

Challenges to Public Management and Reaction Strategies in the Modern Capitalist Society

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ABSTRACT

This paper analyzes the challenges encountered in modern capitalist societies and explores plausible reactions to these problems. Public administration must deal with the complex issues resulting from globalization, technological advancements, and demographic shifts, which generate obstacles to governance. The study highlights the theoretical and practical significance of comprehending these challenges to elevate efficiency in public administration. Through a combination of literature review and qualitative analysis, the study investigates the fundamental causes of these challenges like economic inequalities, governance limitations, and the widening social division, proposing adaptive strategies such as adopting digital governance, inclusive policy-making, and strengthened accountability. These strategies aim to foster equitable, sustainable, and efficient public management, and contribute to social stability and prosperity.

KEYWORDS

Public Administration; Globalization; Technology; Capital Society; Challenges; Strategies.

1. INTRODUCTION

Public management is a discipline that concentrates on how public managers efficiently alter and foster public policy, stressing the strategy and inter-organizational relationships constructed by public sectors instead of the internal management of bureaucratic organizations [1]. Public management was considered effective in the early 20th century, but it was challenged and altered because of the advocacy of the “human relationship and behavioral approach” to the study of public administration in the era of challenge from 1938 to 1947 [2]. Encountering the wave of globalization as well as the complexity of the different ethical and cultural compositions of society, modern capitalist societies are experiencing powerful challenges in public administration. On one hand, there has been an urgent requirement for public departments to deal with these issues, but on the other hand, the solutions provided by many economists and sociologists are not always satisfactory or practical. Under this circumstance, investigating the potential threats to public administration and potential reaction strategies is both necessary and beneficial.

2. SIGNIFICANCE OF THE RESEARCH TOPIC

The research is significant in both theoretical and practical domains. Theoretically, the investigation of international challenges in the domain of public administration can help people comprehend the fundamental theories and beneficial propositions about public administration. Currently, the changes in political, social, cultural, and economic components of the society are simultaneously challenging the normal operation of the governments and their affiliated institutions. For example, when the

government privatizes state-owned companies, the economic elements get redistributed [3], and the social stability will be correspondingly altered. The investigation of these factors and their interactions can help people establish a sophisticated network that links each instrument of the social orchestra to its player and thus clarifies the responsibility of the public managers, beneficiaries of public projects, and other participants. Meanwhile, the new problems arising during the investigation can also assist people in adopting an innovative perspective toward the current theories about public administration and making the necessary revisions if the former approach fails to handle the new situation effectively. Furthermore, this exploration can help the investigators elevate the comprehension of the characteristics of modern capitalist societies and their problems, which include social inequality and fixation, extremely uneven distribution of properties, division among social strata, and conflicts for scarce natural resources as well as international dominance.

Practically, this research is capable of providing reliable evidence and reference for the leaders of a country and the policymakers of the public administration to assist them in making appropriate decisions. This investigation will analyze the concerning social issues and analyze them to trace the reasons for some concerning public issues. The conclusion obtained from the study can help the government avoid potential mistakes in policy-making and dissolve the redundant institutions that lower the efficiency of public management, which contributes to a higher level of social prosperity and stability.

3. LITERATURE REVIEW

Currently, there has been much research on the challenges to public administration and the corresponding strategies that can be adopted in different situations. As for the challenges, Esping-Andersen discusses three political economies of the welfare state and the distribution regimes in the power structure, whereby he suggests that competition among different strategies of welfare institutions can influence the level of social inequality [4]. In response to these challenges, some scholars explore the concept of “New Public Management” (NPM) according to the former efforts at managerial reform and indicate that NPM has illustrated its durability and potential benefits for the public sector [5]. In terms of aggravated social inequality, Piketty analyzes the uneven distribution of income among American citizens from 1913 to 1998 using individual tax return data [6]. He suggests taxation policies, social security, and public service may be beneficial to adjust for income inequality and relieve social conflicts.

When it refers to the influence of globalization on public administration, Held and McGrew explore whether public administration can be more justified and stable in the unstoppable wave of globalization based on their comprehension of the nature of globalization [7]. Kim indicates that globalization has altered public management, and he further explores what types of limitations of public management are exposed in response to globalization [8]. Rosenau explains the connections between public governance, sustainability, and globalization [9]. He suggests that local governments and communities should obtain great autonomy and an elevated readiness to cope with the integrative power of globalization.

Furthermore, from the perspective of environmental governance, many scholars advise the government to play an essential role and take more active measures to deal with global warming. Stern discusses the profound influence that climate change exerts on both the economy and society [10]. He suggests if the government acts promptly and seeks for international assistance and cooperation, the worst influence of climate change can be avoided. Meanwhile, Jager et.al claims that public environmental decision-making needs collective administrative power from many departments of the government [11].

