CHRISTIAN ADAM

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Policy and Organizational Termination

Publication Details:
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Summary

In the perspective of a rational policy cycle, termination is the logical end of unsuccessful policy choices. As the deliberate conclusion or cessation of specific government functions, programs, policies, or organizations the termination concept comprises consists of the ending of public policies, as well as public institutions. Its potential as a tool of enlightenment as well as its pitfalls in a world dominated by politics are presented by analyzing five decades of scholarly efforts in the area of policy and organizational termination.

Keywords:

policy termination, organizational termination, policy abandonment, retrenchment, policy dismantling, cutback management
Introduction

The concepts of policy and organizational termination originated in the 1970s. Revisiting termination in the 21st century is not just a matter of completing the overview of the state-of-the-art of policy research; it appears particularly appropriate in times of growing (and likely lasting) austerity pressures—such as those policies undertaken by Western democracies in the 2010s. Although termination research has continuously elicited academic interest, the number of pertinent studies produced in this area remains relatively low. Put bluntly, for conventional political research, the termination approach never lost the exotic flair of a niche topic.

Imagine that the essential function of a political system is to produce binding collective decisions in the form of public policies that aim to do good for its constituent members. Moreover, imagine that after a particular public policy has been running for some period during which it is realized that, unfortunately, this policy does not reach its goals, or that it already has reached its goals so well that the problem it targeted has disappeared, or that the problem to be tackled has vanished due to other external effects (such as technological progress). In cases when either the policy is discovered to be ineffective or the problem has ceased to exist, would it not be reasonable to expect that the policy was abolished, however well intended it was? From the perspective of this kind of rational conception of the policy process, the abandonment of deficient, nondelivering, or obsolete public policies (and the public organizations that operate them) should be a logical consequence. Moreover, the more policies a modern state launches, the greater the number of policies that will potentially be withdrawn from service.

Today, the spirit of optimism inherent in such a conception may appear naive. However, the hopeful and simultaneously apolitical problem orientation of the early policy sciences thinking is what created the context from which the scholarly interest in policy termination emerged (Lasswell, 1951, 1971). One can argue about whether a rational and enlightened policy-sciences approach that aims to combine scientific analysis and political decision-making actually makes sense without the termination of defunct policies. These ontological and theoretical considerations inspired the early termination research more than did real-world termination observations that required explanation. The very puzzle posed to the policy analysts who were starting to think about policy termination was that it was hard to identify any unambiguous termination events at all. That was odd, since the first oil crisis had just ended welfare expansion and heralded the tightening of governments’ redistributive capacity in the early 1970s. When, if not then, should one expect terminations to surge? Therefore, the questions with respect to termination theory were the following: Why are there so few termination cases? Are there inherent differences between policy adoption and policy termination? And more implicitly, what does it mean for a rational conception of the policy sciences if policy termination remains such a rare event?

In the context of events occurring in the public sphere, research on the termination of public policies and research focusing on the termination of public organizations are distinguished from one another. Both termination categories are intimately related, and they emerged from the same intellectual origins. But policy-termination and organizational-termination research, though so closely linked, came to address
different empirical questions, employed different research strategies, and were distinctly successful in establishing their particular fields of study.

Since early attempts to come to grips with the empirical rarity of the phenomenon of termination (Geva-May, 2001, 2004), the linkages between termination research and other public policy concepts, such as retrenchment, dismantling, and cutback management, have been precariously weak (Jordan, Bauer, & Green-Pedersen, 2013). Termination scholarship opens a fascinating perspective on a particular form of policy and organizational change. However, by insisting on the specificities of termination as an empirical event, it separates itself from the broader agenda of understanding policy change and thus loses much of its intellectual attractiveness. Termination scholars currently have the choice: overcome the binary character of termination versus non-termination events or run the risk falling into analytical obscurity. Failure to integrate into a broader policy change agenda will most likely mean for the termination approach intellectual stagnation and eventual obsolescence.

**Historical Roots: An Intellectual Agenda in Search for Empirical Cases**

“Resource scarcity at a societal, even global, level . . . is creating the necessity for governments to terminate some programs, lower the activity of others, and confront tradeoffs between new demands and old programs rather than to expand whenever a new public problem arises.” This statement reads like a problem diagnosis voiced against the background of the world financial crisis that erupted in 2007 and the subsequent sovereign debt and Euro crisis in Europe. Yet the sentence dates back to 1978, when it was written by Charles Levine in describing a Public Administration Review symposium, which brought together papers explicitly dedicated to the study of the relationship between resource scarcity and the decline of public organizations and government programs. In fact, two years earlier, when Dwight Waldo (Waldo 1976), the editor of Public Administration Review at the time, had expressed his interest in putting together a symposium on the “administration of declining organizations, including their liquidation” (p. 129), he had to confess that he did not know whom to contact about this issue. Termination was a nonissue at the time, and experts were therefore nonexistent. Harold Lasswell (1951) saw policy termination as the last and logical end in the policy cycle. But policy analysts following his project instead began studying agenda setting, decision-making, and, finally, implementation (Pressman & Wildavsky, 1973). Compared to those efforts, policy termination received relatively little attention. Back in 1978, Robert Behn could still quip that policy termination was the “neglected butt” in Lasswell’s conception of the policy process. Yet in the aftermath of the oil shock of 1973, amid soaring predictions about the limits of growth (Meadows, Meadows, Randers, & Behrens, 1972) and declining public budgets that were restricting governments’ room to maneuver, termination was suddenly seen as a potentially hot topic—thus “closing the policy cycle” was back on the agenda, for obvious reasons. The question was how, when, and under what conditions were public policies, government programs, and public organizations to be abolished.
The renewed interest in termination questions resulted in the first joint publication on the subject, in the form of a special issue published by the journal Policy Sciences that was focused on policy termination. The issue’s editor Eugene Bardach (1976) and his collaborators set out to engage in “an exploratory inquiry into a political phenomenon almost wholly neglected by political scientists and scholars in related fields: how public policies and programs are terminated” (p. 123). The special issue addressed policy termination in different contexts. Mitchel Wallerstein (1976) assessed the termination of veteran’s benefits, Henry W. Lambright and Harvey M. Sapolsky (1976) focused on the termination of federal research and development programs, while Valerie J. Bradley (1976) turned to termination in mental-health policy, and James L. Foster and Garry D. Brewer (1976) analyzed the political decision to terminate war. At the same time, the contributions did exclusively not focus on the termination of policies and programs. Organizational termination, such the closing of the Massachusetts Public Training Schools (Behn, 1976) and Washington DC’s Motorcycle Squad (Shulsky, 1976), was also considered. Policy termination and organizational termination had not yet been separated, but were instead discussed as two sides of the same phenomenon.

