrative ranks.

The status of specialists, however, is generally subordinate to that of administrators. Their ranks and pay often stop at a level short of the top administrative ladder; it is exceptional for them to transfer to the administrative ranks and compete for the top administrative jobs. All economists recruited since about 1950 are employed on temporary contracts; there appears to be no provision for them to be established.

In spite of the reforms in the Treasury (described below, page 12), there are still relatively few economists or statisticians, at a senior level, in the economic ministries. Taking the Treasury, Cabinet Office, Board of Trade and Ministry of Labour together, there are in all some five economists of the rank of assistant secretary or higher, and some fourteen statisticians. (These figures are discussed more fully on page 38.)

Recruitment

Pay and conditions of service are the responsibility of a series of Establishment Divisions in the Treasury. They negotiate terms for the general service classes with the trade unions and with a federation of unions, the Staff Side of the National Whitley Council. In addition, each Department has its own Establishment Division to deal with internal personnel matters, and to negotiate with "departmental" classes of civil servants. But recruitment is the responsibility of a separate body, the Civil Service Commission. It organises examinations for the administrative, executive and clerical classes and a number of specialist classes and supervises the boards which appoint other specialists direct. About 60 per cent of the administrative class are recruited direct, by examination, and about 40 per cent come into it from other classes.

The 60 per cent of direct recruits take an examination between the ages of 20 and 28.⁷ They can choose one of two methods. Method I consists of a short written qualifying examination in general subjects (an essay, an English paper and a general paper), an interview, and another written examination in a subject of the candidate's choice at honours degree level. Most of the successful candidates who enter by this method in fact choose Arts subjects. Those who already have a first-class honours degree and who got high marks in the qualifying examination, may be exempted from this second written examination.

For Method II, candidates must at the outset have a first or second-class honours degree. They also have a written qualifying examination and an interview; but, instead of the examination at honours degree level, they undergo a set of intelligence tests, discussions, and papers designed to test

⁷ The upper age limit was extended from 24 to 28 in 1960, in the hope of attracting some candidates who had spent a year or two in post-graduate study or in other work, but who had not found their careers in it.

reasoning power. In both cases, the Interview Board is the last stage and, though marks at earlier examinations or tests carry a given weight, it fixes the final mark. Between 1957 and 1960 roughly equal numbers of candidates were successful by Method I and Method II, but in 1961 and 1962 substantially greater numbers were successful by Method II. Since 1948 some 80 per cent of the direct entrants to the administrative class have come from either Oxford or Cambridge.

Those who come into the administrative class from other classes may do so by examination between the ages of 21 and 28 by Method I or Method II. They then enter the recruitment grade (Assistant Principal). Or they may enter the class at a later age, generally at Principal level. If so, transfer is normally made under the usual promotion procedures, that is, a recommendation followed by an Interview Board. However, in recent years, the Civil Service Commission have provided a central procedure which approximates to Method II: the candidates take the Method II-type intelligence and reasoning tests, and the Commission is represented on the Departmental Board which interviews the candidates.

① Training

New entrants are put on probation for two years and are trained by various methods, chiefly by sending them to work for a short time in a variety of different divisions of the Government Department to which they have been posted. Some departments seem to do this rather more systematically than others. For instance, the Post Office and the Ministry of Agriculture both send assistant principals for tours of duty in their regions for some months. But there has recently been some recognition that more training is needed, and a central training course of about three months has been provided at the Centre for Administrative Studies.

It takes assistant principals after they have been in a department for two years and gives them a course for 14 weeks, with an extra 7 weeks for those in economic departments. Its curriculum is fairly heavily biased towards economics.

Later in their careers, a very few administrators get sabbatical years in which to study; quite a lot, especially those in specialist departments, attend conferences and short courses related to the subjects on which they work; some are sent regularly to the Administrative Staff College, which is primarily for people from private industry, and to the Imperial Defence College.

Internal movement continues after the initial two years. Assistant principals continue to be moved around rapidly for five or six years to get generally acquainted with people and procedures. They are not left in one place for long enough to learn a subject deeply. Usually this movement continues thereafter, with a principal receiving comparatively frequent postings, often designed to discourage any tendency to specialise. The more promising the young official is thought to be by his superiors, the more he

will tend to be moved around. The brighter characters are, moreover, likely to be sent once or even twice to the Minister's Private Office. This is regarded as especially good training because it gives the official an insight into the centre of power, the fulcrum of public affairs. It accustoms him to contact with the great, and teaches him discretion, tact and speed of decision.

Promotion is mostly decided on by Departments, usually on the basis of annual written reports by the official's immediate superior. Ministers require the approval of the Prime Minister, who is advised by the Treasury, on appointments and moves of their Permanent Secretaries, Deputy Secretaries, Principal Finance Officers and Principal Establishment Officers.

Pensions and Irremovability

An established (i.e., permanent) Civil Servant receives a pension at 60. This is non-contributory. He also receives a lump sum payment. These advantages are taken into account in assessing his pay on the basis of outside comparisons. If he leaves before the age of 50 he sacrifices his pension unless he goes to "approved employment". A move to a university or a nationalised industry is normally "approved employment", but not to industry or commerce. There is no encouragement to move and tradition is against it. After 50 he can leave and have his pension rights put into cold storage until the age of 60. An official cannot normally be removed except for some major misdemeanour or very gross ineptitude over a long period. In principle his office can be "abolished" but this is very expensive since he must be compensated. Thus he is offered great security both against dismissal and against competition from outsiders or from specialists within; he enters the Service in the knowledge that, once he has been in for any length of time, he is likely to be effectively deterred from leaving (except to the most lucrative jobs) by the knowledge that he would lose the whole of his pension. During his career he does not move out to work in other fields in Britain, except, rarely, to posts in another public agency (e.g., the Atomic Energy Authority).

Special Position of Treasury

The Treasury's role in the Civil Service is preponderant. It is responsible for the control of expenditure, for overseas and home financial policy, for tax policy, for short-run and long-run economic policy and for personnel throughout the Service. It has often been thought of, in the past, as the dead hand. Certainly it has for long exercised power in all these sectors in a dull, negative and unimaginative way. It is not good for the Service that the department responsible for financial control should also be responsible for policy and management of personnel, since it is a judge in its own cause and considerations of finance take precedence over enlightened management ideas. Moreover, the need to give a good example to other departments and to outsiders produces a positively masochistic attitude to office staffing and equipment wholly inconsistent with efficiency.

3. Work of The Administrator

THE work of the administrator is varied and therefore hard to define. Obviously the subjects dealt with have enormous variety. The problem is to describe the kind of acts which an administrator performs. It differs from that of a director, or a manager in business or, for that matter, a don. (Nowadays, particularly since the institution of comparisons for pay research purposes, it has been a matter of special interest to compare an administrator with a business man.)

The first significant point is that the word "administration" has been preserved and is clearly thought of as different from "management". The traditional view, still largely accepted, is that administration consists of a combination of the following:

Advice on Policy

Policies are, in principle at least, laid down by Ministers, but the administrator has a great influence upon them, since one of his main jobs is to provide advice. The idea that administrators influence policy, and, indeed, play a more enduring role in its formulation than ministers, was acknowledged in the Northcote-Trevelyan report, which envisaged the creation of a body of permanent officers "able to advise, assist, and to some extent influence, those who from time to time are set over them". Such a blunt formulation was disliked at the time. The fact that civil servants have much influence is acknowledged today in the dictum amongst politicians that in Parliament one can tell in a few weeks whether a new minister is run by his civil servants or has ideas of his own, and that many ministers fall into the first category.

It is a powerful tradition that the man on the job, i.e. the person responsible for administering the field from day to day, is primarily responsible for giving advice. Generally speaking, there are no policy-planning branches. Senior specialist advisers, if they are strong personalities, may nowadays achieve positions of influence, but experts tend to work in separate compartments. Minutes are exchanged. Decisions are taken in the light of "advice" provided usually on paper by economists, statisticians, engineers, architects, lawyers, etc., on particular matters put to them within a rather rigid framework of procedure. This preserves the hierarchical positions of administrators and specialists.

Most of the time advice is concerned with ad hoc problems rather than with wider questions of general policy. Political pressures, the sovereignty of Parliament, the need for apparent consistency between policies which have to be described in public, tend to cause officials to be cautious and to take account of many different things, before making a decision or giving advice.

Parliamentary Work

Changes in policy may require legislation or may be capable of immediate implementation. Where legislation is required the work of preparing instructions for the legal draughtsman falls on administration. This is regarded as high quality administrative work, but may involve extremely tedious details.

The administrator also has to spend a lot of time (some people might think an unconscionable amount of time) providing material by which the Minister can explain and defend his Department's activities, in speeches, replies to debates and answers to Parliamentary Questions. The work is mainly laborious stone-walling. Nevertheless it is traditional to think of this activity as a special skill for which the recruitment and training of administrators fits them in a way that, for example, that of business men would not fit them.

Implementation of Policy

If a policy is adequately formulated over a wide enough field, there should be little difficulty in delegating actual decisions on cases (i.e. implementation) to comparatively junior levels. In practice, in the great executive departments, where the rules have to be clearly laid down, this happens to a very large extent and execution is carried out by the Executive Class. But in many parts of the service, the insistence on ad hoc decisions and on "dealing with each case on its merits" means that many cases are sent up partly through the Executive, but often through the Administrative, hierarchy for decisions at higher levels and quite often by Ministers (particularly where there is some politically sensitive point.) The result is that all administrators have to deal with a lot of detail and, however senior, they do a great deal of personal drafting and engage in the delicate manipulation of sentences.

Co-ordination

Here again, the difference in degree between business and Government must amount to a difference in kind. The interdepartmental committee, or indeed the internal committee, is so much a characteristic of government as to make it difficult to imagine its absence. A very large part of the time of administrators is taken up in meetings of such committees or of ad hoc meetings of the same kind. The effect is to reach a compromise, which corresponds to the normal influence or prestige of the departments, divisions or persons taking part.