When it refers to the influence of digital governance on public administration, Bovens and Zouridis discuss how information and communication technology (ICT) is changing the structure of many

public agencies by altering administrative discretion and constitutional management [12]. They point out that public policymakers should utilize system analysis and software designers to elevate the efficiency and effectiveness of administrative agencies and their policies. Milakovich makes scientific investigations on digital applications in government and public management. He suggests the extended use of digital governance in public administration service delivery systems [13].

4. RESEARCH OBJECTS, MAIN CONTENTS, AND KEYS ISSUES

The research object of this paper is to analyze the current challenges to public administration in the modern capitalist society and the roots of these issues, then it will provide corresponding reaction mechanisms. This paper tends to utilize multiple approaches to effectively analyze the deep reasons behind them and provide practical measures to deal with them to push forward the equality of society and sustainable development.

The main content of the research includes a discussion about economic inequalities like income gaps, the concentration of wealth, and the inequalities of economic opportunities due to inappropriate public management. It also analyzes the problems of lack of social stabilities due to the unequal distribution of job opportunities, the difference in education opportunities, and various levels of professional development as well as the tilted distribution of social capital [14].

Encountering these problems, the system of capitalism conventionally attempts to solve them through market mechanisms and free competition. However, due to the limitations of self-regulation of the market and neglect of social justice, the current policies and institutions are generally inadequate to deal with the current social problems [15].

The investigation aims to provide suggestions for public administrations to reconstruct the social security system, foster a more equal redistribution of income to accelerate economic growth, and consummate the policies in the labor market [16,17]. This study explores how to narrow the income gap and impede the concentration of wealth by analyzing the tax policies and the approach to advancing the social security systems [18].

5. RESEARCH METHODS AND THEIR FEASIBILITY ANALYSIS

This research utilizes comprehensive literature review methods and qualitative research like surveys with questionnaires and case studies to evaluate the challenges to public management and reaction strategies in the modern capitalist society. It experiences phases of preparation, a summary of current literature, information synthesis, conclusion production, and the corresponding evaluation.

As for the feasibility and practicality, the research is relatively feasible because it selectively processes and utilizes relevant materials from open publications, relevant academic journals, and scientific investigations are available. Besides, the reviewed literature is carefully selected to ensure that it includes both classic studies and up-to-date investigations, so the referenced resources are comprehensive enough. Meanwhile, statistical software and qualitative analysis equipment are also available to ensure the researchers obtain more accurate calculations.

6. CHALLENGES TO PUBLIC MANAGEMENT

There are many challenges imposed on public management, which include globalization, complex international regulations, rapid updates of technology, as well as demographical alternation, and social diversity.

Above all, globalization adds to the fluctuation of the economy and increases the instability of international commerce. It makes the competition among countries more and more fierce, which

exerts pressure on participant countries and impedes them from elevating their economic performance. Besides, the inequitable income gap between individuals in the same country is also widening at an increasing speed due to the market mechanisms [19]. During the economic downturn due to a terrible international environment, economic problems like domestic unemployment and income inequality are likely to arise. Meanwhile, the sharp difference between the job opportunities in advanced and poor cities tends to make individuals feel unbalanced, leading to social unrest and greater public expenditure on social relief due to the care for the unemployed [20]. Although public administration may finally offer little guidance to participants competing in a cooperative managerial environment, officials in public management departments are requested to create a favorable commercial atmosphere to attract merchants from all over the world and manage the risks that accompany economic fluctuation [21].

The complicated international rules and trade protocols are exerting pressure on the public sector. The interaction between different global markets is very subtle and complex, and the tactics of handling the relationship expertly generally take public administrators a long time to explore. US trade law is the consequence of a complicated contest among various countries, and its formulation and implementation require a high level of collaboration and reconciliation within the countries and along the national borders [22]. And it tends to exert a higher requirement for the stabilities and capabilities of public administration structures.

Furthermore, the quick update of technology generates challenges for public administration. The unequal availability of technology makes it impossible for everyone to stand on the same platform of competition. Meanwhile, many elderly people are not familiar with the operation of computer systems and cell phones, especially those software and applications that are related to doing business, charging taxes, and attending social activities. Undoubtedly, the unfamiliarity with new techniques puts certain groups of people at great disadvantage. The administrators of public departments are requested to deal with this disparity to guarantee that digital governance initiatives don't worsen the current inequalities. Thus, there is an expansion of government-supported and private scientific studies on digital applications in public management [23]. However, the effectiveness of the suggestions offered by these researchers still remains uncertain, and more research and practice are needed.

