Regressive Consequences, Public Sector Reforms and Critical Realism: Illustrations from a Case Study

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[Abstract] This paper presents a detail account of regressive consequences of new public sector management reforms in a Pakistani state-owned enterprise. Pakistani government, in a bid to further improve economic efficiency, embarked on wholesale reforms programmes in public sector since the appointment of a multinational executive as the Prime Minister under the General Musharraf regime. In our case, Civil Aviation Authority of Pakistan, a 'successful' private sector manager (CEO of a multinational company) was appointed as the director general (top position) to bring about changes typically associated with new public management. Economic efficiency was the top concern of these reforms. This was a major shift in vision considering that safety and security were the major concerns for CAA earlier. However, as the change program unfolded, the end result was increase in senior management positions and increasing number of safety breaches in air traffic controls. The paper attempts to explain the circumstances and reasons that lead to these regressive consequences using Sieber (1981) work. The theoretical model developed in the spirit of critical realist tradition (Bhaskar, 1979). Hence, the paper identified the structural pressures (SC1) on agents (both change and target of change) which caused them to act in a way that triggered regressive outcomes. We have argued that one regressive outcome in a reform can itself act as a condition for another regressive outcome through causing the change agents to act in a manner that cause functional imbalance. The paper concludes with policy recommendations for public sector reform programs.

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