Organizational termination alone was the focus of the second major publication that formed the first wave of termination research, the aforementioned symposium appearing in Public Administration Review in 1978. Against the background of Herbert Kaufman’s (1976) influential claim that public-sector organizations are practically immortal, most of the contributions to this special issue discussed how to explain—and potentially overcome—the apparent persistence of public organizations once they were established. To do so, Barry M. Mitnick (1978) analyzed strategies of deregulation and its opposition by affected regulatory agencies. Similarly, Andrew Glassberg (1978) turned to the role of leadership for organizational responses to municipal budget decreases, and Richard M. Cyert (1978) outlined the challenges involved in managing universities in the context of constant or even declining enrollment numbers.

Beyond policy scholars, policymakers also started to think about strategies for successfully terminating organizations and policies when this seemed necessary. Along with other reform efforts, Jimmy Carter—president of the United States from 1977 to 1981—introduced zero-based budgeting and sunset legislation as effective mechanisms that would keep government expansion in check and make “government more efficient, more economical, and more responsive” (see Dempsey, 1979, p. 75). The particularity of sunset legislation was that it was equipped with an explicit “expiration date.” This meant that Congress would have to consciously decide whether it wanted to continue or maintain the respective legislation. Similarly, zero-based budgeting implied that decision-makers would no longer discuss the size of the next year’s budget based on the size of the current year’s budget, a practice that had reduced budget debates to mere discussions about cutting or expanding the previous year’s numbers by a certain percentage. Zero-based budgeting discussions start every year from scratch. But in practice, both Carter’s strategies proved less successful than envisioned. Garry D. Brewer (1978), for example, highlighted how the nontechnical nature of policy evaluation can stand in the way of zero-based budgeting and sunset legislation to work as effective mechanisms for policy termination. Overall, research on organizational and policy termination continued to present termination as “exceedingly
difficult” (Bardach, 1976, p. 123). “Your chances of succeeding are poor, and even if you prevail, you will not make friends doing so” (Behn, 1978, p. 393).

After these first impulses to put policy termination and organizational termination jointly into the spotlight, the two research areas started to branch out into individual and distinct fields of study. Termination research did not progress steadily; rather, its development is tracked through peaks or waves. After the first attempts, in the 1970s, to advance the topic, efforts to come to grips with termination seem to have disappeared throughout most the 1980s. It may have been that after a first intellectual enthusiasm, it quickly became clear that the infrequency of the occurrence of the phenomenon posed serious theoretical problems (not enough cases to test hypotheses), as well as practical ones (irrelevance for policymakers). For researchers geared toward discovering generalizable knowledge, the infrequency of the phenomenon made it an idiosyncratic topic, risky to invest precious time and resources. Only in the mid-1990s, did a special issue in the International Journal of Public Administration, edited by Mark D. Daniels, and a symposium in the same journal attempt to revitalize termination research (Daniels, 1997; deLeon, 1997; Frantz, 1997; Greenwood, 1997; Harris, 1997; Norris-Tirrell, 1997). Yet even after this renewed effort to establish termination firmly on the policy-science research agenda, interest faded, until the increasing austerity pressures resulting from the economic downturn in 2007 raised attention to the topic’s relevance once again—if on a relatively small scale. Such efforts include Jeff S. Birchall’s (2014) description of the termination of climate-change-mitigation programs in New Zealand, discussions about the (partial) termination of regional policy and regional development agencies in England (Ferry & Bachtler, 2013), and the termination of community services in response to fiscal pressures more generally (Lamothe & Lamothe, 2015).

Despite the efforts to analyze termination, the difficulty of capturing ongoing, systematic scholarly attention is characteristic for the termination debate—and at the same time somewhat surprising. Especially in times of “permanent austerity” (Giger & Nelson, 2011; Pierson, 1998) that Western democracies have undergone since the 1970s, efforts to research the conditions influencing the termination of public programs should be peaking (Biller, 1976; Daniels, 2001).

