Case 1.1

Accountability: Waterboarding, the CIA, and Government Contractors

On February 7, 2008, the House Permanent Select Committee on Intelligence held its annual hearing to assess the threats that the United States faced around the world. In the middle of the hearing, Rep. Jan Schakowsky (D-Ill.), questioned Central Intelligence Agency (CIA) Director Michael V. Hayden about the use of the waterboarding interrogation technique on individuals suspected of plotting terrorist attacks against the United States.

The technique, in which interrogators pour water over the hooded heads of suspects to simulate drowning, came under harsh attack in the years after the September 11, 2001, attacks. Critics argued that the technique amounted to torture and should not be used by the United States, regardless of the possible danger of terrorist attacks against Americans. Proponents argued that waterboarding was not torture and that it constituted a reasonable approach to questioning individuals who might have knowledge about pending terrorist attacks.

In the midst of the questioning came a huge surprise. Not only did Hayden publicly reveal that the CIA had used waterboarding, but he also said that contractors—nongovernmental employees hired to work for the government—had been involved in the government's interrogation programs. Moreover, he thought that the contractors might have participated in the waterboarding, but he was not sure.

Here is an excerpt from the session between Schakowsky and Hayden:[1]

REP. SCHAKOWSKY: So are you saying, you know, you had harsh interrogation techniques that are often justified by this ticking-time-bomb scenario that, you know, attacks are imminent? But why has the CIA employed harsh interrogation techniques, even once those immediate, imminent threats have passed?

GEN. HAYDEN: Well, all the techniques that we've used have been deemed to be lawful. We used waterboarding on three individuals under what were fairly unique historic circumstances: number one, a belief across the community that further catastrophic attacks were imminent; number two, an admittedly weak understanding of the workings of al Qaeda. No, those two situations do not pertain at the current time. The third leg of the stool, on which we stood at that point in time, was the inherent lawfulness of the activity. Now, all three of those things have changed. We have far more knowledge of al Qaeda. And although the threat continues, the imminence of the attack is not apparent to us.

REP. SCHAKOWSKY: Okay, my time is ticking away. . . . Are contractors involved in CIA detention interrogation programs?

GEN. HAYDEN: Absolutely.

REP. SCHAKOWSKY: Were contractors involved in the waterboarding of al Qaeda detainees?

GEN. HAYDEN: I'm not sure of the specifics. I'll give you a tentative answer: I believe so. And I can give you a more detailed answer—

REP. SCHAKOWSKY: And are they bound by the same rules enforced for other government personnel?

GEN. HAYDEN: They are bound by the same rules enforced for the Office of the Central Intelligence Agency.

REP. SCHAKOWSKY: Thank you.

Questions to Consider

1. Do you believe that the U.S. government should allow harsh interrogation techniques such as waterboarding? Note that Congress has delegated substantial power to the CIA, but it has neither approved nor denied the CIA's power to use this technique.
2. How can—and should—CIA employees be held accountable for the use of such power?
3. Do you think it matters, in answering question 2, whether the individual performing the waterboarding is a CIA employee or a private contractor hired by the government agency?
4. Do you think it matters that the CIA director was not sure whether or not contractors were the ones performing the waterboarding?

Notes

1. House Permanent Select Committee on Intelligence, *Annual Worldwide Threat Assessment* (February 7, 2008), www.fas.org/irp/congress/2008_hr/020708transcript.pdf.

Case 1.2

Snow Removal in the Blizzard of 2010: Who Gets Plowed First?

Throughout much of the East Coast, the winter of 2010 was painfully burned in everyone's memory. Children looking forward to snow days had their dreams fulfilled—and then some. By mid-February, the Washington, D.C., area had already shattered the all-time record for snow, with 55 inches of accumulation. For a time, Baltimore, Maryland, had more snow than Buffalo, New York. Many football fans found themselves stuck at home instead of partying with friends for the Super Bowl. Some local universities were shut down for a week as the snow removal crews struggled to dig out the sidewalks and parking lots.