Negotiation

Negotiation is also mainly an administrative rather than an executive function—negotiations with business, with nationalised industries, with local authorities, with special groups, with trade unions and with foreign powers. The difference between this and what businessmen do is probably in the size and importance of the bargain being concluded and the relative lack

of personal involvement in the outcome. Success is not attended directly by a bonus or a profit. The important thing is to avoid concluding an agreement which will lead to extensive criticism, rather than to register an outstanding success. Negotiation does not call into play the tension and excitement of a great contract successfully obtained against rivals. It is rather a question of patience and careful attention to all the aspects that have to be covered.

Personnel Management

Problems of recruitment, pay, promotion, discipline, superannuation, etc., are handled throughout the Service by administrators, though much work is often delegated to senior executive staff. Inside the Treasury, there are a whole series of Divisions dealing with various aspects of this Establishment work, e.g., pay and conditions of different grades, recruitment policy, organisation and methods, etc. The Treasury has for a long time regarded this activity as one for which administrators must to some extent specialise. There is a large body of practice to be learned, and officials in Establishments divisions tend to stay longer on this side of the Treasury than officials in other branches, particularly at the higher levels. Administrators are also managers in the sense that they have, of course, subordinate staffs for whom they are responsible and on whom, for example, they must make annual reports. But this aspect of the work is not much stressed. There is nothing to stop a good administrator from concerning himself with the welfare and efficiency of his staff and some do, though the preoccupations already described leave him with little leisure for this. For the most part, though he may be titular head of a division, he will leave a large part of this "management" to the establishment division of his department.

CURRENT IMPROVEMENTS

Recently there have been two significant improvements in the organisation of work—the re-organisation of the Treasury and the development of "project co-operation".

Treasury Re-organisation

In 1958 when the Select Committee on the Estimates enquired into the general question of Treasury control of Government expenditure, the Treasury, in a memorandum of evidence, asserted that "the view of government finance which has won acceptance is that finance is something integral with policy and cannot be dissociated from it. The Estimates of a Department are, therefore, in some sense, the embodiment of the Department's policy." At the same time, however, the memorandum repeated the traditional view that "Treasury control is, in essence, the exercise by laymen of judgment upon the proposals of experts. It is no part of the Treasury business to attempt to rival the Departments in the expert knowledge which

they possess in their own field. What is necessary is to test the projects put forward and to obtain enough information to form a judgment as to whether the schemes are well founded: to make sure that enthusiasm does not run ahead of prudence and commonsense and to bear in mind the remark of the Haldane Committee that 'our whole experience seems to show that the interests of the taxpayer cannot be left to the spending Departments'."

These two passages might almost have been drafted in different centuries. Which of the two views predominated? During the Committee hearings a Member of Parliament asked the principal Treasury witness: "How does the layman form his judgment? What is the yardstick?" The reply was suitably vague. "He has to do the best he can with the gifts God has given him and the training his Department has given him".

The Estimates Committee were not really concerned with the relationship of finance to policy. What they were worried about was "economy" in the fairly old-fashioned sense: the prevention of "extravagance" and the exceeding of estimates. They were worried about the use of laymen who could be blinded with science. Their persistence in querying the whole nature of Treasury organisation led to the setting up of the Plowden Committee, consisting of a mixture of outsiders and civil servants, whose proceedings were secret but which issued a Report making four proposals of great importance:

(a) Get away from piecemeal decisions on expenditure and insist that decisions be taken in the context of long-term surveys of expenditure and resources.

(b) Try to stabilise public expenditure so that it is not constantly subject to stop-go in the light of current crises. This will help long-term efficiency.

(c) Improve methods of assessing and regulating public expenditure, fully using techniques of costing, accountancy, statistics, etc.

(d) Provide machinery for really collective decisions by Ministers in the field of public expenditure so that, instead of the Chancellor being alone against all other Ministers, they will be in a position to criticise one another's proposals. The Treasury should, in fact, arrange for public expenditure proposals to be considered by Departments generally, in relation to economic and social policy.

The Treasury has proceeded to reorganise itself radically in order to carry out the changes proposed. Divisions have been re-organised to provide more general policy guidance, expertise gained at one point is to be applied generally. Economists and administrators have been brought to work together in a new "National Economy" wing of the Treasury and a number of special arrangements have been made for long-term surveys of policy and expenditure.

Project Co-operation

Throughout the Service, experts and administrators work on the same problems, but the experts do not participate sufficiently in decision making. This is partly because decisions, as noted earlier, are not based enough on long-term thinking. In one or two cases, however, a new spirit and technique are beginning to show themselves. One of the earliest examples was the development group of the Ministry of Education, Architects and Building Branch, where architects and administrators have worked closely together for some years now. Another more recent example can be found in the Joint Urban Planning Group of the Ministries of Housing and Transport. The Building Development Group at the Ministry of Works and Public Building is probably a similar development. So in its way is the closer integration of economists into the Treasury, noted below. At the same time, economists have been appointed to more departments, there has been an increase in support for outside research and there seems to have been rather greater use of outside advice. The Ministry of Defence and the Ministry of Education have also been reorganised, entailing in both instances a merger of formerly independent departments. The role of specialists appears to have been strengthened, but it is too early to judge the results of the change.

Adequacy of the Improvements

While we welcome these changes as a step in the right direction, we do not regard them as anything like adequate.

As regards the Treasury, re-organisation of tasks is one thing. A change in the character of the staff in order to perform the new tasks is another. So far the reform has not made any difference to the staff, except for the partial integration into the operating divisions of some of the economists who were previously kept together in the Economic Section.

As regards project co-operation, it still remains true that the Service is insufficiently willing to provide men and resources for long-term studies. As a result, the expertise available does not play its full part in the creation of long-term policy and the Service does not use outside expertise as much as it should. Essentially the system remains as it was.

4. The Need for Reform

IS the Civil Service described in the last chapter the best service we could have to meet the needs of today? Our answer is, emphatically, no.

The scope of government responsibility in the field of economic and social policy has greatly increased since the war and is likely to continue to increase. But the Civil Service has not changed to meet these new responsibilities. (Nor have our representative institutions for national, regional and local government; but they are beyond our purview.) Thus after a wartime interregnum when all sorts of people from outside—businessmen, dons and others—were brought in, and the barriers between the career Civil Service and the rest of the economy and society were broken down, we have reverted to a system where:

(a) The administrator often lives in isolation from industry, local government and other fields of the society which he may administer; his career is not designed to give him experience and first-hand knowledge of the field he administers.

(b) The administrator is still expected to be an omniscient all-rounder capable of formulating policy in any field.

(c) The administrative hierarchy is as closed and protected as a monastic order. A young man enters at 21 or so and is virtually locked in until 60. There is practically no movement of new blood inwards or old blood outwards at any age between the early 20s and 60. In an age when the value of persons with professional training is increasingly acknowledged, the status of the professional in the Civil Service, with a few individual exceptions, is inferior to that of the administrator.

(d) There is no provision for new appointments from outside when governments change. The administrator is supposed to be apolitical, and yet equally good at helping to devise and advocate socialist, liberal or conservative policies and capable of switching wholeheartedly from one to the other at any time of life. (The importance of his being able to do so increases with seniority and age, whereas his ability to do so is likely to decline.)

This system is plainly out of touch with the times, being unfitted to more positive government. Nor has it been essentially changed by the recent reforms affecting the reorganisation of the Treasury and other matters. It may rightly be asked, however, whether the obsolescence of the system has had an adverse effect on policy. Here the critic will cite a series of episodes in post-war economic policy.

The Effect on Policy.

First there was the failure of the post-war Labour Government, avowedly dedicated to planning, to draw up any long-term plan, apart from a four-year programme required under the Marshall Plan as a means of

obtaining aid. A planning machine—the Central Economic Planning Staff—was established, but it seemed to assume the colours of the rest of the machine, and no plan emerged. This was the time when in France M. Monnet succeeded in establishing his Commissariat du Plan, and enlisted the advice and help of a number of British economists in the process.

Next, when the Conservatives came to power, economic policy was at first dominated for a considerable period by a proposal to make the pound convertible at a floating exchange rate despite the fact that the balance of payments was weak. It is no secret that all the few economists in the Government service—those in the Economic Section and in Lord Cherwell's office—were united against it (as were nearly all outside economists.) Yet such was the strength of the co-ordinated line, initiated by the Treasury and Bank of England, that the policy would almost certainly have been implemented had it not been for the intervention of Lord Cherwell, a Minister Without Portfolio, who was close to the Prime Minister and who had gathered around him a small staff of outside advisers. Moreover, the advocates of the scheme (which went by the code name Robot) kept reviving it, making preparations for its introduction and so diverting attention from other issues for a number of years. Policy was dominated by the maxim that convertible currency was the prime aim.⁸

On the home front at this time it came to be believed that the manipulation of Bank Rate and the supply of credit were sensitive, and almost sufficient, instruments for regulating the economy. This second strand of policy was eventually corrected by disillusionment, which was later reinforced by the Radcliffe Committee's critical assessment of the experiment and the theory underlying it. Associated with the faith in monetary policy was the belief that inflation could thereby be stopped without undue prejudice to employment or growth, and that an incomes policy was therefore unnecessary, and—so ran the argument—unworkable too. Only recently has an incomes policy become respectable again.

In a rather different field the critic can point to transport policy. For years it has been evident to anyone who examined the problem that our road system was going to become grossly inadequate whilst our railway system became excessive in relation to demands upon it. Yet the problem has been recognised only recently when it has become critical. And it is known that until recently the Ministry of Transport has not contained a single economist, that it has had almost no planning organisation and that only last year was the first report ever published which looked at road and rail transport together.

⁸ For descriptions of this episode, which indicate the role of civil servants and the Bank of England, see *British Economic Policy since the War*, Andrew Shonfield, Penguin Books, 1958; *The Professor in Two Worlds: the Official Life of Professor F. A. Lindemann*; *Lord Cherwell*, by the Earl of Birkenhead, Collins, 1961; and *Sunshades in October*, Norman MacRae, Allen & Unwin, 1963.