In this context, it is probably fair to point to the inability of the termination debate to produce a coherent analytical approach that would facilitate the systematic accumulation of insights. Analyzing works on termination from the 1970s to the 1990s, one sees that while individual contributions are of great interest and comprehension, progress on a common conceptual framework, let alone on a comprehensive theoretical basis remained arguably limited (Bauer, 2006). On the one hand, this can be explained by the fact that scholarly debates on policy dismantling and retrenchment, most prominent in welfare-state research, were not sufficiently reflected in, let alone incorporated into, the termination research. On the other hand, termination insights did not manage to engage in a dialogue with other related programs and research questions. Despite potential linkages, the various debates touching on termination issues—such as cutback management, de-bureaucratization, dismantling—developed in mutual disregard. The rigidity of the precondition for applying a termination approach (i.e., either a policy or an organization is kept running or it is completely abandoned), made it hard to engage into fruitful exchange with more incremental or piecemeal
conceptualizations of the policy process. The concept of termination—understood as the “deliberate conclusion or cessation of specific government functions, programs, policies, or organizations” (deLeon, 1978, p. 280)—rests on a demanding assumption about the binary character of the world of public policies and organizations. It therefore risks missing other features of institutional change driven by transformation towards new needs and adapting to new contexts, instead focusing on the obvious outright abolishment of an outdated policy or organization (Hacker, 2004; Streeck & Thelen, 2005).

Similarly, research on the termination of public-sector organizations has had a hard time maintaining a prominent place on the public-administration research agenda. This is not to say that research on the topic disappeared completely. Scholars focusing on agency termination in the U.S. context have remained an active community (Boin, Kuipers, & Steenbergen, 2010; Carpenter & Lewis, 2004; Lewis, 2002; Peters & Hogwood, 1988).

Overall, in comparison to other fields of public-administration research, policy- and organizational-termination research has remained a niche topic—particularly when research output beyond the American context is considered. In Europe, a visible interest in public-sector termination started to emerge only in the second decade of the 21st century (Gravey & Jordan, 2016; Greasley & Hanretty, 2016; Hajnal, 2012; Knill, Tosun, & Bauer, 2009; MacCarthaigh & Roness, 2012; Rolland & Roness, 2012; Sarapuu, 2012). Globally, termination case studies remain very rare, and when they do occur they remain unconnected to broader research programs (Birchall, 2014; Wu & Li, 2014). It is fair to say that the termination debate has never ceased to remain a topic for a limited circle of insiders.

Concepts: Different Shades of Termination

One of the reasons termination research has a problem attracting sustained interest appears to be the restrictiveness and narrowness of the termination concept itself. When termination is understood purely as a binary (as complete and sustained abolishment), then few cases can be classified as termination events. Refining termination concepts should help researchers extract a greater number of observations and thus sufficient variation to analyze and theorize under which conditions termination is likely or unlikely to occur. Although pure termination events may be extremely rare, various scholars have shown that it is worthwhile to analyze the different degrees or intensities of termination events. Such approaches to conceptual refinement have been particularly prominent in the field of organizational termination (Boin et al., 2010; MacCarthaigh, 2014; Rolland & Roness, 2012).

Peter deLeon (1978) defined termination as “the deliberate conclusion or cessation of specific government functions, programs, policies or organizations” (p. 280). Though this definition was applied to the termination of both policies and organizations, the wording “deliberate conclusion or cessation” may be seen as an approximation rather than as a fine-grained conceptualization. Astonishingly, efforts of conceptual refinement remained restricted to the field of organizational termination.
In the organizational-termination context, Herbert Kaufman (1976) proposed a cultural approach directed at identifying the boundaries of an organization. As long as boundaries can be identified, one organization can be distinguished from others and from its environment. Only when the boundaries vanish do organizations cease to exist. To identify such boundaries, the existence of visible organizational symbols (such as logos), rites of the induction or the departure of staff, and the existence of an organizational jurisdiction and internal communications networks should be empirically identified and considered to be indicators for what can be understood as “partial termination.” In practice, however, such encompassing demands for empirical inquiry have proved difficult to implement—particularly because compiling larger datasets of organizational change remains out of reach for most researchers.

Yet the complete abolishment of organizations may be just one extreme form of organizational death. B. Guy Peters and Brian Hogwood (Peters & Hogwood, 1988) argued for breaking with the “simple dichotomy” and suggested considering substantial organizational change as partial termination: “Organizations may survive, but they may survive in such different forms as to make the term ‘survival’ almost meaningless” (p. 120). Subsequently, a number of scholars have undertaken efforts to refine the original concept of organizational termination, as presented by deLeon, to highlight that termination can take different forms. These other “less severe” forms of organizational termination might be equally relevant to consider. Along this line, Boin et al. (2010) distinguished between abolishment, absorption in a merger, and splitting into two more entities. Similarly, Vidar W. Rolland and Paul G. Roness (2012) distinguished between pure termination and termination into existing units: “Pure terminations are changes where no parts of the unit are continued in other units, whereas termination into existing units denotes changes where all or some parts of an organization continue in one or more units” (p. 784). Finally, Muiris MacCarthaigh (2014) used the categories of “death, absorption, merger, and replacement” to capture different forms of termination. These efforts of conceptual refinement have not only helped to identify the different shades of organizational termination; they have also allowed researchers to work with a greater number of observations than the restrictive category of pure termination would have otherwise allowed.