Most people in the area tried to bring good humor to the onslaught, but in some neighborhoods snow plow drivers were threatened by angry residents. Stuck for days and watching the plows drive by without dropping their blades, some residents of a neighborhood in Prince George's County, a Washington, D.C., suburb, told several snow plow drivers that they were going to "throw them out of their trucks and beat them up" if they didn't stop to plow their streets. Other drivers called 911 for reinforcements when angry taxpayers made threats. A county spokesperson said that the drivers "are working as hard as they possibly can." She explained, "I understand people are frustrated. . . . Obviously we know we have work to do and we're trying . . . just as hard as we can. We want to go home."[1]

In nearby Arlington County, across the Potomac River, county officials pointed to their snow removal priority plan with a sophisticated map that charted which streets the plows worked on first. Plowing starts when the snow becomes two to four inches deep. The snow crews focus on priority areas: snow emergency routes marked with bright signs, main arteries, roads leading to hospitals and fire stations, and the areas around subway stations and police stations. Crews work twelve-hour shifts, get twelve hours off for food and sleep, and then come back to work again.[2] Even that effort struggled to keep up with 2010's blizzards of the century, and for months afterwards residents complained about being marooned. Why, they asked, couldn't the government plow them out faster?

Questions to Consider

1. Assume you are the head of the department of public works of your county. You're in charge of snow removal. What streets would you plow first?
2. What would you say to residents whose streets end up at the bottom of the plowing priority list? After all, they will tell you: they pay taxes, too!
3. Following the blizzard, Arlington County considered an ordinance that would require local residents to join with the county in the snow removal effort. In particular, "the ordinance first would require all property owners to remove snow and ice adjacent to their property, creating a path that is a minimum of thirty-six inches wide (to accommodate wheelchairs, strollers, and adults with children in hand) within twenty-four hours after the snow stops falling, when accumulations are less than six inches, and within thirty-six hours when six or more inches of snow accumulate. Failure to comply with the ordinance could result in a civil penalty." Would you favor the passage of such an ordinance, which brings individual citizens into a partnership with government in providing public services? What would you do for older and disabled residents, who might not have the physical strength to shovel their sidewalks? Just how far should a government's reach into an individual's property go?
4. One official of a Midwest town once admitted that the town had a special snow removal plan for election day. If it snowed, he said, there was a plan to make sure that the "right" neighborhoods—those most likely to vote for the mayor—were plowed first. The other neighborhoods—those most likely to vote for the mayor's opponent—would have to wait much longer. Do you think that this is a proper use of government's power—of the way that administrative decisions shape values in society?

Notes

1. Johnny Mummolo, "Snow Removal Workers Threatened in Prince George's, Official Says," *Washington Post* (February 11, 2010), http://voices.washingtonpost.com/annapolis/2010/02/snow_removal_workers_threatene.html (accessed September 8, 2010).
2. http://www.arlingtonva.us/departments/EnvironmentalServices/uepd/snow/EnvironmentalServicesSnow.aspx.

CASE 5

Google Earth versus Privacy in Riverhead, New York

In Riverhead, New York, town officials launched an aggressive campaign to find backyard swimming pools whose owners hadn't obtained the required permits to build them. As the town's chief building inspector, Leroy Barnes Jr., explained, "It's a safety issue more than anything else." Faulty plumbing could cause water damage to neighboring properties. If electrical wiring for lights or filters were installed

Okun, Arthur. *Equality and Efficiency: The Big Tradeoff.* Washington, D.C.: Brookings Institution, 1975.

Waldo, Dwight. *The Administrative State: A Study of the Political Theory of American Public Administration.* New York: Ronald Press, 1948.

Wilson, Woodrow. "The Study of Administration." *Political Science Quarterly* 2 (June 1887). Reprinted in *Political Science Quarterly* 56 (December 1941): 481–506.

Suggested Websites

The Internet contains a vast reservoir of information about public administration and public organizations. A good place to explore the subject is with the associations that focus most on the field: the American Society for Public Administration (**www.aspanet.org**) and the National Academy of Public Administration (**www.napawash.org**).

Moreover, the federal government has an excellent search engine that provides easy access to the huge amount of data, reports, and programs produced by the government: **www.firstgov.gov**. In addition, **www.searchgov.org** is another valuable source for information about the federal government's activities. Most state and local governments have their own websites as well. This link—**www.statelocalgov.net/index.cfm**—provides an easy index to the state and local government websites.

Case 2.1

The Administrative State: Enforcement of Speeding Laws and Police Discretion

Attention, motorists! Driving through the East Coast? You might want to check out a website sponsored by the National Motorists Association (NMA), called Speed Trap Exchange, at www.speedtrap.org. Here's what their writers have to say about a particularly notorious stretch of the Interstate 83 highway near York, Pennsylvania:

> The Interstate goes from 65 to 55 mph but with absolutely no change in the highway construction, condition, or population densities as it's out in the country. It just so happens that just off the Loganville exit is a state police barracks which makes it awful convenient for them to work this stretch of road.[1]

A reader chimes in with her two cents below that entry, "My mother lives in PA, and I have seen troopers measuring speed in that area—especially where that little cut-out is on the southbound hill of I-83.