These are four examples of important issues of policy over which there have been failures. The responsibility is formally with Ministers; and in some instances—for example, credit policy or wages policy—it can be said that policy conformed to a current of fashion which was expressed outside too. How far therefore were civil servants responsible? It is impossible to make a detailed analysis owing to the difficulty of identifying responsibility and, where responsibility can be identified, owing to the tradition that secrecy and the anonymity of civil servants should be preserved. But we have no doubt—indeed it is almost a truism—that policy would have been different in most of these instances if officials had been different—above all, if they had possessed, or obtained, more expert knowledge of the subject and if they had looked farther ahead. This applies as much in those instances where policy followed fashionable opinion as in others; officials play a part in the formulation of these fashions in various ways including “the useful convention which allows them to discuss the background of their Ministers’ policy among the cognoscenti of Fleet Street and the West End”.⁹ Officials should not, in any event, respond too unanimously to fashion.

We do not wish, however, to rest our case for reform narrowly on particular episodes in the past. In any field judgment of the responsibility for past events is difficult; it is particularly difficult in this field. The burden of our case is that the present system is not well suited to the tasks which now lie ahead.

WHAT ABOUT FERROWTH AFFAIR?

The Criticism

Our criticism is focussed on three main characteristics of the system:

- (a) Amateurism, resulting from the all-rounder tradition and from the tradition that the administrator on the job is the best adviser on policy.
- (b) The tendency for civil servants to be too negative in their approach, concentrating on procedure and on the day to day dispatch of paper rather than on the substance of problems, and being too ready to seek compromises.
- (c) The tendency to be too closed and secretive in the formulation of policy.

Our diagnosis is that these defects stem to a large extent from particular features of the way the system is run.

(a) **Recruitment:** The concentration of Oxford and Cambridge graduates with degrees in Arts subjects; the shortage of recruits and difficulty in attracting good people, particularly those with degrees in science or mathematics. (This is related to career prospects and mobility.)

(b) **Training:** Until now, training has been almost entirely on the job. Now a 14 or 21-week course has just been introduced, but this seems far too short.

⁹ S. C. Leslie, formerly Head of Information Department of the Treasury, in *New Society*, 10th January, 1964, p.13.

(c) **Immobility:** The absence of movement in and out of Whitehall, the tied pension and closed shop.

(d) **Inadequate articulation of careers:** People are jumped about so much that they cannot master a subject.

(e) **The lack of specialists at a senior level and their non-assimilation:** The specialist generally has an inferior status and commonly cannot aspire to the top jobs on an equal footing with a generalist, as he might in other walks of life.

In addition, we considered the criticism that the Treasury is too large and too powerful—that it is impossible for one department of all-rounders to manage personnel throughout the service, to ensure efficiency in public spending, to appraise policy in all fields, to run the economy in the short-run and plan it in the long run. We have not dealt with the division of departmental responsibility for economic and financial policy, since that brings in wider issues than the reform of the Civil Service. We have considered the separation of Establishments from the Treasury. Our views on that and on other specific issues are given in the next chapter. Here we consider the main criticisms.

Amateurism - ~~These are the~~

On the central issue of amateurism versus professionalism, we started with many shades of opinion, but we have reached a broad consensus. The reasoning can be summarised in a dialogue as follows:

(a) The advocate of the amateur, or, to use less loaded terminology, the "generalist" or "all-rounder"—will argue that the expert (for example, an economist or scientist) may not be a good administrator, in one or both of its meanings—an administrator of government business, including the detailed supervision of policy, or an administrator of his own office, including the supervision of his subordinates. He may not be interested in the routine work of the machine, nor aware of the nuances of politics and co-ordination; while the generalist can progressively learn a widening range of the specialised knowledge as he handles different subjects, and can always consult an expert if he wants.

(b) The advocate of professionalism will retort that most subjects (e.g. economics, defence, education, health, science, transport, fuel) require for the formulation of policy a knowledge of special disciplines, and of planning techniques. The latter, while still imperfect, involve essentially the ability to express and judge things in quantitative form—to assess requirements, to assess costs, to assess risks, to assess interactions. This kind of thinking is not easily learnt on the job (especially if jobs keep changing), nor is it taught to undergraduates. All administrators cannot be expert in the use of the techniques, but they can be taught enough to be aware of them and able to use them roughly; they can always be kept in touch with people who can provide help. As regards specialised knowledge of the field—medicine, transport, science, etc.—it is not clear whether a man

starting with no knowledge of, say, science, will be better at administering science than a man who has been a scientist. Both may do well. But there is, at least, a presumption that the non-scientist will do better if he is provided with some training in what science is about; and that the scientist will do better if he has some training in the working of the administrative machine, and in planning techniques. Thus the advocate of professionalism wants training in administration and planning techniques to be general, and courses on specialised topics to be provided where the man with no prior knowledge of a subject is to handle it. He does not want people jumped about to subjects of which they have no prior knowledge. He wants groups of people—administrators set aside from the routine of administration, temporarily or permanently, together with experts from inside and outside—to be used to study major policy issues. He wants outsiders brought in where they have the qualifications required; and where new problems emerge and new techniques of analysis may be developed (e.g. strategy, disarmament, economics, urban renewal, etc.) he wants the encouragement of study outside the machine, including access to official data.

(c) There are then the counter arguments that the resulting, more professional man will be too narrow and insensitive to the impact of policy on the man in the street; that through concentration on the substance of policy he may pay less attention to routine and co-ordination; that internal mobility will be impaired; that security will be jeopardised; that it will be hard to fill the top posts if the experience of the candidates for them is limited to one subject only.

(d) Against this, the advocate of professionalism will acknowledge that the higher up the ladder one goes, the more one needs the broad view of a wide range of problems, a sense of judgment and administrative skill. But a greater professionalism acquired by training in the techniques of analysis and in the disciplines of a particular subject (even a different one from the subject now in hand), is not inimical to the acquisition of these talents. On the contrary, it helps.

By way of example, he may quote ^{231 villages looted, Napa in by Heon!} Mr. MacNamara's success at the U.S. Department of Defence; and the lessons of the business world and nationalised industry, where it is commonly accepted that accountants, scientists and other specialists, should reach the top in competition with generalists, and where the need for specific training in business management is now coming to be recognised.

While there are differing opinions as regards the defects of the past and present, a broad consensus of opinion in favour of more professionalism in the future has emerged from this kind of dialogue. This consensus of opinion has been reflected in a wide measure of agreement on criticism of particular characteristics and on the steps required to meet them.

Other Characteristics

Obviously parts of the Civil Service are good and parts are bad. The problem is that the present system permits, or indeed induces, too much

of the bad. Any generalisations are bound to be subject to many exceptions. But, put sharply, the characteristics we have in mind are these: a negative approach to problems, which is associated with a tendency of officials to look upwards and wait upon instructions from superiors rather than downwards into the emergent problems of their field; an excessive desire to appear 100 per cent correct even when there are risks and uncertainties (this can lead to over-concentration on small, precise points at the expense of big uncertain ones), a tendency to rely on "judgment" and to emphasise procedure rather than the substance of the matter in hand; and a tendency to develop a "crisis mentality", grappling with an issue only when it becomes urgent.

These characteristics stem from the nature of the system. Emphasis is on the orderly and swift despatch of papers and on compromise. The value of studying a problem in depth or of conducting post-mortems, using specialists where necessary, tends to be ignored or spurned. The civil servant tends to regard it as his task to act only in response to a stimulus—an instruction from a Minister, an enquiry or complaint from a Member of Parliament, from a member of the public or a foreign power—and to deal with each case as a case. He is not conditioned, and the pressure of work often would not permit him, to do much more. Nor, too often, is he qualified to do more. The all-rounder tradition and the frequent postings naturally induce an emphasis on procedure and despatch, not substance, and a tendency to rely on judgment. So too, does the high premium placed on experience in a Minister's private office. The fact that almost everyone stays for life, serving Ministers of varying quality and conflicting views, who come and go, naturally leads to some frustration and cynicism.

The extent to which these characteristics hold sway varies considerably.

There is a marked distinction between those sections of the Civil Service which are directly responsible for carrying out routine functions themselves, like running training centres for industrial workers, managing insurance schemes, collecting revenue or repairing warships—and those which involve the analysis of problems and making of policy. The Administrative Class of the Service is equally responsible for direction of both types of activity. It is arguable that the Civil Service performs the first type of function much better than the second—although many people will be able to think of notable exceptions on both sides—and most Government Departments are concerned with both types of activities, although in varying proportions. On the whole, the Service has a good record for such things as the introduction of computers to replace routine clerical work, joint consultation with its own trade unions, and the training of operatives and first-line supervisors. The strongest criticisms of the Service are concerned mainly with those parts of it which are making, or which should be making, national policy and directing or co-ordinating the national economy as a whole. It is for this reason that criticisms are concentrated on the Treasury—whose methods as well as functions contrast sharply with those of most of the rest of the Service.

One facet of the problem of Civil Service attitudes is the relationship between the work of civil servants and Parliament. It is sometimes objected that civil servants see as their pre-eminent function the day-to-day servicing of Ministers in Parliament and that this distracts them from the pursuit of long-range problems in depth. In our view, it is right that the serving of Ministers in Parliament should be a supreme responsibility, but at present, this may lead to too much concentration on petty issues. This might be corrected by Parliamentary reform. If Parliament were so organised that committees or commissions, backed by some expert staff, normally explored issues of policy in some depth, as they do in some other countries, there would probably be a response in the civil service. It would be forced to look more deeply at problems, to look farther ahead. Indeed the creation of the N.E.D.C. may already have had some effect in this direction. But so long as this is not so (and the problems of Parliamentary reform are outside our purview) the day-to-day task of feeding the Minister will continue as it is. This does not mean that it is impossible simultaneously to give greater attention to the study of problems and the formulation of policy. On the contrary, Ministers can be better briefed to deal with day-to-day issues if policy is well thought out. But it does mean that the pressure for reform in this direction must come from within—from Ministers or from the civil service itself. A change from within is what we seek.