This kind of conceptual discussion has not taken place in the context of policy termination. Other than in the area of organizational termination, research on policy termination is mainly in the form of single-case studies, in which the cases are chosen on the dependent variable—that is, exactly because they are seen to represent instances of policy termination. This might have alleviated (or prevented, some would argue) the need to develop more fine-grained conceptual approaches that could, for example, distinguish between complete policy terminations without any form of substitution, on the one hand, and policy substitution and retrenchment, on the other hand (Bauer, 2006). Termination research thus continues to suffer from a “dependent variable problem.” Christoffer Green-Pedersen (Green-Pedersen, 2004) diagnosed such a dependent variable problem for social policy research in general and proposed that the problem of measuring social-policy developments was not so much a problem of data but of theoretical conceptualization. The same seems to hold for policy termination research (Bauer & Knill, 2014). Thus the question is whether—in order to advance empirically and analytically—one needs to reconsider what policy termination...
actually is, and whether various intensities of policy termination are usefully distinguished.

**Measurement: Population-Based Identification versus Event-Based Description**

The concept of termination, particularly in its simple binary form—by which public organizations or public policies are classified as dead or alive—is quite intuitive. Yet it is far from a trivial matter to identify terminations empirically. Two empirical strategies are distinguished: population-based identification and event-based description.

Event-based descriptions of termination events are typically qualitative and focus on specific and explicit termination events, such as the termination of a specific policy element or of a specific organization. Such event-based static approaches to measuring termination are prominent in both areas: organizational termination and policy termination. Seminal examples of event-based descriptions are Abram N. Shulsky’s (Shulsky 1976) account of the abolition of the police motorcycle squad in Washington DC, and Robert Behn’s (Behn 1976) description of the closing of public training schools in Massachusetts. A more recent example from the area of policy termination is Birchall’s (2014) assessment of the termination of climate-change-mitigation programs in New Zealand.

The advantage of the event-based description strategy is that the focus on singular termination events enables researchers to engage in a fine-grained assessment and characterization of what happened and why in a specific configuration. In other words, this approach allows researchers to “measure” the specific termination event in an ideographic way, and thus to answer such questions as which parts of the organization were abolished, based on which actor coalitions, and so on. This form of measurement amounts to a thick description of a policy or organization event. Ideally, it enables the development of hypotheses about relevant factors, contexts, configurations and the motivations of the pertinent actors of the termination game.

Population-based identification, in contrast, captures the evolution of a population (of organizations or policies) over a certain period. Elements of a population that were present in the previous period but are not present later on are considered terminated. This approach is much more common in the area of organizational termination than in policy termination. Examples of the population-based identification approach include the seminal studies by Kaufman (1976) and by Peters and Hogwood (1988). More recent studies employing this strategy include Boin et al. (2010), who analyzed the survival of organizations created in the United States as part of the New Deal, and the work of Mortensen and Green-Pedersen (2015) about the evolution of government departments in Denmark.

The advantage of the population-based identification approach is that it automatically generates variation of the dependent variable because it makes it possible to identify the elements of a population that are terminated and those that remain. This enables researchers to apply statistical methods. At the same time, however, it makes researchers dependent on finding a way that allows for the systematic identification of the terminated elements in a larger organizational population.
In the context of organizational termination, the most prominent way to identify the terminated elements is to assess whether a change in the functions of the organization occurred in combination with a change of its name and location. If all three criteria apply, the old organization can count as terminated and replaced by a new organization. Most of the approaches using the listing of organizations in available documents rely (more or less) on this kind of a name-based identification procedure. The commonly used sources are the United States Government Manual (as used by Lewis, 2002); the annual Cabinet Office publication Public Bodies in the United Kingdom (as used for example by Greasley & Hanretty, 2016); the Öeckl Taschenbuch des Öffentlichen Lebens in Germany (as used by Adam, Bauer, & Knill, 2008); the Irish State Administration Database (used by Maccarthaigh, 2014); and Canadian Parliamentary Historical Resources, a database presented by Canada’s Library of Parliament (as used by Glor, 2011). The approach used by Oliver James, Nicolai Petrovsky, Alice Moseley & George A. Boyne (James, Petrovsky, Mosely, and Boyne, 2015) is more comprehensive; they use the name change merely as a first indicator of termination and, in a second step, continue to assess whether the governance structure of the organization has really been abolished.

Let us consider certain particularities of the organizational termination approach at this point. For example, the body of literature on organizational termination remains manageable, since no more than two dozen studies constitute the field. Further, compared to policy termination, what a public organization is and how to formally identify it is usually clearer. In the case of policy termination, defining the policy is not easy; public policy is a rather elusive concept. Since the emergence of the policy approach, definitions of policy have become controversial and disputed. Caution when assessing the relative success of the organizational termination approach as compared to the policy termination approach therefore seems to be in order. The choice of formal indicators, for example, is more plausible in the area of organizational termination. However, one can rarely say that public organizations that have been renamed have ceased to exist; instead, they keep going under a different heading, often with new tasks. Moreover, organizations are often relocated to different government levels, say, transferred from central to local responsibility. In these cases it becomes difficult for organizational termination approaches to keep track. In other words, in terms of research strategy and coming up with measurable observations, organizational termination research is undoubtedly more successful than its counterpart policy termination. However, the reliability of results needs to be considered carefully, not only in view of the significance of the operationalization decisions made, but also in view of the specific contexts in which the termination events take place.