In addition, demographic alternation and social diversity also play a significant part in curbing the process of public management. The current capitalist societies are increasingly characterized by various populations with different requirements and expectations. The aged group, migrants, single parents, homeless children, and other demographic groups often generate special challenges for public administration in terms of welfare, social security, and taxation generally [24]. Under this circumstance, capitalist governments have not acted promptly enough to establish policies that satisfy the requirements of different demographic levels while enhancing social unity and incorporation. Meanwhile, there is a greater trend for society to become multicultural, and cultural differences are increasing the difficulty of reaching an agreement on the formulation of public policies and migration policies as well as the provision of social services [25].

7. REACTION STRATEGIES FOR EFFICIENT PUBLIC MANAGEMENT

Encountering the challenges posed by the new situations in society, public departments are capable of adopting corresponding strategies to cope with them.

Above all, public administrators can adopt adaptive and adjustable government mechanisms. Under this institution, public managers will take responsibility for the adverse changes in social treatment and deteriorating public welfare and innovate the current system to improve the performance and efficiency of management through an innovation-in-management program [26]. As the regulators of the public issues of the country, public administrators ought to play an active role in fostering the change of the roles of public departments and the transformation of governance in the 21st century

instead of building a machine that merely operates by means of hierarchy and authority [27]. For example, public managers can decentralize the decision-making processes, pay more attention to the opinions of the locals, and explore flexible solutions that rely on contexts instead of merely depend on rigid rules and regulators. With a greater concentration on local issues and the timely solutions to the problems that concern the citizens the most, the governments can change their roles from supreme leaders, rules makers, and regulators to good service providers and civil servants in a capitalist society.

Furthermore, public administrators ought to utilize advanced techniques to elevate the quality of social service and encourage the active participation of common citizens, which is beneficial both for ordinary people and public institutions [28]. They can establish more high-quality digital infrastructure, promote digital literacy, and provide full access to technological tools like smart phones, laptops, Pads, and studying machines that can get access to high-speed Internet. Due to easier access to performance information for public activities, the progress made in information and communication techniques is currently capable of providing tools for elevating the efficiency and transparency of public services [29]. In addition, public administrators are expected to establish ethical frontiers for access to artificial intelligence and big data to deal with the issues of privacy, bias, and accountability. With the rapid development of artificial intelligence, tools like ChatGPT, Google Gemini, and other chatting robots can effectively assist public administrators in dealing with issues concerning communication between public departments and individuals. Meanwhile, the automatic online storage and retrieval system, like the library's catalog on the Internet, can also be integrated in public service to serve the people in places where it is difficult or costly for business halls that provide human service or prompt assistance to reach [30].

As for cooperation with the public, public administrators must take a more inclusive approach to policymaking. This type of decision mechanism includes a variety of stakeholders, policy officials, and other key actors [31]. Also, the public discussions should include the marginalized population groups so that their voice can be sufficiently heard, their requests can be satisfied, and their rights can be effectively protected. Public managers can adopt strategies like participatory budgeting and community consultations to establish trust and promote a sense of control and ownership among citizens. It's important to comprehend that participatory utensils and public matters are significant in people's daily lives and communities [32].

In terms of public management, public administrators should emphasize sustainability when they are making decisions about public issues, establishing it as a central focus in the following decades [33]. They can combine the solutions to environmental issues with the establishment of public policies and the promotion of sustainable developments. In addition, governments can cooperate with private companies and non-governmental organizations like environmental protection groups to achieve sustainability purposes.

Finally, to reestablish public trust in the government and the government institutions, public administrators ought to strengthen accountability mechanisms like extra-bureaucratic mechanisms within the context of democratic governance systems [34]. The public managers can elevate accountability through the operation of strong oversight and evaluation mechanisms, along with the elevation of transparency in the public policies and their implementation. Under this circumstance, the government can possess the credibility to regulate individuals' behaviors and promote their ethical deeds and integrity so that it can establish a more stable and harmonious society.

8. CONCLUSION

The paper explores the current challenges encountered by public managers in modern capitalist societies and illustrates the multiple aspects of these problems. Through analyzing the reasons that result in these problems, the paper puts forward the reaction strategies to update the governance models and elevate the efficiency of management, which includes adopting adaptive and adjustable

government mechanisms, utilizing advanced technology to promote the quality of public service, taking a more inclusive approach to policymaking to increase the participation of citizens, emphasizing stability in decision making, and strengthening accountability mechanism in decision making. These strategies are expected to counteract the negative impacts generated by the challenges and create a more stable and long-lasting mechanism of public administration and social treatment. In this way, public administrators can contribute to the establishment of a highly developed, multicultural, equitable, sustainable, and harmonious society.

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