A second special problem is the role of co-ordination. We recognise the need for all departments interested in a problem to be kept in the picture, and we acknowledge that the way this is done is one of the strong features of the present system. The dangers of the process are two-fold. First, it may lead to agreement only on whatever proposed change is acceptable to all—and that is likely to be a small change. Second, alternative possibilities may never be brought to the attention of Ministers, if an agreed brief is first prepared by officials and then presented to all their respective Ministers. Officials will argue (and those who have been, or are, Ministers, know what they mean) that if widely different alternatives are frequently presented to Ministers, or if departments keep advising their Ministers differently from one another, Ministers will never make up their minds: they will argue endlessly in Cabinet or in ministerial committees. For smooth and efficient working it is advisable—so runs the argument—for officials judiciously to anticipate the general will of Ministers and to speak most of the time with one voice, showing respect for the leading departments in the field in question.

We cannot define a perfect answer to this problem. We feel that at present co-ordination definitely errs on the side of being excessive, especially in the field of economic policy, where the position of one department, the Treasury, has been so dominant. We believe that our proposals for more professionalism, mobility and special appointments will help to correct this tendency. The creation of N.E.D.C. and any further development of planning machinery outside the Treasury will have the same effect. We would not want the correction to go too far, but we are not afraid that it might

do so. The tradition of co-ordination has strong roots.

Secrecy

Secrecy is an obstacle to good policy-making when it prevents the tapping of a sufficiently wide range of expert opinion and advice and when it narrows public discussion of policy issues. (This applies particularly to research in economics and other social sciences, where too much research undertaken today has little relevance to the problems of the policy-makers and the gap between them and researchers is so wide as to inhibit useful communication.) If outsiders interested in a particular field of policy—be it economics, social policy or strategy—are to make a useful contribution to policy-making and to public discussion, they need to have access to as much of the factual and statistical background as possible; and they also need to know what problems are relevant to policy-making in the period ahead.

When an issue becomes politically alive and the Government is expected soon to take action, there is usually considerable publicity and speculation about what it is going to do. This makes the public feel that the veils of secrecy are thin; it makes civil servants feel that they are highly exposed, and causes them to act with reserve, eschewing discussion with outsiders. This is almost inevitable where issues are decided at the last minute. But often there is no reason why issues should be decided in this way—there is no unforeseen emergency—and it would be better if there were more informed discussion, research and analysis at a much earlier stage.

There appears recently to have been an increase in the extent to which outside advice is sought and to which research is encouraged in fields germane to policy. For example, in a field where the tradition of secrecy has naturally been particularly strong, there have recently been suggestions that the Ministry of Defence should follow the example of the Americans in encouraging research into the problems of strategy, the acquisition of arms and disarmament. But we have the impression that progress has been slow and uneven and that too often the tradition of secrecy (along with the closed nature of the Civil Service system) causes policy-making to be far too narrowly conceived.

In the fields of defence and foreign policy, secrecy depends mainly on considerations of "national security". In the field of economic policy the practice of secrecy seems mainly to stem from the tradition that Parliament should be told things before the public. But this should apply only to policy decisions and to statements and statistics (such as budget accounts) of immediate topical relevance. There seems no good reason why it should inhibit the release of information or the stimulation of discussion and work in the earlier stages of planning and policy-making. The danger is that secrecy, for whatever reason it starts, becomes a habit. It becomes an excuse for preventing others from looking over your shoulder and a way of avoiding "trouble" and escaping post-mortems.

Another aspect of secrecy is the need to prevent financial gain to individuals. But this is essentially a problem of safeguarding the final details of policy (such as tax changes) and then of ensuring that one person does not know the details before another. It scarcely applies to general problems of policy-making.

Altogether we feel that far greater openness is both possible and desirable. We are encouraged in this view by the example of other countries, such as Sweden and Holland, which appear to combine the advantages of openness with high standards of efficiency and integrity.

False Criticism

There are some criticisms of the Civil Service with which we do not agree. One is Parkinson's Law, which suggests that the Civil Service, like other hierarchies, grows too fast, inventing work for itself as it does so. Whatever its validity elsewhere, this criticism certainly does not apply to the administrative Civil Service today. The expansion of its numbers—from 1,100 in 1929 to 2,500 today—is much less than the increases in its duties and than the increase in the rest of the service. As a result of the past decade of squeezing and recruitment difficulties, it may well be under-staffed now. For the job to be done properly, an increase in numbers may well be needed. But an increase in output could first be achieved by pushing more work downwards. Principals often do not have enough responsibility. Moreover, the amount they can do is limited by lack of secretarial facilities and research assistance. A greater delegation of responsibility should be explored and so should the improvement of secretarial and ancillary services.

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5. Proposals

OUR general aim is to make the Civil Service more professional, more adaptable to new methods and more creative in fulfilling new tasks.

The main methods which we propose are wider recruitment, better training and more movement in and out of the service; the fuller use of experts, the improvement of the status of professionals vis-a-vis general administrators, and in some instances an increase in their numbers; and the explicit acceptance of the need for some political appointments.

The proposals are far from revolutionary by the standards of other countries or other organisations in Britain. In both contexts it is often accepted as a matter of course that experts and all rounders are equal, that outsiders are brought in at any level if they are the best men for the job, that proper training is needed, that people should move in and out. If the proposals appear revolutionary in Britain, it is because the present system is such an anachronism.

The Reform of the Civil Service Career

We have described (page 7) the present method of recruitment to the administrative class. We do not propose any radical change; that is, we assume that, as in the past, a fairly high proportion of those in the administrative class will be recruited direct from University. At present about 60 per cent come in in this way, and 40 per cent are promoted from other classes. There is no particular sanctity about these proportions: merit should decide them. The proportions will change in any case, since we are suggesting (page 27) some recruitment of older people from outside into the senior Civil Service.

We think that our other proposals will improve the quality of candidates. The high status of the kind of Centre of Administration which we envisage will be a strong magnet. Further, the prospect of a more "open" career, with more possibility of moving in and out, will encourage the more adventurous and deter those looking for a sinecure: and that is what we want. A good number of creative students probably avoid the Civil Service because they do not want, at that early age, to be locked in. The new career will remove that fear. After all, the management trainee in a private firm is not given, and does not expect, a guarantee that he will be free from competition from outsiders all the way up the tree, nor does he expect to be inhibited by a tied pension from moving out. Indeed, he might well be put off by so claustrophobic a prospect. He expects a reasonable crack at the better jobs as they come along—knowing that most of them will go to insiders. But he feels no sense of grievance when the occasional outsider comes in, and he feels free to move elsewhere if the prospects look better.

Recruitment Selection

We have not considered pay in any detail: the pay structure should obviously be such as to provide reasonably attractive prospects to the good graduate.

The number of recruits required for the administrative class will probably rise. It is true that we expect a higher proportion of experts in some ministries (page 39). On the other hand, it looks as if the senior Civil Service is now understaffed (page 23), and this is probably the more important of the two factors.

What changes, if any, should be made in the method by which the direct entrants into the administrative class are selected? Three main criticisms have been made of the present system. First, a very high proportion of successful candidates comes from Oxford or Cambridge. Second, a very high proportion of those who are successful have taken an arts degree—notably in classics or history. This mattered less before the war when the tasks of the civil servant required less technical knowledge than they do now. Thirdly, it is suggested that the examination tends to select in favour of critical, and against creative, intelligence. Not enough weight is given to the candidate's interest in some subjects; the selection methods tend to pick out those who can, in a disinterested way, cut up into logical pieces any question that is put before them.

As regards the concentration on arts subjects and on Oxford and Cambridge, we do not claim that all universities are equally good at all subjects. But we do claim that if civil servants are to be broadly representative of the public they serve they must be drawn from as wide a range of universities as possible and include natural scientists as well as social scientists, the products of the newest as well as the oldest universities. There is something strange in a system where 40 per cent are recruited from other classes, mostly with no degree, and the rest come mainly from two universities. Somehow the net is not catching talent from other universities, and these are now expanding rapidly, in some instances developing new curricula which may provide a good background for administrators.

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In theory—and so far as concerns conditions of entry and examination syllabuses in practice too—the doors are wide open to graduates from all universities and all faculties. But the fact remains that the great bulk who enter are students of literature, history and (to a much lesser extent) economics from Oxford and Cambridge. We do not suggest that this is due to conscious bias by the Commission nor deny the statements in their Reports that they are anxious to redress the balance. The fact remains that they have not done so. The most probable reasons seem to us to be:

(a) Scientists and mathematicians are (more than pre-war) attracted to jobs where they can make more direct use of their subjects and the opportunities to get to the top of the career ladder are greater.

(b) Non-Oxbridge graduates believe there is a bias and do not apply.

(c) The Commission may unconsciously regard the typical existing

ever heard of induced demand. what % of those who apply from L.S.E are accepted?

Heav! Heav!
L.S.E Students don't apply anyway. —
Why the C.S. are pleading with them to join. FUCK OFF!
Don't be wimpy

Recruitment

Send
26

civil servant from Oxford or Cambridge as the prototype of what it is seeking.

Under this second head the Commission's critics may have unwittingly made matters worse by claiming that there is a bias and so deterring potential candidates from coming forward. It is up to the Commission to make really vigorous efforts (they already make some) to bring about a complete change of outlook among both dons and undergraduates, of all universities.

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If the other reforms ^{they were thinking of the Labour Party !!} we suggest are carried out and if the country has a Government committed to invigorating and modernising our whole society and economy partly through Government action, then it should be possible to hold out to the liveliest-minded young men and women the prospects of a really challenging and worthwhile career in the Civil Service, with first-rate training and the early prospect of doing interesting things—or moving elsewhere. Even now there is more doing and less dull routine than many dons and undergraduates seem to imagine. Assuming they are really concerned about the problem, the Civil Service Commission and the Treasury have no excuse for not getting on at once with some really vigorous and even aggressive public relations work.

We would welcome such a policy. We also propose that one of the first jobs of the reformed Civil Service Commission, proposed below, should be to institute a searching and independent investigation into the selection methods to settle once and for all whether they are not only unbiassed, but as efficient as they can possibly be made.

Movement In and Out

Although we propose no basic change in the method of initial recruitment, we do propose a basic change in recruitment later on, and in the general degree of movement in and out of the senior Civil Service. We want to make it a more open career, with more movement in and out all the way up—so that quite a number of administrative civil servants will leave for other jobs at some point, and perhaps something like 10 to 20 per cent of the senior staff in any Ministry will have been recruited from outside, at fairly senior levels.