That being said, it is hardly surprising that a population-based approach is rarely used in the area of policy termination. Most likely, this is because of the great difficulty involved in creating a longitudinal dataset that captures policy portfolios (see Bauer, Jordan, Green-Pedersen, & Héritier, 2012; Bauer & Knill, 2014). Data on the general population of public policies are simply not as easily available as are data for the different populations of public organizations, for which government statistic or budget offices provide formal lists and registers.
There seems to be one exception in the area of policy termination. In their study on the termination of local services Meeyoung Lamothe and Scott Lamothe (2015) were able to draw on systematic surveys that provided longitudinal information about all the services provided by municipalities in the United States. This gave them with a way to capture the evolution of a local service population and to identify terminations based on whether a certain service disappeared from the population. Although such population-based identification remains the exception in research on policy termination in a narrow sense, the approach has gained prominence in the related field of policy dismantling (Jensen, Knill, Schulze, & Tosun, 2014). Here, policy portfolios are systematically searched for dismantling events in the form of reduced policy density or reduced policy intensity (Bauer & Knill, 2014; Gravey & Jordan, 2016; Jordana, 2014).

Organizational and Policy Termination: The Challenge of Cross-Country Comparisons

Along with the prevalence of different measurement approaches, research on policy termination and organizational termination also have different methodologies. Nevertheless, both areas tend to suffer from a lack of large-scale comparative work. This lack has only begun to be addressed, particularly in the area of organizational termination (Greasley & Hanretty, 2016; Mortensen & Green-Pedersen, 2015). Thus the potential analytical leverage of cross-country comparative approaches is far from realized.

The use of large-N comparisons and statistical analyses is much more widespread among studies that analyze organizational termination than it is among studies of policy termination. This can be seen as a consequence of the different conceptual approaches of each field—that is, the population-based identification versus event-based description. Of course, many of the contributions to the first wave of research on organizational termination also took the form of single-case studies that inductively explored the sources of termination (Shulsky, 1976). Yet the compilation of relatively encompassing datasets capturing organizational termination has from the beginning also been an important characteristic of this research, although scholars relied on descriptive statistics instead of inferential statistics to exploit the analytical value of the data compiled (Kaufman, 1976; Peters & Hogwood, 1988). Since then, inferential statistics have become commonplace in the analysis of datasets on organizational longevity (Carpenter & Lewis, 2004; Graddy & Ye, 2008; Greasley & Hanretty, 2016; Lewis, 2002; Mortensen & Green-Pedersen, 2015). In contrast, research on policy termination has largely stayed with case-study methods and qualitative data (Bauer et al., 2012; Birchall, 2014; Ferry & Bachtler, 2013; Jordana, 2014). There are only a few examples of larger-scale comparative efforts in this field that rely on regression analysis to a degree similar to that used in the studies of organizational termination (Graddy & Ye, 2008; Krause, Yi, & Feiock, 2016; Lamothe & Lamothe, 2015). This is lamentable, since much of comparative policy analysis thrives on the question of how political institutions affect policy outcomes. Yet to answer these questions in a meaningful way, one needs variation of this independent variable, and thus researchers need to look at several different sets of political institutions at the same time within their analyses.

Though the lack of comparative work is more obvious in the area of policy termination, it also affects our knowledge about organizational termination. Certainly, research on
organizational termination often goes beyond single-case studies and regularly includes the compilation of large datasets capturing organizational termination events. Yet these datasets typically remain restricted to organizational termination in individual countries (Greasley & Hanretty, 2016; Kaufman, 1976; Lewis, 2002; Mortensen & Green-Pedersen, 2015; Petrovsky et al., 2015). Even when studies are explicitly interested in the impact of political institutions (such as parliamentary democracy as opposed to the U.S. presidential system), they tend to focus on evidence from just one system and country (e.g., Greasley & Hanretty, 2016). It is clear however, that if one wants to understand how the structural characteristics of the political-administrative system affect organizational termination and policy termination, future research would benefit from ways to systematically engage in cross-country comparisons (Scorsone & Plerhoples, 2010). In part, MacCarthaigh and Roness (MacCarthaigh and Roness 2012) answered the demands for more comparative cross-country work in their special issue on the longitudinal change in public-sector organizations, published in the International Journal of Public Administration in 2012. The special issue mapped—among other things—patterns of organizational termination for Norway, Ireland, Estonia, Hungary, and Lithuania and proposed that “by capturing the variety of ways in which public sector organizations emerge, survive, and terminate, new perspectives on how administrative systems evolve can be presented and compared” (p. 773). Yet even this attempt to address the lack of cross-country studies attempted to alleviate the comparative deficit by comparing different studies, which themselves represented only individual-country studies.

This highlights how important the current generation of cross-country comparative research on policy and organizational termination is—because much of the research on organizational termination and policy termination so far has focused on termination in one country alone, the United States. Scholars are now only starting to better understand the empirical patterns and causes of termination in other countries. For example, insights have been gained about termination events in Canada (Glor, 2011), Ireland (MacCarthaigh, 2014), Korea (Park, 2013), New Zealand (Birchall, 2014), Norway (Rolland & Roness, 2012), and Denmark (Mortensen & Green-Pedersen, 2015). Research interest seems to have been particularly pronounced regarding termination developments in the United Kingdom (Dommett & Skelcher, 2014; Greasley & Hanretty, 2016; O'Leary, 2015). These welcome efforts cannot, however, hide the fact that insights into termination events and processes outside the United States remain sparse and eclectic.