Troopers in PA have to use stationary radar, so they have learned to be quite creative with their hiding places." Even if we'd like to spare this person a ticket on her way to her mother's house, doesn't it seem a little, well, *dishonest* to share this kind of information? Isn't the speed limit the speed limit—in other words, the law—after all?

Ethically challenged? Maybe. But, in fact, the idea that the speed limit is whatever the officially posted limit sign says it is misses the point. The posted limit may be the official maximum, but everyone knows that these posted limits often have little meaning in reality, a fact that the NMA apparently both recognizes and embraces.

Sometimes, traffic moves along at barely a crawl. Congestion, poor road engineering, and the unpredictable behavior of drivers can limit speeds. On clogged roads, the posted limit can seem a distant dream instead of a realistic limit. On wide-open roads, in contrast, many drivers have discovered that if they drive at the posted limit, most other traffic goes flying past them.

So what is the real speed limit? It's the speed at which one can safely drive without being pulled over by the police or a state trooper and issued a citation. On an interstate highway, the conventional wisdom is that a driver can drive at 5, or perhaps 7, miles per hour over the posted limit with little fear of being stopped and ticketed.

Does that mean that if the posted speed is 65 mph, the speed limit is *really* about 72 mph? Not quite. If a driver is clocked by radar for going 71 in a 65-mph zone, the fact that the driver's speed is under the conventional-wisdom limit would be no defense in traffic court. Police officers can—and do—issue citations for driving at that speed. But if the police stopped everyone going just a bit over the posted limit, they would spend all their days and nights stopping just about everyone. Aggressive speeders might then get a free pass, because the police would be so busy stopping people driving just a few miles over the limit that they might not catch the super-speeders, drunk drivers, and others who are reckless on the road. As a result, the highway death toll might shoot up. In short, the real speed limit is determined less by what the posted limit is than by how the police choose to enforce it.

It is one thing for elected officials to pass a law, create a policy—such as a speed limit—and post it for all to see. It is quite another to translate that policy into action. When it comes to the speed limit, how that process works depends on the discretion that police officers and state troopers exercise as they patrol the nation's highways. The police invest a great deal of time in deciding how best to exercise that discretion: where most effectively to concentrate their energy, according to their best judgment about how to save the most lives, improve traffic flow, and (sometimes) increase the flow of cash to the local government.

Governmental policy on the control of speeding depends not only on how the police translate the official limits into their operating plans but also on how individual police officers, often operating alone in cars with no supervision, decide to exercise their own discretion. Should a police officer ticket a husband who is driving fast to get his wife to the hospital because she is in labor? Should the officer just issue a warning to someone who says, "Gee, officer, this is my first ticket"? Should the officer concentrate on easy pickings—drivers with out-of-state licenses who will most likely want to settle quickly so they can get on their way? And should the officers' commanders—and the elected officials who set policy—worry if different officers make these decisions in different ways, so that the real speed limit depends ultimately on the subjective discretion of the individual officer operating the radar in the police car?

The work of government bureaucrats (for that is what police officers are) extends far beyond enforcement, reaching into policy planning, development, and research. Some of the world's leading experts on traffic safety work for the U.S. Department of Transportation's Federal Highway Administration (FHA). A fascinating study conducted by the FHA in 1992 found that changes in the speed limit—lowering it by as much as 20 mph or raising it by as much as 15 mph—had little actual effect on drivers' speed. Moreover, the FHA found, *most* drivers regularly exceed the speed limit. Lowering the speed limit below the 50th percentile (that is, to a speed lower than that at which half the drivers drive) did not reduce accidents—but it did increase the number of violations.

Where should state and local governments set the speed limit? The FHA determined that it should be set at the 85th percentile (the speed on any given road at which 85 percent of the drivers drive slower and 15 percent drive faster). Because most accidents are caused by people who drive *very* fast, setting the limit at the 85th percentile would allow most drivers to drive as fast as is reasonable and safe, and it would allow the police to focus their attention on those drivers who are most likely to cause accidents.[2]

Having that FHA data in hand isn't the end of the story, however. Policymakers often resist such seemingly sound advice on setting the speed limit as different constituents weigh in on the ramifications of raising or lowering the limit. Higher speeds burn more gasoline, so environmentalists often favor lower limits. In many western states, drivers chafe at even high limits and press for even higher limits—as high as possible—and enforcement as loose as possible. A string of accidents on a stretch of road can create enormous pressure on policymakers and police officers for a crackdown. Citizens demand that governments respond to their preferences. When it comes to speed limits, policymakers need—and want—administrators to be accountable, because if lax enforcement of speeding laws causes accidents, the political costs for politicians can be very high. But when it comes to setting and enforcing speed limits, that's a tough tradeoff. In the end, one thing is clear: the posted speed limit is one thing, but the government's actual policy against speeding may be quite another.