Obviously, if there is to be some freedom of movement, it must apply both ways—out as well as in. At the moment, the Civil Service non-contributory pension scheme has the effect of preventing people from leaving. Up to the age of 50 they lose their pension rights unless the job to which they wish to move is approved; and the Treasury tends only to give permission to those who wish to move to academic life, local government, or nationalised industries. It is true that at the age of 50 an official can freeze his pension rights until he is 60 and leave the service. But since his pension is calculated on his salary during the last three years of his office, there is a strong incentive in fact for him to stay on until 60.

This use of pension rights to hinder career mobility is obsolete and should be abolished. Perhaps the most convenient thing to do would be to

make pensions contributory, to fit in with practice in other walks of life, and to raise salaries accordingly—since the pension is in any case taken into account in comparing Civil Service salaries with outside salaries for pay research purposes. There should be no problems. Over thirty years ago the Tomlin Commission considered the case for contributory pensions—admittedly not with a view to facilitating movement out—and recommended their introduction.¹⁰ This reform might perhaps be made a part of more general legislation about pension schemes, which in private industry too can be obstacles to movement.

However, at the same time, there must be strict provisions to prevent a civil servant from going to work for a firm which he may have been able to benefit in the course of his official duties. At present no one of the rank of Under Secretary or above may take employment with such a firm or body within two years after retirement, without permission, nor may anyone at any level do so who is resigning from the service to take up outside employment. What is not clear is whether the conditions in which permission is given are sufficiently strict. In practice there is probably little danger of conscious impropriety. But it is important for the reputation of the Civil Service that there should be no doubts about its integrity. (For the same reason, where—as we suggest below—more senior staff are recruited from outside the service, care must be taken to ensure that they are not given jobs in which they could favour their previous employers.)

At the moment there is in effect one law for the rich and one for the poor in this matter of moving out. There has been a considerable exodus of senior civil servants in recent years,¹¹ who have found more lucrative jobs in private industry; the difference in salary has presumably been such that they could afford any pension losses.¹² By removing the hindrance of pension rights, we are doing no more than extending further down the line the freedom which the most successful have been able to exercise fairly easily.

In exchange for greater freedom to move out, we would advocate greater freedom to move in. In the professional and technical classes there is already a great deal of recruitment in grades above the starting level; but in the administrative class there is only some limited recruitment at principal level, and little or none at higher levels. We suggest that, for the new senior Civil Service—comprising both administrative and professional classes (page 36)—outsiders should be recruited usually for specific posts. As in other organisations, however, those recruited for a particular post would be equally eligible with those already in the service for promotion to higher posts.

¹⁰ Report of the Royal Commission on the Civil Service, 1929/31, Cmd. 3909, Chapter 17.

¹¹ See Appendix for details.

¹² The tax concessions for "top hat" pension schemes for higher executives (made some years ago) have aided the movement by permitting those who move quickly to accumulate new pension rights with little loss of post-tax income, that is mainly at the expense of the Exchequer.

Promotion prospects for those in the Civil Service should not, on balance, be much affected by these proposals for freer movement; we assume that the inflow and outflow would roughly balance. Nor do we envisage anything more than some movement at the margin; for most jobs, those with the most suitable experience would be found within the Civil Service itself. Nonetheless, there will probably be opposition from within the service to these proposals; this is only natural, for any group of people, be they civil servants or boilermakers, would prefer the exclusive right to certain jobs if they can get it. But this opposition should not decide the matter. The advantages of a more open Civil Service are considerable. Any influx from outside is likely to be irritating to those already inside. But this irritation is valuable; without it, any organisation tends to settle down too comfortably, and to accept established procedures with too little question.

The argument that only if there is a closed career service will Ministers get outspoken advice and criticism of their policies is, in our view, nonsense, if, as is often the case, it is used as an objection to all movement or outside appointments. Of course, a regular continuing staff has the important ability to see the administrative possibilities and difficulties of any line of action that are indicated by past experience. But a hundred per cent immobile career staff is bound to be less fresh in seeing new lines of action than a more mobile one; and the closed system is liable to put a premium on conformity as the way to success. This in our view is a real and important defect of the present system.

In addition to this more permanent inflow and outflow, we consider that there should be a good deal more secondment than at present.¹³ If our proposals for training are adopted, this will mean that all entrants into the administrative Civil Service will have had some experience of working elsewhere than in a Government Department. Secondment can be useful later on as well. At present, a few civil servants go to international organisations and a few to nationalised industries; but it is all on a very limited scale, and a man who has had a period of secondment is more the exception than the rule. Part of the difficulty is a straightforward shortage of staff; departments find that they cannot afford to lose anyone for periods as long as one or two years.

In our view, most senior civil servants should have some period of secondment in their career, in addition to the year included in their training. It is obviously useful, for instance, for some officials of the Ministry of Health to have spent some time in the hospital service. It would be desirable, too, for some officials in the Board of Trade to have experience in industry.

¹³ This means both secondment in the technical sense, when the person in question is still paid by the civil service (who are then refunded money by the organisation to which he is seconded) and also the granting of unpaid leave to go and work somewhere else for a given period. In the years 1961/3 inclusive, 32 home Civil Servants were attached for a month or more to private industry and commerce; 74 people from these fields were attached temporarily to the Civil Service.

This should not be difficult to arrange in nationalised industries. Firms in private industry might well be afraid that a seconded civil servant could pick up information which could at some time be used by the Government in evidence against them; and it would obviously be necessary to avoid direct exchange between an office and a firm in the industry with which that office deals. If these difficulties could be got over, there could be considerable benefit to both sides from seeing how the other worked. For secondment should, if possible, be a two-way and not a one-way flow.

Training

Until last year the Civil Service stood firmly on the principle that the best training was on the job. However, it has now been recognised that training on the job is not enough, and a Centre of Administrative Studies has been set up (page 8). We do not, however, believe that the course is long enough, nor that it can do much to alter the character of the system.

Our proposal is to build up this Centre into something altogether more formidable and prestigious—a post-graduate School of Administrative Studies. In making this recommendation, we have been influenced a good deal by the success of the French Ecole Nationale d'Administration, in improving the quality of French senior civil servants. Because the ENA's prestige is so high, there is very strong competition to get places in it, and its influence stretches out beyond the civil service itself. It supplies some administrators to the nationalised industries as well, and quite a few to the private sector. The advantage, therefore, of a course of this kind is that it acts as a magnet to the clever student. Instead of entering a closed order, he knows he is getting a training which is very difficult to obtain anywhere else, and which will equip him to compete eventually for high positions, not only in the Civil Service, but outside as well.

It is important, therefore, that this Centre should take students straight from the University; and that it should not be exclusively tied to the Civil Service alone—it should be in a position to supply graduates to, say, the Coal Board, the Iron and Steel Board, or private firms.

Curriculum

The curriculum, and the period of the course provided by such a School would be another suitable subject for the reformed Civil Service Commission, with persons outside the Civil Service brought in. In our view, the French idea of a first year of training at work in the field is a valuable one; in particular, the student, besides working in Departments, should serve for a time in some post where he is brought into contact with members of the public. (This is very similar, in fact, to the approach already adopted by the Post Office.) For a second academic year at the School, certainly a general course in Government economics is needed, and a course in Civil Service and Parliamentary procedure. But also there should be a good deal of work (possibly in the form of project studies) on the subjects with which Ministries—other than economic Ministries—deal: students should get the feel of the main central problems arising in the forward planning of trans-

port, housing, regional organisation, Government intervention in agriculture, the social services in general, and so on. The training should put a good deal of weight on the new function of the Civil Service, in planning ahead the development, not only of the economy, but of the social structure in general. This is probably the most important way in which the school could serve gradually to change the character of the senior Civil Service—by inducing a greater interest in the subjects with which the Ministries deal and a constructive, as well as a critical, attitude.

Indeed, one defect of the present system is that recruits come straight from universities where they have usually learnt by writing essays which marshal existing views and doctrine into a balanced summary and judgment. The civil servants' present style of work is a perpetuation of this technique, with files as the source instead of books and lectures. The recruit slides into it easily. He is not taught how to investigate and analyse a new uncharted subject and master the substance of it in depth; he has never done research, written a thesis or taken part in a study as a member of a team.

Finally, the course should include a good deal of teaching which enables the student to learn how to call on expert advice, and not to be afraid of new management aids; some should be familiar, for instance, with computer techniques. The purpose of the School would not be at this stage to turn out administrators who would conform to the existing pattern; it should be used to some extent as an instrument of change.

There will, of course, be a number of objections to this idea of extended training. It will be argued that "administration is not a subject, and cannot be taught". On the whole, we agree with this objection; the purpose of the training is first, to broaden the student's experience and, second, to get him interested in the basic problems with which his Ministry will have to deal, and to suggest a variety of ways in which he can find out more about the problem, and a variety of ways in which it could be tackled. It will also be argued that training will lose two valuable years. But one year will be spent at work in the field, and the remaining loss of working time will be very well worth the price if it improves the quality of Civil Service thinking and planning. Civil Service mistakes can be immensely expensive mistakes—indeed far more expensive than mistakes in private industry. Once started on his career, the administrator will have little time to learn new methods: he will be presented with problem after problem in fairly quick succession. If his approach is to show any improvement on that of his predecessors, this improvement can only be derived from his training.

A third objection is that the School for Administrative Studies will produce technocrats, impatient of Parliamentary procedures and arrogant in their attitude to the world outside. We do not believe that because people are better trained and more familiar with the substance of their work they are less susceptible to democratic control—the meaning of which should not in any event be neglected in the process of training. Constitutional devices can be found for checking the arrogance of the executive; but no such device can remedy amateurism. Moreover we have suggested that the

training should include some experience—such as working in a local government office—which gives the feel of being at the consumer's end of Government activity; and we have suggested elsewhere more secondment between the Civil Service and jobs outside. In both these ways, any arrogance towards the rest of the world, which may now result from isolation, would be moderated.

Career Articulation

Once training is completed we would like to see movement from job to job better planned, so that people get a gradually widening range of experience of related subjects and are not jumped about to unrelated jobs. This applies with particular force to departments such as the Treasury (and Foreign Office) which deal with a very wide range of subjects. The articulation of careers in this way is important if people are to become masters of their subjects; it need not be inimical to the production of people with wide horizons; and it can usefully include movement from one department to another, where, as is often the case, jobs are fairly similar. It is likely to be hard to achieve if departments are under-staffed. This is another reason for adequate staffing.