Theory Development: Between Shopping Lists and Formal Models

Although explanations of organizational termination and policy termination are firmly rooted in the thinking about the political-administrative context in the United States, more and more efforts have been undertaken to assess whether these explanations also hold up in other political contexts, such as in parliamentary systems (e.g., Greasley & Hanretty, 2016).

Generally, theories of policy termination and theories of organizational termination tend to share a common characteristic. They typically start with the crucial premise that termination decisions are distinct from other political decisions; that is, they start with the assumption that there is something particular about the decisions to terminate a
policy, a program, or an organization. Eugene Bardach (1976) made this premise explicit by arguing, “It is helpful to conceive of termination as a special case of the policy adoption process: there is a struggle to adopt A, the substance being to eliminate policy B” (p. 123). Most importantly, termination decisions are seen as special cases because they are particularly rare. This is directly reflected in theoretical debates about termination events. These debates for a long time focused on explaining why termination does not occur (e.g., deLeon, 1978), instead of on trying to explain under what conditions it does occur. Furthermore, termination decisions are regularly thought to be special decisions because they are generally unpopular and therefore politically unattractive, much more so than other political decisions. This perception persists; even in the light of findings that social-policy retrenchment is not necessarily a politically unattractive option that will lead to electoral losses (Bauer & Knill, 2014; Giger, 2012; Giger & Nelson, 2011).

The perception that termination decisions are particular and grounded in their specific level of unattractiveness seemed to match the empirical rarity of the phenomenon. In the context of organizational termination, this led Herbert Kaufman (1976) to go so far as to argue that public-sector organizations were basically “immortal.” In stark contrast to biological entities, organizational death, he argued, would become less and less likely as organizations grow older. As organizations mature, they are able to develop ties to their clients and stakeholders and thereby accumulate important (relational and material) resources that further support their survival. Such “vested interests” are “able to advance a peculiarly powerful moral claim concerning the ‘inequity’ or ‘unfairness’ of change” (Bardach, 1976, p. 127). Five factors seemed to stand in the way of termination. First, policies and organizations are made to last and are therefore inherently difficult to abolish. Second, a higher level of conflict characterizes termination decisions, because the anti-termination coalitions are found to be particularly powerful. Third, termination often entails admitting past mistakes. Fourth, termination is risky because it may fail, particularly when the advocates of termination themselves still rely on the organizations they are attempting to terminate, as well as on their employees. Finally, rewards for novelty and innovation are typically higher than are rewards for destruction (Bardach, 1976). DeLeon (1978) identified six reasons explaining why termination was apparently so rare: cognitive aversion to do so, the longevity of institutions in general, the dynamic conservatism of organizations seeking new tasks as old tasks vanish, the power of antitermination coalitions, legal obstacles, and high costs of initiating termination.

After more and more research started to empirically show that earlier studies had substantially underestimated the longevity of public organizations, the focus of the analytical efforts changed: now the questions was, given the hardship of termination, what conditions support its occurrence? While some arguments emphasize the relevance of organizational characteristics and organizational designs, others focus on the influence of an organization’s (particularly political) environment.

One of the characteristics that has received particular attention is the age of the organization. Daniel P. Carpenter and David E. Lewis (2004) in particular have argued that politicians face an optimal stopping problem when confronted with termination decisions. Since the need to learn about organizational performance requires time, the risk of termination is particularly low in the early years of an organization. Yet as time
goes on and evidence about organizational performance accumulates, the risk rises. However, it only rises to a certain point: when the aforementioned organizational ties to stakeholders, vested interest, and political allies have grown sufficiently strong to reduce termination risk. The effects of organizational age thus appear to be non-monotonic. Similarly, the influence of other organizational characteristics—such as degree of professionalism or degree of political autonomy—seems to change over time as well (Boin et al., 2010). Finally, although the financial crisis that unfolded after 2007 spurred a political debate about organizations that appeared to be “too big to fail,” Elizabeth A. Graddy and Ke Ye (2008) showed, in the context of public hospitals in California, that larger hospitals with more staff and a greater percentage of unionized staff were indeed substantially less likely to be terminated than smaller hospitals.

It is not only organizational characteristics that appear to influence the probability of termination. Environmental factors seem to play an important role as well. Herbert Kaufman, in its evolutionary approach (Kaufman 1985) argues that organizations would be terminated when these no longer fit their environmental requirements as a result of changing circumstances. One of the most relevant circumstances seems to be an organization’s political environment. In this sense, Lewis (2002) was able to show that the risk of termination rises with the intensity of political change—that is, according to political power shifts from a government towards the opposition. This argument seems to hold up not only in the U.S. context but also in the Korean (Park, 2013) and British contexts, where Oliver James, Nicolai Petrovsky, Alice Moseley, and George A. Boyne (James, Petrovsky, Moseley, and Boyne, 2015) argued that it is the wish of ministers to leave a visible mark, and not organizational performance, that leads to organizational termination. Thus termination does seem to be a political struggle fought with arguments about administrative efficiency (Lewis, 2002). This claim is further supported by findings from Denmark that show that political attention and governmental preferences best explain changes and terminations within the ministerial structure (Mortensen & Green-Pedersen, 2015).

