

The POLITICS of PUBLIC MANAGEMENT

Philip B. Heymann



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of
Public Management*

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*To Ann,
My Frequent Editor,
My Constant Supporter,
and
My Dearest Friend*

Preface

In March 1966 I was appointed acting administrator of the Bureau of Security and Consular Affairs (SCA), a State Department unit that began as the creation of the fiercely anticommunist senators and congressmen of the 1950s but had taken on a decidedly liberal coloration in the early 1960s under the Kennedy administration. My predecessor and former boss, Abba Schwartz, had resigned shortly after my arrival amid a flurry of front-page newspaper articles noting that there had been a secret reorganization plan designed to push him aside and defining his resignation as a victory of the hardliners over the liberals, a victory that would have been impossible, many papers suggested, if John F. Kennedy were still president.

Two years in the Air Force's Office of Special Investigations and four years in the Department of Justice had hardly prepared me for the intensely political world of SCA. The bureau was established in 1952 to supervise action on the requests of foreigners for visas (the permission one government grants to the citizens of another to enter the former's territory) and on the requests of U.S. citizens for passports permitting them to travel abroad. Considerations of internal security were prominent throughout the 1950s in the Visa Office and the Passport Office, both of which reported to the administrator of SCA. The bureau originally also had charge of guaranteeing the internal security of the Department of State and the loyalty of its personnel, but these responsibilities had been divested before my arrival.

When I arrived the Passport Office was still headed by Frances Knight, a powerful bureaucratic and congressional infighter. She had been appointed in 1955 to replace Ruth Shipley, who was even more passionately

anticommunist than Ms. Knight, though hardly as competent in either administration or politics. Over the years Ms. Knight consolidated her power, while supervisors at higher levels came and went. She carefully built a constituency among powerful conservatives in both houses of the Congress. Special consideration and assistance in the delivery of passports made her widely popular on Capitol hill.

The conservatives who had been dominant in the State Department and on the hill during the 1950s encountered some strong opposition in the early 1960s. For Knight the opposition was symbolized by Abba Schwartz, who was determined to move our travel policies toward greater openness. In particular, the two battled over the right of a person denied a passport on the ground of being communist to confront his or her accusers.* Schwartz won, but these battles escalated into a bitter war in which differences in personality heightened the conflict of ideologies. Knight used her powers of influence on the hill to have Schwartz harassed constantly. He retaliated with his powers in the bureau. All this was the background to a secret effort to reorganize the bureau out of existence, leading to Schwartz's resignation.

My objectives when I was appointed acting administrator were simple enough. I wanted to continue Schwartz's liberal, free-travel policies; to bring some peace to that area of constant conflict; to develop a personal reputation for competence in managing a government agency; and to improve the atmosphere for a variety of initiatives promoting a more open society. With the first objective in mind, I made what seemed a rather straightforward decision within a few weeks of assuming the position. Seeing a cable signed by Frances Knight asking one of our embassies for all information that came to its attention on a traveling American, I directed her personally and in writing to keep the Passport Office out of the investigative business unless some investigative agency had requested help. We were, I said perhaps too piously, not charged by Congress with any investigative responsibilities. I could find no sign in the file of a request from the FBI, although weeks later Knight produced one.

I still regale students with the account of what ensued in the next two or

*In the following chapters, the pronoun "he" will generally, though not always, be used to stand for both sexes. Though I regret the sacrifice of apparent gender neutrality, the practice allows me to avoid frequent use of the cumbersome "he or she" or a frequent confusing rotation of terms.

three weeks. The results were a shambles. Within a month of taking over I had completely lost control of the situation. Knight's cable and my directive to her were promptly leaked to the press. I abruptly found myself engaged in a front-page battle with her that drew in, as allies or opponents, powerful senators, the secretary of state, and the attorney general. In this whirlwind of impassioned confusion, the director of the FBI, J. Edgar Hoover, decided I was a new political opponent. He wrote to the secretary of state suggesting my dismissal and then temporarily abandoned a not very useful and not very offensive investigative program under which the FBI requested information on Americans abroad.

But I did not accomplish any of my broader objectives. I would find it harder, not easier, to pursue my agenda in a political context so recently riven by a meaningless conflict between liberals and conservatives. No prospect remained of bringing some peace and reason to the area. Having failed to show much competence in managing one troubled area, I would find it harder to convince others to allow me to handle necessary decisions in the future. I decided then and there that I had better study what had gone wrong.

By a year later I had learned some things essential to doing better. Before leaving the Bureau of Security and Consular Affairs I wanted to encourage the travel of foreigners to the United States by extending the duration of visas allowing brief visits to the United States. Under existing rules visas had to be renewed every four years. I saw no reason why some visas could not remain valid until revoked. Such a policy would not affect the permitted length of each stay in the United States. If any internal security risks developed, we could always revoke the visa.