Mid-Career Training

These reforms would have a great influence on people likely to reach the middle and top ranks of the Civil Service in 15 to 20 years' time. But the country cannot afford to wait till then. There must be some immediate programme for those in mid-career now—notably Assistant Secretaries and Principals and their equivalents in the professional grades.

At present the Treasury does run courses for such people, and they are at least valuable in mixing up the professionals and administrators. But they are too short (a fortnight), they cover too few people in the grades for which they are intended, and they are reported to be of very mixed quality. Their length is, of course, less important than their content; and too great length will prevent people being released—but courses up to two to three months—possibly in two parts—should be quite practicable. With proper advance planning, everyone eligible ought in due turn to be able to attend—unless on the point of retirement.

We hear very odd reports about the present courses—despite a few stimulating talks from outsiders, the direction and instruction seem to be in the hands of a small group of Treasury people with, on the whole, much more limited experience than the people whom they are purporting to teach.

We think that courses of this kind should be under the joint (working) management of:—

(a) an outstandingly able Under-Secretary with a flair for teaching and preferably experience in several Departments;

(b) a Civil Service scientist or engineer of similar standing, qualities and experience;

(c) a first-rate academic economist—who should also be a good teacher and not dogmatically tied to any one school of economic theory;

(d) someone with wide high-level practical experience of management in outside industry—nationalised and/or private—and ability to communicate his experience.

Visiting and/or full time teachers of subjects which constitute the tools of management—statistics, financial analysis, operational research, etc.—would certainly need to be drawn from the Universities or from the field of business consultancy.

Reform of “Establishments” (Personnel Management)

An essential feature of any kind of reform of the Civil Service, is some suitable organ of administration and management to be responsible for carrying it out—and thereafter for:—

(a) looking after and improving the structure and organisation of the Service.

(b) seeing that it is manned at all levels with suitable people.

There is at present no really suitable organ of personnel management in the Civil Service. (That there are probably many other large organisations with the same defect is poor consolation.)

At present personnel management functions in the Civil Service are divided between the Civil Service Commission, “Establishment” Divisions of each Government Department and the Treasury. Of these the Civil Service Commission has only the limited function of initial recruitment and “class-to-class promotion” (including some concern with probation, but none with training.) Departmental Establishment Divisions similarly have limited functions. Indeed, some limitations, though certainly not all those existing at present, are inevitable, as long as the Government is regarded as a single employer with terms and conditions of service common to all Departments, and subject to negotiation on Service-wide Whitley Councils.¹⁴

This leaves the Treasury in the key position, for which it is not at all well-fitted. The Treasury is a Department primarily concerned with economic and financial matters—above all, with financial restriction. It has, historically, undertaken personnel management as a by-product of its function of controlling expenditure on the Civil Service. This imparts a restrictive, rather than a creative, attitude. Economy, often false economy, tends to dominate all other aspects of personnel management. Most major subjects involving large expenditure (e.g. Education, Health, and so on) have a

¹⁴ There are two Whitley Councils covering the whole Service—one industrial and the other non-industrial.

Department to formulate positive policies and to press the Treasury for the necessary expenditure. The lack of a separate Department on personnel means that there is no independent influence exerted on the Treasury; its influence over Establishments is therefore all-pervasive. It is true that some reforms have been made or projected since the Plowden Report. More emphasis is now being placed on the development, in the Treasury, of more sophisticated aids to Establishments in the form of various management services. There is moreover an attempt to loosen the reins a little and give more responsibility to Departments.

But it is doubtful how much has really changed, especially since there has been little change in staff. What has happened looks more like another game of musical chairs within the Treasury, with most of the same people circulating round the old jobs, some slightly regrouped under new names. Establishment methods still appear to be negative and pettifogging. This applies not only to purely personnel matters but also to working conditions. There is no drive to make office conditions efficient and up to date.

This situation is no doubt partly due to the slant given to the whole subject of Civil Service management by the Plowden Report itself. Expenditure on the Civil Service, like other Government expenditure, was assumed to be something which absorbed too large a share of the nation's money. Better management would restrict its activities and make it smaller and cheaper—or at least prevent it growing too much. The idea that the Service has any positive creative or productive contribution to make to the nation's economy, is still largely unrecognised.

Our solution to this problem is a radical one. Take personnel management and concern with the structure of the Civil Service out of the Treasury altogether. The more that is done to make the Treasury a more expert and effective Department in financial and economic matters, the less suitable for personnel management will it become. What can we put in its place?

As a separate organ of Government already exists for certain central personnel functions—the Civil Service Commission—we think the simplest thing would be to expand it to undertake all those Civil Service personnel management functions which really need to be exercised centrally. This does not mean all that the Treasury does now—some of which could, as we suggest below, be delegated to Departments. Other functions concerned with some aspects of career planning at the higher levels of welfare, of training and of research, must still be exercised centrally, but need to be greatly improved and expanded.

The Civil Service Commission, as at present constituted, is not ideal. It is sometimes criticised as slow and unimaginative—notably in recruitment publicity. It would need to be enlarged and reformed by importations from other Government Departments, large employing organisations, public and private, and from the universities.

Nevertheless, it provides a reasonable starting point. Its traditions of independence and absolute integrity, its slightly academic flavour and its

links with the academic world are valuable. The concept of a body of Civil Servants reinforced (as it already is) with outside assistance and enjoying some de facto, though not de jure, independence of Ministers, is useful.

The Commission could well be entrusted with responsibility for all questions of conditions of service definitions, of grades and categories (including pay), avenues of promotion, career planning and the making of such higher appointments as should be controlled centrally (say, down to Under Secretary and the equivalent), the maintenance of common standards and above all, training.

There are useful precedents and parallels for such a body in the U.S.A., Australia, and various other countries. Indeed, the case for following these precedents has recently been stated with remarkable sympathy—though not advocated—by the retiring First Civil Service Commissioner, Sir George Mallaby. He exposed some of the problems of relations between the Treasury and the Commission which arise under the present division of responsibility, pointing out, for example, that, "In nearly every organisation. Management comprises recruitment and selection and the Treasury inevitably find it difficult at times to remember that while they control everything else in this field they do not control the Commissioners and the Commission is not a division of the Treasury".¹⁵ From a civil servant, those are strong words.

The practices of some of these countries should not, however, be followed too closely, or the present excessive dependence of Departments on a central body would be perpetuated. Moreover, in some Commonwealth countries, especially the newer ones, there are Public Service Commissions which seem to be quasi-judicial bodies whose prime functions are to protect the permanent civil servants from improper political interference—and indeed to limit the powers of Ministers over their own departments. In the quite different conditions of the United Kingdom, however, we believe that the distinction between politicians and civil servants is best maintained by tradition rather than legalistic machinery.

The second major reform which we propose as absolutely essential for revitalising the Civil Service, is to give greater independence and responsibility to Ministers, Permanent Secretaries and senior officials in Departments. There is the real problem of keeping conditions of employment broadly consistent throughout the Service. But we already have a case where this problem was solved. Since 1961, the Post Office has enjoyed almost as much financial independence of the Treasury as any nationalised industry.¹⁶ Yet it still apparently keeps in step with Civil Service conditions of employment. The safeguard against extravagance is not constant double-

¹⁵ Sir George Mallaby, K.C.M.G., O.B.E., "The Civil Service Commission: its place in the machinery of Government". *Public Administration*, Spring, 1964.

¹⁶ *Status of the Post Office*, Cmnd. 989, 1960.

checking by the Treasury, but a sense of responsibility in the Post Office itself.

Other Government Departments (except perhaps the very smallest) could surely be given similar powers. They do not and cannot have commercial (i.e., profitability) targets and budgets like the Post Office; but they could be subject to control by the Treasury in terms of overall financial budgets with—if necessary, though we hope this would not be necessary specific manpower controls by the Civil Service Commission on certain special categories of staff. In other words the Treasury control of Departments would be much more general; relations with Departments would be primarily those of co-operation in studying new techniques and problems as envisaged in the Plowden Report, in respect of the Treasury's general role.

The Civil Service Commission would exercise a firm control over grading, pay and conditions of recruitment and be responsible for maintaining certain standards. Otherwise it would provide personnel services for Departments—specialised training, advice on selection, etc., rather like one of the special services provided centrally, but often optionally, by a large industrial group for its member companies.

It may be questioned whether these proposals are sufficient to give a progressive Government power to adapt the Civil Service for creative purposes and, indeed, to permit any type of Government to see that the most suitable people were always made available for the very highest and key positions. This latter function is at present performed by one of the Permanent Secretaries of the Treasury as Head of the Civil Service (assisted presumably by a few very senior Treasury officials). This officer is direct adviser to the Prime Minister in making two or three of the most senior appointments¹⁷ in every department, and dealing with other major questions of Civil Service policy. We recognise that this is a necessary function, but still do not think it a proper one for a financial and economic department. It would be best fulfilled by making the First Civil Service Commissioner Head of the Civil Service, keeping his office quite separate from the Treasury and making him directly responsible to the Prime Minister. The Prime Minister might wish to delegate this function to a Deputy Prime Minister, Lord President of the Council or other senior Minister—or, during the transitional period, to a temporary Minister of State for the Civil Service. This would work so long as the Minister had undoubtedly recognised powers over departmental Ministers.

This would provide the necessary Ministerial control and responsibility for the Commission. This arrangement seems better than that of making some other Minister responsible for the Civil Service as a whole, and so placing him in a position which might be embarrassing to his colleagues. Once the reorganisation we propose had taken place, Civil Service personnel

¹⁷ Permanent Heads of Departments, their Deputies, Principal Establishment Officers, and Principal Finance Officers.

management would be largely an administrative and not a political function. Questions which should go to Ministers—such as the appointment, transfer and retirement of Permanent Secretaries and their Deputies—could only be settled by the Prime Minister or the senior Minister designated by him in the event of Departmental Ministers disagreeing.