Similarly, ideology and party preferences seem to be important factors in translating termination pressures into actual policy terminations. Ironically, ideology appears to influence policy termination in an area that is a most likely case for evidence-based policymaking, climate-change policy (Birchall, 2014; Krause et al., 2016). Furthermore, policy termination appears to include an interdependent element. This argument has been made in the context of local service termination, where municipalities have been shown to be more likely to terminate local services when their peer municipalities do not offer the respective service either (Lamothe & Lamothe, 2015). Rather than relate termination efforts to striving for effectiveness, as Lewis (2002) suggested, these findings highlight the predominantly political and ideological character of the termination struggle.

It is important to note that in terms of theory, termination studies tend to stick to termination scholarship in a narrow sense. Theoretical arguments made in the literature using different labels, such as policy dismantling or policy retrenchment, receive little consideration. Termination analysis thus appears to suffer from a “translation gap”—related insights from elsewhere in the social sciences rarely trickle down. Particularly the literature on welfare-state retrenchment would provide a body of rather well-developed theoretical accounts that could help to explain not only
retrenchment patterns but also termination patterns more generally. Most prominently, Paul Pierson (1994, 1996) has argued that as redistributive policies are introduced, they generate interests that become embedded in the respective structures surrounding those policies. Therefore, dismantling these policies imposes direct costs on those embedded interests but only promises to generate diffuse benefits for the broader public. In particular, path dependence comes to stand in the way of dismantling redistributive policies. In contrast, Pierson goes on to argue, regulatory policies should be much easier to dismantle, since deregulation tends to produce direct benefits but imposes only diffuse costs on the general public. Of course, more recent literature from the area of policy retrenchment has helped to qualify Pierson’s argument, mostly regarding the influence of parties and ideology. It is well beyond the scope of this article to review this extensive body of literature. However, it may be worthwhile to pay closer attention to social-retrenchment works, such as that of Silja Häusermann (2010). In her book she highlighted how research in this field has shown that the impact of parties on welfare-state development in general, but also on retrenchment, depends on the party system and party competition, as well as on the link between parties and electorates. Policy-termination research could make use of an established body of theoretical work in this area to see whether its explanatory scope extends from the field of social-policy retrenchment to policy termination more generally. Whether retrenchment arguments will travel from the retrenchment of social programs and workplace regulations to the termination of other policies is an open question. But a more explicit engagement with this body of literature holds great potential—probably for both debates.

Although the lack of conceptual integration is most apparent in the field of policy termination, organizational-termination theories could also benefit from looking beyond the termination literature, for example, to the literature on cutback management (Raudla, Savi, & Randma-Liiv, 2015). Edoardo Ongaro, Francesca Ferré, and Giovanni Fattore (Ongaro, Ferré, and Fattore 2015) have shown how to answer the call for cross-country comparisons and make use of the resulting analytical leverage in terms of theory. Specifically, they show that depending on the underlying institutional paradigm, different healthcare systems tend to respond differently to austerity pressures, with Bismarck-like systems (such as the German system) less likely to introduce targeted healthcare cuts. The intimate relationship of this research strand and the research on organizational termination is self-evident.

Challenges and Recommendations

Termination concepts have fascinated policy scholars since the 1970s. Proponents of the termination approach have argued forcefully for its usefulness as an analytical project, as well as for its relevance as a practical strategy (Behn, 1978; Daniels, 1997; deLeon, 1997; Geva-May, 2001, 2004). Sympathetic critics—most coming from a comparative background—have pointed to a number of problems and limitations (Adam, Bauer, & Knill, 2007; Bauer, 2006; Peters & Hogwood, 1988). The debate still goes on. Since this conclusion can hardly do justice to all the arguments and counterarguments being brought forward, it will concentrate upon a few of the challenges termination research faces.
The first challenge lies in reconsidering the bifurcation of termination research into an organizational branch and a policy branch. It is true, in terms of measurement strategy—in particular, when formal organizational features are the focus—that the analytical benefits of this separation are obvious; termination observations can be made systematically for a sufficient number of organizations to allow engagement in subsequent analysis that is more standardized. Thus, it is reasonable to expect that hypotheses testing, and eventually explanatory advancement, will be easier to achieve in the area of organizational termination than in the field of policy termination. However, there are downsides. There is the risk of focusing empirically on certain formal indicators just because they are readily measurable. In other words, the focus on purely formal organizational characteristics may convey a misleading sense of analytical solidity—but being unambiguous in terms of measurement is not be confused with having actual significance. Measurement may be indeed more systematic, but it is questionable whether the disappearance of formal organizational features really indicates organizational termination.

Splitting the termination concept into its policy and organizational parts is also dangerous because the objects of investigation become ever more confined, and ever less relevant. Moreover, public organizations usually do not have a role beyond policymaking. They are instrumental players in the development, advancement and in the operation of public policies. Different to private-sector organizations (Hannan & Freeman, 1993), the actual interest in public organizations remains connected to their function in the public domain. For example, opponents of a particular policy regularly attack the public organization carrying out that policy for lacking efficiency and bad performance. The point is that closing down a public organization is usually an element in the political struggle against a public policy rather than an event of its own. At the very least, the theoretically close relationship between a public policy and its respective public organization somehow got lost in the development of the termination debate, and whether such a bifurcation is indeed sensible should be carefully re-examined. Put differently, the analytical problem of how to clearly distinguish between a transformation event and a termination event haunts the study of public organizations as much as the study of public policies. Separating the policy and organizational termination debates may, in the end, limit the chances to develop a more comprehensive termination theory in the public domain, and thus outweigh short-term gains in advancing within one of the two empirical classes of cases of the termination game. The way forward thus appears to bring the study of organizational termination and policy termination closer together again.