By that time I had become far wiser in the ways of bureaucratic politics. I knew that my proposal would open up old battles over internal security, even if it posed no real risks. The impact of the past on the present, the importance of history, was not a matter I would again forget. By then I also knew that timing was crucial to controversial proposals. I wisely did nothing to create a revocable visa of indefinite duration until a balance-of-payments crisis led the president to seek proposals for expanding trade and travel to the United States. I had learned that the power that some executive officials and legislators have with others must be earned and then used in the formulation of alliances. And so I relied importantly on the help of my subordinate, the director of the Visa Office, who had far more influence with legislators who could block my proposal than I had.

I saw the importance of the design of the proposal; it would seem less threatening if the visa had to be re-stamped in the foreigner's passport whenever the passport expired. I recognized a far wider range of concerns of officials in the executive and legislative branch; and I studied the relations among these concerns. The representative whose opposition I most feared (because of his subcommittee chairmanship and his very conservative views) cared about more than internal security; he wanted to be consulted and treated as a central player, and he wanted to be seen as cooperating with the president's efforts to deal with the balance of payments. The secretary of state would worry about the change only so long as that most conservative congressman opposed it.

Finally, I had seen my own stakes and designed a plan of action around them. I wanted a working, regularly used addition to the system of visas, not a liberal symbol. That would require the unforced enthusiasm and support of the head of the Visa Office. I wanted a change that would last. Early consensus among liberals and conservatives and a developing constituency of literally millions of foreigners holding indefinite visas would tend to assure this result. I wanted to improve the atmosphere for sensible reductions in other travel restrictions. I could see that a visa good for at least as long as the life of a foreigner's passport—as much as ten years—would strengthen the case for extending the life of American passports, a step taken by my successor a few years later.

And I wanted to begin to enjoy the benefits that flow from a showing of political and managerial competence: being accorded more independence and deference within the areas of my jurisdiction, having these areas expanded, being given authority and resources I previously lacked, being invited to participate actively in decisions by other government agencies that affected my jurisdiction, and even being consulted by others on matters outside the area of my responsibilities. Each of these are the implicit consequences or the explicit rewards of actions warranting the confidence, respect, deference, and occasionally fear of other important political actors. The indefinite visa helped; the confusion and disarray of the passport matter had hurt.

I had learned a good deal. But I knew something was still wrong if so much calculation and weeks of personal effort were needed to accomplish an obviously sensible regulatory change within my own jurisdiction. I was acting without the power or assurance that would have come from enjoying the confidence of the secretary of state. Without that trust, I lacked a

valuable resource in dealing with others. I had put together a successful initiative without knowing the crucial legislative leaders and being able to draw on their support. The secretary of state and others would have given me far more leeway if they had had reason to believe that I could handle the congressional relationships.

More than personal knowledge and established relationships would have been required to build the resources I lacked. The secretary of state, powerful members of Congress, and interest groups would want to know what the goals and plans of the Bureau of Security and Consular Affairs were and to have those goals reflect their own views as well as mine. The politics of management is broader than bureaucratic politics and involves more than obtaining discrete favorable decisions. It requires developing a coherent, defensible strategy for the organization. I first started putting that wisdom to work a decade later when I was asked to head the Criminal Division of the Department of Justice.

The book that follows is based not only on my own government experiences but, equally important, on the scores of case studies of government officials' political and managerial actions compiled by me and my colleagues at the Kennedy School of Government and other similar schools. The subject is a special sort of politics: the politics of management. It is not the politics of getting elected, but the handling of the policy choices that are faced thereafter by unelected officials, albeit in the light of electoral politics. It is not bureaucratic politics, for a wise manager is far less interested in the techniques of winning on a particular occasion than in the techniques of guiding an organization constructively and creatively over years in a world of powerful political forces. It is not about the management tasks of organizing and controlling one's subordinates in their work; it is about the problem of maintaining legislative and public support for an agency and for the goals of its leader.