Reform of the Class Structure

There are serious feelings of frustration and grievance amongst at least a fair number of the scientists, engineers and other professional people in the Civil Service, because of the way in which the organisation of the Civil Service, as they see it, separates them from the Administrative Class. The very fact that these feelings exist is a serious matter for morale. There is talk of segregation, patronising attitudes, lack of responsibility and power, rule by supercilious amateurs and so on. Whether or not such talk is justified, people cannot do their best work if they feel like this. Neither, for that matter, can the administrators, if they know that this is how they are regarded by colleagues with whom they should be collaborating closely.

So far as we can see, there is some justification for the sense of grievance. The grading system for specialists which often has many steps in it, appears to produce a rate of promotion which is slower for the scientist than for the administrator—and slower still for the engineer—and pay is commonly inferior. When a specialist is, all too rarely, brought into an administrative job, there is a ponderous procedure entailing a frightening—often, in practice, irrevocable—crossing of the water. In other walks of life, for example industry, commerce or the academic world, people of all sorts—engineers, accountants, scientists, lawyers—compete on an equal footing for the top administrative jobs; there is no formal class division. In an age when the importance of science and specialised knowledge has increased so much, the perpetuation of this kind of class distinction is indefensible.

Quite apart from the question of justice, there is the question of efficiency, which may be regarded as even more important from the point of view of the public interest. The present system has two main defects in this respect: as noted earlier (page 10), it can lead to the isolation of specialists in boxes where they do not truly take part in policy formulation; and—though there have been some exceptions—it means that talent from the specialist grades may not be adequately exploited when filling top administrative posts. The two points are related since isolation will not help to equip people for top posts.

Our solution would be a complete ironing out of all grades—that is horizontal divisions—so as to produce common levels throughout the whole service from the level of Assistant Secretary and equivalent upwards. All holders of posts above the rank of principal would become members of one new class, the Senior Civil Service, irrespective of the class into which they had been recruited.

At the lower levels—below Assistant Secretary—it would be possible and desirable for there to be movement, temporary or permanent, between the specialist and administrative classes—even though the classes continued to exist in recognition of the fact that people had different specialities and were recruited by different methods. On the whole, experience suggests that (apart from a few exceptional individuals) if a man is to be useful, he should get administrative experience in the first half of his career. The specialist who becomes an administrator only in the last stages of his career often cannot cease to think as a specialist. As such, he is as much a nuisance to his specialist colleagues as to his administrative subordinates. Movement at the Principal level is therefore desirable. In order to facilitate this kind of movement, we would like to see the discrepancies which at present exist between the ranks and pay of professionals and administrators at these levels, narrowed as far as they can be without getting out of step with professional pay outside.

There would, of course, be no question of all members of the new Senior Civil Service being automatically interchangeable. Some would have entered the service as administrators, some would have scientific qualifications and so on. Appointments to each job would have to be made on merit from people with the appropriate qualifications and experience. The existence of a common class would, however, ensure that there was no bar to people with a scientific or professional background occupying posts at present held exclusively by entrants to the administrative class, provided, of course, that they were the best people to do the job. In other words, there would be a hierarchy of ranks, common to all types of work as in the armed forces—where the rank of Major General is accorded equally to a Divisional Commander and to a Deputy Director of Medical Service. Such a reform would greatly improve the attraction of classes other than the administrative class. It would go a long way to break down the rather inbred and exclusive attitude of the administrative class; and it would make the system more flexible. There would be a range of posts which could be filled by specialists turned administrator or by administrators who had gathered special knowledge in a particular field.

It may be objected that this change would reduce the promotion prospects of administrators, recruited as such, and so would prejudice recruitment, which is already difficult. As we indicate later, we believe that the difficulties of recruitment stem largely from the whole appearance of the present system, which these reforms (of which this is an essential part) would do much to remedy.

Moreover, as noted above, we do not envisage movement confined to the top level resulting simply in more competition for the top jobs. We envisage greater general fluidity, starting at the Principal level, where there is in fact already a shortage of good administrators. We would expect it to be exceptional for a specialist to cross over for the first time at the top levels.

The Number of Specialists

Some Ministries have gone much farther than others in adjusting to the idea that specialists have a contribution to make at the policy-making level. For instance, the Ministry of Housing and Local Government has 39 people in the administrative class who are assistant secretaries or above; and there are some 26 planners, engineers and architects who also rank as part of the senior staff.¹⁸ But in the economic Ministries, and particularly in the foreign and Commonwealth Offices, the professionals are kept well down. For instance, the Treasury and Cabinet Office together¹⁹ have 81 senior administrative staff, a considerable proportion of whom, admittedly, do not deal with economic affairs, but only five economists and six statisticians of senior status. The Treasury's main duty is the regulation of the economy; and the understanding of its workings is becoming increasingly a technical matter, requiring a high degree of economic skill. Further, the preparation and interpretation of the national accounts is, in its turn, essential to most questions of short-term economic policy, and this function again requires a high degree of expertise. The Government is using, to assist it in the preparation of the whole country's economic policy, about the same number of senior economists and statisticians as are employed by a big progressive firm. It is not a sufficient answer to say that a number of senior administrators read economics twenty or thirty years ago. The subject has changed considerably since then, and if they have been out of touch with it for most of the time since they left the university (which is likely), they can hardly be considered as having specialist economic knowledge now.

In other economic departments, such as the Board of Trade and the Ministry of Labour, there are even fewer economists. The Board of Trade, as against 86 senior administrators, has no economists²⁰ as such and seven senior statisticians. The Ministry of Labour with 31 senior administrators, has, again, no economists and just one statistician classed as a member of the senior staff. This dearth of economists and statisticians, at the policy-making level, does mean that a good deal of discussion of economic policy questions within the Government is amateur. The same applies with equal force to sociologists. Besides the recruitment of more specialists into the Service, we favour—and welcome, in so far as it is already taking place—the fuller use of outsiders on a temporary or part-time basis.

¹⁸ These and other figures in this paragraph are taken from the Civil Estimates for the financial year 1963/64. This gives a table, for each Ministry, of the Senior staff. For the Administrative class, Senior staff are defined as Assistant Secretaries and above; for the professional classes, a roughly equivalent dividing line is used.

¹⁹ They are taken together because the statisticians who prepare the national accounts are in the Cabinet Office. If the comparison was made for the Treasury alone, it would be even less favourable to the professional classes.

²⁰ Since the 1963/64 Estimates, the decision has been taken to set up an Economic Research Unit in the Board of Trade.

The Foreign and Commonwealth Ministries may claim that their expertise is their own, but there are forms of training that can help. Besides languages, international relations and the history of particular areas are respectable subjects for study. Moreover, a good many economic questions come within their orbit; and discussions of disarmament and arms control need considerable special study, including military and scientific knowledge. It is a little surprising, therefore, that there is only one economist at all in the senior staff of the Foreign Office or the Common Relations Office. (The Colonial Office has one too). And the Foreign Office makes do with just three scientific officers of the rank of Assistant Secretary or higher.

We would not suggest that there is a general disproportion throughout the Civil Service between the numbers of senior administrators and senior specialists. In a number of Ministries it is hard to tell what the position is, without an intimate knowledge of the working of policy-forming committees. But in the economic Ministries there is a definite case for a larger quota of senior economists and statisticians.²¹

Other reforms which we have suggested—a longer period of training and freer movement in and out—would, in time, we think, change the general attitude in the senior Civil Service towards experts. After this period of training the civil servant should have a wider knowledge of the help the experts could give him; and since he is a recruit to a service which he knows is open and not closed, he should be more ready to suggest employing experts where the subject demands it.

Political Appointments

For a new Government to be able to change policy effectively there are two types of appointments needed which, in varying degrees, are political.

Firstly, Ministers may want to appoint consultants on particular subjects or to change expert advisers where these exist. For example, experts on pensions, tax reform, or disarmament, may be wanted to help develop new policies. They will be wanted essentially for their expertise on lines of policy which the Government wishes to pursue. In some instances (e.g. roads) the expertise has little or no political content; in others (e.g. pensions or tax reforms) it has a larger political content. But the expert is wanted for his expertise, not for his general political advice. He may not be associated with the party in power. The main political aspect of his appointment is that he may be wanted only for the life of the Government (or the tenure of office of the Minister), since policy may then change and render his expertise redundant. In other words, his is a temporary appointment, somewhat conditional on the life of the Government.

²¹ See I. M. D. Little, 'The Economist in Whitehall', *Lloyds Bank Review*, April, 1957, and D. H. Henderson, 'The Use of Economists in Whitehall', *Oxford Economic Papers*, February, 1961.

Our impression is that there are adequate formal provisions for temporary appointments, and that appointments of the kind we have in mind have been a continuing, though erratic, feature of the system. We believe that a Labour Government would certainly need to make full use of appointments of this kind as a means of developing its policies. We see no problems in the way, except possibly the need to make more explicit provision for the termination of appointments when governments change: most advisers seem to carry on from one government to another, gradually losing the distinctive qualities they at first possessed.

Secondly, Ministers, especially those in charge of major departments dealing with a wide range of policy issues, may feel the need to have near them persons whose personal and political judgment, as well as expertise, they trust. Without this, they are faced—and under our proposals will still be faced, and rightly so—by an essentially non-political service. They may be able to find all the personal help they want by relying on junior Ministers, by reaching out within the department to people below the top, or by appointing advisers for particular fields. But those methods will not always fill the bill; suitable people may not be available as junior Ministers or within the department, and the role of consultant or adviser on a particular field may be too specialised. We recognise the need to avoid excessive patronage, not so much because people would queue for the jobs at civil service salaries, but because patronage for jobs close to the Minister may demoralise the service and make normal recruitment harder. But we believe that the experience of the United States and Continental countries indicates the value of personal aides of this kind and that the disadvantages of excessive patronage, which exist in the United States, would be avoided if something akin to the Continental system of ministerial *cabinets* were adopted. That is to say, a Minister would be able to make a number of outside appointments—up to, say, three or four—as assistants in his private office. They would have direct access to him and to all information in the department; they would not make administrative decisions; they would be there to assist the Minister in making use of the machine to formulate policy.