Another challenge termination scholars need to take on leads us back to the very origins of policy-termination thinking. Termination was conceived as the logical endpoint or, more precisely, the exit point for defunct policies in a policy cycle. One needs to be aware that the cycle (or stages) thinking carries along an implicit normative bias toward the inherent rationality of modern policymaking. However, if policy preservation is uncoupled from rational problem solving; that is, if vested interests as well as symbolic or cynical actor motivations are incorporated in a decision-making model, the termination expectation loses much of its persuasiveness. Such ontological reflections may seem far removed from the daily work of the policy analyst or practitioner, but they are not. If it is assumed that policymaking is (largely) based on
exchanging rational (in the best case, scientifically backed) arguments about the degree of goal attainment, then the conceptualization of the politics surrounding termination takes on a quite different, more adversarial nature. If not systemic rationality, but a certain degree of irrationality—or, in policy analytical terms, historical inefficiency of institutions and bounded rationality of actors—are incorporated in the model underlying the termination game, termination theory itself needs to be revised accordingly.

If revising termination theory is the aim, then one must consider whether one conceives termination politics to be different from “normal” politics—that is, whether the political game surrounding termination events is inherently different from what is expected elsewhere in the policy process. The early theorists of termination (Bardach, 1976; Behn, 1978; deLeon, 1978) defined termination as a very particular phenomenon and the politics surrounding it also as very different, particular and specific. While the rarity of termination events seemed to support such a view, emphasizing even more the particularity of termination, the setting of the analytical path in such a way prevented analysts from focusing on similarities in the termination game with other classes of events. This was the beginning of a trend leading to a certain self-insulation that continues in termination research.

The question is: To what extent are termination politics really different from other categories of policymaking? Recent analyses of social retrenchment suggest, for example, that the logic of making “painful decisions” is not principally different from the motivational incentives underlying other policy events. Just as in the termination process, and in the political struggle over the retrenchment of policies that put limits on public institutions, political decision-makers need support from crucial societal groups and can only succeed if they satisfy party political interests. Moreover, if the future benefits (gained if “cutbacks” are started today) are communicated well, a political majority may well endorse decisions that carry short-term “pain” (Bauer et al., 2012; Häusermann, 2010; Jacobs & Weaver, 2015; Pal & Weaver, 2003). Scholars are therefore well-advised to reflect on the ontological foundations of their conceptualizations of termination, and to ask themselves to what extent, and in what respects, termination politics are truly to be considered different from other forms of the political struggle surrounding democratic policymaking.

Seen from this perspective, the binary logic of termination theory, which is undoubtedly a unique selling point, is at the same time inhibiting further theory development. The rarity of the phenomenon, as noted, weighs heavily in this context on its potential for analytical development and practical relevance. The irony is that the termination community needs to hold on to the uniqueness of termination events—otherwise, it risks losing its particular empirical focus and with it, much of its intellectual relevance. Conversely, it is quite telling that precisely when “partial” terminations are introduced (as in the recent approaches to study organizational termination), the produced analytical benefits appear most promising.

This brings to the fore a very sensitive point for the future of the termination debate. Termination theory would benefit from greater rapprochement to the institutionalist paradigm of modern social sciences. Where efforts in this direction have been made—be it in allowing for partial termination, introducing succession, replacement, or
developing policy-dismantling concepts—the insights provided by termination analysis appear the most promising. At the same time, the more the termination perspective allows for conceptual stretching toward forms of partial-abolishment policy change, the more it questions its very raison d’être. Confronted with this choice, termination scholars so far have chosen to defend rather than debunk the binary logic and thus maintained their conceptual isolation. The price for remaining independent by insisting on the binary logic of termination versus nontermination will be high, however. Nonintegration carries the risk of missing innovations elsewhere, suffering intellectual stagnation, and thus fortifying the status of termination research as exotic niche issue. Given that policy change—no matter at what stage it occurs at—is still so poorly understood (Jensen et al., 2014), it seems better not to leave termination theory drifting along in relative isolation. Instead of sticking to an unproductive binary conception of termination versus nontermination, in the long-term, termination theory would be in a more favorable position by reinventing itself as a project to study policy change as policy downsizing (Bauer & Knill, 2014; Peters & Hogwood, 1988).

In sum, despite this dilemma, termination research has more to gain than to lose from seeking intensive conceptual exchanges with other debates in the social sciences that are relevant to understanding the politics of policy and organizational abandonment. For the organizational context, research on cutback management has some obvious linkages that can be further explored (Cepiku & Savignon, 2012; Greasley & Hanretty, 2016; Levine, 1978b). Similarly, in the policy context, the concepts of retrenchment and deregulation are explicitly used to describe termination-like phenomena (Giger, 2012; Klitgaard & Elmelund-Præstekær, 2013). The challenge will be to get scholars who are active in these various areas and who have “been reading the same empirical menu” for quite some time, to finally also take their seats at the same “analytical table” (Bauer et al., 2012, p. 5). Engaging in conceptual rapprochement is easier to demand than to do. Much can be gained however if disjointed efforts started identifying the underlying linkages of their analytical lines. Those interested in better understanding when and how policies become diminished, that is, terminated, deregulated, dismantled, and retrenched, would then stand the chance to form a comprehensive research agenda—injecting new dynamics into more than the termination debate.
References