The literature in the area of my concern is often brilliant but always addressed to a somewhat different set of questions. I looked at the extensive work on private management, but it did not address the particular management question that concerned me, although I have borrowed and modified the concept of management strategy as it is set forth in Kenneth Andrews's famous book, *The Concept of Corporate Strategy*. I have read much of the excellent political science literature on legislative committees, the effects of legislative rules and procedures, the handling of constituents,

pressure groups, and public opinion, and the symbolic uses of politics. But Richard Fenno, Lewis Froman, Jeffrey Pressman, David Mayhew, Thomas Reid, Arthur Maass, and even John Kingdon and Murray Edelman were addressing a somewhat different set of questions from a quite distinct, descriptive perspective. On the executive side of government, Morton Halperin and Anthony Downs have both made important contributions to the study of bureaucratic politics, but my interest begins where theirs leaves off: when bureaucratic politics becomes submerged in the longer-term, more encompassing politics of management. Graham Allison's splendid *Essence of Decision* has much to teach, but its purpose is explaining not prescribing. Hugh Heclo's study of the relations of appointees and careerists and Harold Seidman's exploration of the identity of government organizations both convey essential lessons, but each is more limited in focus.*

I decided that the way to understand—and, far more difficult, to express relatively clearly yet concisely—how an effective political actor thinks about getting results in the short run and the long run would be to examine and then generalize from a large number of actual cases. I wanted to see what categories emerged from my own experience and scores of long conversations with other political actors and from an examination of many events in varied settings. Richard Neustadt's *Presidential Power* held up a hard-to-match model, but it focused entirely on the presidency.** I was

*See Kenneth R. Andrews, *The Concept of Corporate Strategy*, 2d ed., rev. (Homewood, Ill.: Richard D. Irwin, 1971); Richard F. Fenno, Jr., *Congressmen in Committees* (Boston: Little, Brown and Co., 1973); Lewis A. Forman, Jr., *The Congressional Process* (Boston: Little, Brown and Co., 1967); Jeffrey L. Pressman, *House vs. Senate: Conflict in the Appropriations Process* (New Haven: Yale University Press, 1966); David R. Mayhew, *Congress: The Electoral Connection* (New Haven: Yale University Press, 1974); T. R. Reid, *Congressional Odyssey: The Saga of a Senate Bill* (San Francisco: W. H. Freeman, 1980); Arthur Maass, *Congress and the Common Good* (New York: Basic Books, 1983); Murray Edelman, *Politics as Symbolic Action: Mass Arousal and Quiescence* (New York: Academic Press, 1971); Morton H. Halperin et al., *Bureaucratic Politics and Foreign Policy* (Washington, D.C.: The Brookings Institution, 1974); Anthony Downs, *Inside Bureaucracy* (Boston: Little, Brown and Co., 1967); Graham T. Allison, *Essence of Decisions: Explaining the Cuban Missile Crisis* (Boston: Little, Brown and Co., 1971); Hugh Heclo, *A Government of Strangers: Executive Politics in Washington* (Washington, D.C.: The Brookings Institution, 1975); and Harold Seidman, *Politics, Position and Power* (London: Oxford University Press, 1975).

**Richard E. Neustadt, *Presidential Power: The Politics of Leadership from FDR to Carter* (New York: John Wiley and Sons, 1980).

interested in the vast body of decisions made with little if any presidential involvement. What could be learned from studying many such cases?

For the general reader, I hope to explain some of the mystery in what political actors do. For the person undertaking a new governmental responsibility, this book offers the diverse experiences of a large number of political actors as a partial substitute for learning through slow, limited, and often painful experience. At a minimum it should tell new government officials how to avoid major and common mistakes. My larger ambition is to show them how to perform effectively in an extremely complicated environment of bureaucratic, legislative, and electoral politics.

Dialogue makes ideas grow. I am indebted to a number of colleagues with whom I have discussed the ideas in this book and who have provided the encouragement that comes from a shared enthusiasm for the subject. Robert Reich of Harvard's Kennedy School of Government and Ted Marmor of Yale's School of Organization and Management deserve my special gratitude. I have also profited from discussions with Professors Richard Neustadt, Martin Linsky, and Mark Moore at the Kennedy School. The editing by Marian Neal Ash and Nancy Jackson consistently improved the text. The reader will see that I owe a good deal to the carefully researched case studies that underlie each of the chapters. They are the product of an operation that has been led for more than a decade by a succession of talented directors: Steve Hitchner, Stephanie Gould, and Dottie Robyn. The cases I have used were written by Esther Scott, Paul Starobin, David Kennedy, Ronald Beaulieu, Donald Lippincott, Mark Kleiman, Eric Stern, Nancy Dolberg, Jeanne Johns, David Whitman, James Dillon, Dennis Aftergut and Arthur Applbaum. I also owe thanks to them. With the generous permission of everyone I could reach from the case study program I have incorporated parts of their descriptions of events without quotation or attribution. Quotations not attributed to other sources should be assumed to come from the case studies. Finally there are the friends who have worked tirelessly over a manuscript too often written and rewritten—Tom Potter and Ruth Thomas—and those who have done the crucial word processing—Ruth Block, Cheryl Frost, Debra Scholl Mello, Susan Salvato, and Glenn Strickland.