We do not propose that such appointments should be made automatically in all departments. We doubt whether, say, Service Ministers or the Postmaster-General would find them useful. We propose that they should be subject to the approval of the Prime Minister, and that pay should be determined in the same way as for other temporary appointments. The distinction would be that these were personal appointments, made from outside the service for the tenure of office of the Minister.

These changes are not startling. Strong Ministers do, in fact, get in the people they want in one way or another now; some personal or “political” appointments do take place. For example, Lord Robert Cecil served the second Labour Government as a delegate and expert on the League of Nations; Philip Noel-Baker (who was not then a Member of Parliament) served as personal assistant to Lord Parmoor and later to Arthur Henderson.

Nowadays there are non-political all-rounders, like Lord Plowden and Lord Franks, who shimmer in and out of government service (or service on committees of enquiry) without exciting adverse notice. And a succession of Prime Ministers have had personal appointees near them, admittedly with widely differing functions and influence: Chamberlain (Sir Horace Wilson), Churchill (Professor Lindemann, later Lord Cherwell), Attlee (Mr. Douglas Jay, before he became an M.P.), Eden (Mr. William Clark as Press officer), Macmillan (Mr. Wyndham as unpaid private secretary). In some instances the people were peers, but it is difficult to regard elevation to the peerage as a solution becoming to a Labour Government. Others were unpaid, again a solution that is not satisfactory, especially to a Labour Government.

Robert Maxwell

hard Snow

Far from regarding outside appointments as in some sense immoral, or to be concealed, we regard them as desirable, indeed essential, if a new government on coming to power is to have vitality and is to succeed in devising, presenting and executing new policies. We believe that it is high time that an end was put to the error of pretending that governments can change but none of their servants or advisers ever should.

6. Conclusion

Summary

In summary, our main proposals are these: X

1. The removal of Establishments (i.e. personnel management) from the Treasury to a reformed Civil Service Commission refreshed by new appointments and reinforced by staff carried over from the Treasury (page 33).
2. The new Civil Service Commission to be instructed to institute an enquiry into recruitment of administrators with a view to widening the net; and a more energetic campaign to recruit people from universities other than Oxford and Cambridge and from subjects outside the liberal arts (page 26).
3. Free movement into and out of the service aided by the institution of unified, contributory pensions with a corresponding adjustment of salaries; and secondment of staff to outside occupations in local government, nationalised industry or, subject to safeguards, private industry, during their careers (pages 26, 27).

4. The establishment for training purposes, of a School of Administrative Studies, providing a course of two years or so, partly of work in departments and in the field, partly of study, which combined with the greater openness of the service, would provide an attractive and first-class qualification for civil servants and provide some staff for nationalised industries, other public agencies and possibly private industry too (page 29).

5. The better articulation of careers, so that people acquire a progressively widening range of experience and are not jumped about to unrelated jobs; and the provision of better and fuller courses for mid-career training (page 31).

6. The abolition of the grading or "class" distinction between specialists and administrators from the rank of Assistant Secretary upwards, so that all form part of a new single class, the Senior Civil Service, with equal ranks and pay, with increased scope for interchange and with competition on a more equal footing for the top jobs; and, while preserving the distinction between specialist and administrative grades at lower levels, the introduction of greater uniformity of ranks and pay, and greater provision for interchange (page 36).

7. An increase in the number of specialists, and greater openness so that outside study and discussion of long-range policy issues are encouraged, not discouraged by excessive secrecy, and fuller use is made of outside research (pages 22 and 39).

8. Explicit provision for two types of political appointment—experts who are called in to help to implement the particular policies of the government of the day, and personal aides to provide general help to Ministers in their private office.

Limits of the Study

We should note the limitations of these proposals. They are confined to the character of the senior Civil Service as a career, the reform of which is of key importance. We have not dealt with the division of responsibility for economic policy as between Ministries, which we regard as a separate issue from the question whether Establishments should be in the Treasury. Nor have we considered the problems of the non-administrative classes of the Civil Service below the senior ranks. We know that there are important issues here. In particular, we feel that the time has come to review the three class structure between administrative, executive and clerical ranks. There is already a lot of overlap and much promotion from one class to another, to the point where the preservation of the system seems to do little other than foster feelings of inferiority and superiority. Moreover, the general improvement in educational standards must mean that the recruitment of those with University degrees (or degree equivalents) into the executive class will increase. It already takes place, especially in equivalent professional grades (e.g. Experimental Officers). We recommend that this and other similar issues should be reviewed soon by the new Civil Service Commission.

Nor have we dealt fully with the problem of scientists in the Civil Service. We are conscious that there are special problems here, arising from the difficulty of maintaining in administrative posts people who are in touch with a rapidly changing subject. We believe that our proposals for an integration of grading in the higher ranks and for greater mobility should help, but we have not felt qualified fully to examine the special problems in the field of science.

The Need for Action

We recognise that a number of the reforms which we propose are already there in embryo. There has probably been an increase in consultation with, and use of, experts in the Civil Service. There has probably been a slight increase, too, in the amount of movement in and out, though this is difficult to establish. A 14- to 21-week course has been established for Assistant Principals. The danger is that the need for reform will be met just by a minor extension of these various developments. ✓

This would not be satisfactory at all. The character and efficiency of the service will not be changed by making more exceptions or more minor modifications to the rules. An explicit announcement and change is needed which makes clear that the Civil Service is now an open career; an increase in the number of movements in and out, by act of grace, is no substitute for this.

We are against leaving the organisation as it is and asking it to reform itself. For a long time no political party, whether in office or not, has been prepared to criticise the system or touch it, for fear of being accused of tampering, for the sake of narrow political ends, with a cherished non-political machine. The Civil Service has therefore tended to be left to play the roles of prosecuting counsel, defending counsel and judge of its own case. Such outside enquiries as there have been, have been met all too often by stone-walling. In the polite words of the Assheton Committee, "Like other organisms it (the Civil Service) has to a considerable extent already adjusted itself to changing conditions, but not so fully as might be, and rather under the compulsion of events than by deliberate intent." Although civil servants now recognise all is not perfect, they still retain an ambivalent attitude to reform. They will argue with equal conviction that reforms are unnecessary or undesirable and that they are already being made.

Today there are signs that a consensus of opinion in favour of reform of the Civil Service is emerging amongst those in all parties who are concerned with the problems of modernising Britain. No party need therefore fear that in introducing the reforms we propose they will be attacked for acting on doctrinaire grounds for the sake of narrow party interests. Nor need they set up a Royal Commission or committee to tread the ground again. They can be sure, that, if they act, they will be making a real contribution to the progress of Britain.

APPENDIX

Those who have gone from the Civil Service to business include the following (Directorships as given in the 1963 *Directory of Directors*.)

A. Regular Civil Servants who left in mid-career.

1. S. P. Chambers, C.B., C.I.E.
 Imperial Chemical Industries Ltd. (chmn.)
 African Explosives & Chemical Industries Ltd. (dep. chmn.)
 Imperial Chemical Industries of Australia & New Zealand Ltd.
 Liverpool & London & Globe Insurance Co. Ltd. (also London bd.)
 London & Lancashire Insurance Co. Ltd.
 National Provincial Bank Ltd.
 Royal Insurance Co. Ltd. (also London bd.)
 LONDON SCHOOL OF ECONOMICS CO. LD.
2. Sir Leslie Rowan, K.C.B., C.V.O.
 Barclays Bank Ltd.
 British Aircraft Corporation Ltd. (dep. chmn.)
 Canadian-Vickers Ltd.
 Overseas Development Institute Ltd.
 Robert Bobys Ltd.
 Vickers Ltd. (Mang.)
 Vickers-Armstrong Ltd.
 Vickers-Aviation Ltd.
 Vickers Australia Pty. Ltd.
 Vickers Nuclear Engineering Ltd.
3. Sir William Strath, K.C.B.
 Aluminium Foils Ltd. (chm.)
 Canadian British Aluminium Co. Ltd. (chmn.)
 Legal & General Assurance Society Ltd.
 Manicouagan Power Company (vice-chmn.)
 Tube Investments Ltd. (jt. mang.)
4. Sir Edward Playfair, K.C.B.
 International Computers & Tabulators Ltd. (chmn.)
 Glaxo Group Ltd.
 Westminster Bank Ltd.
 Westminster Foreign Bank Ltd.
5. F. A. Cockfield
 Boots Pure Drug Co. Ltd. (mang.)
 Boots Cash Chemists (Eastern) Ltd.
 Boots Cash Chemists (Lancashire) Ltd.
 Boots Cash Chemists (Northern) Ltd.
 Boots Cash Chemists (Southern) Ltd.
 Boots Cash Chemists (Western) Ltd.

6. Sir Henry Wilson Smith, K.C.B., K.B.E.
 Cory Bros & Co. Ltd. (chmn.)
 Doxford & Sunderland Shipbuilding & Engineering Co. Ltd. (chmn.)
 Guest, Keen & Nettlefolds Ltd. (dep. chmn.)
 Maris Export & Trading Co. Ltd. (chmn.)
 Powell Duffryn-Copee Ltd.
 Powell Duffryn Engineering Co. Ltd. (chmn.)
 Powell Duffryn Ltd. (chmn.)
 Stephenson Clarke Ltd. (chmn.)
7. Sir James Helmore, K.C.B., K.C.M.G.
 S. G. Warburg & Co. Ltd.
 British & French Bank Ltd.
 British Thermostat Co. Ltd.
 Standard Industrial Holdings Ltd.
 Sutcliffe, Speakman & Co. Ltd.
 Thames Plywood Manufacturers Ltd. (chmn.)

B. Regular Civil Servants who entered business after retirement.

1. *Sir Frank Lee, P.C., G.C.M.G., K.C.B.
 The Bowater Paper Corporation Limited.
2. *Lord Normanbrook, P.C., G.C.B.
 Tube Investments Ltd.

C. Temporary Civil Servants.

- Lord Plowden, K.C.B., K.B.E.
 Tube Investments Ltd. (chmn.)
 British Columbia Power Corporation Ltd.
 C. Tennant, Sons & Co. Ltd.
 Commercial Union Assurance Co. Ltd.
 National Provincial Bank Ltd.

* Directorships given in Moodie's Information service.

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