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PART I

The Politics

of

Management

1 *The World of the Public Manager*

One view of the operations of the executive branch of government has become so familiar that it hardly seems to have competitors. The president develops policies and themes in light of his view of national needs and in response to the electoral considerations bearing on him and his party. He must win the support of the Congress to carry out his goals. As chief executive he has the additional responsibility and burden of dealing with massive organizations having their own momentum and their own ties to the legislature. Finally, the problem of making choices and executing decisions is compounded by the somewhat independent policies and interests of his major subordinates and by the bureaucratic politics through which they exercise influence and garner power.

Even when attention focuses on bureaucratic politics or on the inertia of large organizations, the central problem is seen as how to get intelligent decisions and effective control at the center of an immense executive branch—perhaps by the White House or, analogously, by a cabinet secretary attempting to deal with lesser units. Considerations of orderly, coherent organizational structure and respect for the legitimacy of the president's electoral mandate seem to dictate this perspective. But it is not the only one.

With equal plausibility the operations of the federal government could be described in radically different terms and from a radically different perspective: a world of quite independent organizations largely steering their own course and guiding their own futures, although always required to respect whatever legal and moral obligations are imposed upon them by

the Congress and the president (or bureaucratic superiors) and prudentially bound to recognize their need for continuing support from the president and the Congress. Within these constraints, in this alternative view, each organization develops its own plans and visions of the public good and of the necessary conditions for its own health and survival.

This perspective assigns a far more central role to the leaders of the hundreds of government organizations, who generally decide for themselves what must be done or provide the options, persuasion, and political support that give strength and momentum to a particular alternative placed before the president or the Congress. After all, an organization's leaders enjoy a near monopoly over crucial information about its capacity, the relationship of that capacity to the nature of the problems others want addressed, and the array of other powerful players with inconsistent views on the future of the organization. Thus the leaders are guaranteed a great influence and perhaps even a veto power over new directives.

From this second perspective, the central problem is how an organization charts its path, for most decisions about what each government organization will do (and thus what government as a whole does) are made at the organizational level. And these decisions are determined by the manager's choice of plans to "market," in light of known congressional and presidential demands, to a variety of others, all of whom have something to say about the future of the organization but none of whom can displace the manager in the ultimate decision reconciling those demands. The government manager's primary job thus becomes steering the organization into the production of a desirable set of services—desirable in terms of the choice of product itself as well as the effectiveness and efficiency of production. And the product itself is more than the services offered; it is also a public statement about what is important and whose concerns deserve attention.

In this model the government manager has one final responsibility: to maintain the health of the organization by seeing that it adjusts to new political demands. The health of the organization does not mean the well-being of its employees, but rather its capacity and credible reputation for effectively discharging its present responsibilities and for being able to take on new tasks important to powerful political forces. In many respects, then, the leaders of a government organization resemble the leaders of a private corporation. Both guide ongoing, self-conscious organizations

seeking a niche in the world by finding needs they can fulfill better than their competitors.

The President's Need for Others to Set Directions

There is no need to choose between the two models of the operations of the federal government. Both have validity. My point is simply that the second model should not be ignored. Beyond its descriptive powers, it has normative force, for the president (or any bureaucratic superior) has many reasons for wanting subunit heads to adopt this perspective.

Most of the matters to be handled by the federal government simply do not bear on the president's major programs, electoral demands, and needs for legislative support. The best he can do is to make clear to those who manage government organizations the broad themes and specific proposals of his administration, the important political stakes and constituencies he will rely on to stay in office, and his need for congressional support for various initiatives (support that may be affected by the actions of a sub-cabinet or cabinet officer) and to demand respect for these concerns. But these messages will not touch most of the decisions the manager must make; and the time of White House staff should not be spent resolving matters only marginally related to what the president hopes to accomplish.

Beyond this, a sensible president simply does not want his concerns automatically to control even relevant matters. Rather he would like the manager to weigh presidential concerns intelligently against others. How far the president wants his suggestions to be carried depends on the cost of the changes they invite. Costs are more than dollars and lost services; they include such matters as an unanticipated battle with a powerful legislator or angry attacks in the media. It is appointed managers who must assess the costs of the president's suggestions. Their view of the ultimate balance and suggestions about less costly alternatives are likely to be central factors in what is done.

A person who heads a government department or bureau becomes the administration's expert on a set of crucial matters: the nature of the programs in the area, the situations with which they are intended to deal, their efficacy and failures, the capacities of the organization, and the views and powers of other interested parties who can influence the agency or the administration. The president can, in short, determine who is in charge of a