Questions to Consider

1. The announced policy on speeding usually does not match the policy as the police actually enforce it. Why? What forces are at work?
2. Should citizens worry that there seems to be such a gap between policy and administration?
3. Where the speed limit policy posted on traffic signs and the actual enforcement behavior of the police differ, what issues are potentially the most difficult to resolve?
4. Police are bureaucrats—but so are the technical experts who have conducted published studies on the speed limits. What impact can—and should—government's bureaucratic experts have on its policy?
5. Who is responsible for what in this surprisingly complex system: framing policy options, setting overall policy, setting patrol strategies, and enforcing the policy on the roads? What does this tell us about the politics of the administrative process?

Notes

1. See Speed Trap Exchange, www.speedtrap.org/speedtraps/comments.asp?state=PA&city=York&st=18369 (accessed November 9, 2004).
2. Federal Highway Administration, U.S. Department of Transportation, *Effects of Raising and Lowering Speed Limits*, Report FHWA-RD-92-084 (October 1992). See also Elizabeth Alicandri and Davey L. Warren, "Managing Speed," *Public Roads* (January–February 2003), www.tfhrc.gov/pubrds/03jan/10.htm.

Case 2.2

Should Private Contractors Be Guarding Government Buildings?

Vernon Hunter and his wife Valerie both worked for the Internal Revenue Service in Austin, Texas. They both loved their jobs, but Vernon, age 67, was thinking about leaving the government and spending some quiet years in retirement. For Vernon, a Vietnam War vet, those thoughts ended abruptly in February 2010. Joseph Stack, a man with a long grudge against the IRS, posted a hate-filled diatribe on the web, set fire to his own home, drove to an airport, and took off in his plane. He seemed to have aimed it directly at the portion of the building occupied by the IRS. Valerie heard the explosion, and when she couldn't find Vernon right away, she assumed he was helping others out of the fire. Only later did she discover that Vernon died in the explosion caused by the plane's fuel tank.

Attacks on government buildings have worried security officials even more since the September 11, 2001 terrorist attacks. Timothy McVeigh's 1995 assault on the Alfred P. Murrah Federal Building, an Oklahoma City federal government building, a truck bomb that killed 168 people, showed how vulnerable government facilities could be. Other attacks, including Russell Eugene Weston Jr.'s 1998 attempt to shoot his way into the U.S. Capitol and James W. von Brunn's 2009 attack on Washington D.C.'s Holocaust Museum, showed the risk. But just how vulnerable are government buildings to such attacks?

Government investigators decided to find out. The Government Accountability Office, Congress's investigatory agency, sent undercover operatives into federal buildings with guns, knives, and fake bombs. In eighteen tests, the guards detected the weapons—but they missed them thirty-five times, for a two-thirds failure rate. At one facility, an investigator put a bag containing a fake bomb onto a belt for an x-ray check. The guard missed it and the investigator was able to pick up the bag and carry it into the building. In another test, an inspector put a bag holding a fake gun on the belt. The guard caught this one, and held the inspector off in a corner—but without a further search or handcuffs, as the rules required. As the guards concentrated on the first decoy, a second inspector walked right through the checkpoint with two knives—and without being stopped. In a broader check, investigators were able to get into ten different facilities with the materials they needed to build a bomb.[1]

Is this a failure of government security? The answer to that is clear. But is it a failure of government security guards? That, as it turns out, is a far tougher question. The agency responsible for security in federal buildings, the Federal Protective Service (FPS), employs 1,225 persons—but is responsible for 2,360 federal facilities. How does it plug this gap? With 15,000 private security guards, working under contract to FPS. In fact, though most visitors never notice it, the shoulder patches on the arms of most guards protecting the majority of most federal buildings show they work for private companies. The Secret Service guards the White House. But, for many years, the guards charged with preventing terrorists from storming the facilities manufacturing parts for nuclear weapons—including sites stocked with plutonium, perhaps the most dangerous substance on the planet—were from private companies. On a visit to one such plant, I talked with a guard who proudly told me he was trained on twenty-one different weapons. He worked for Wackenhut, one of the world's largest private security companies.

But the combination of rising threats and the government's high reliance on private guards has made many members of Congress uneasy. Rep. Sheila Jackson Lee (D-Tex.) has argued that FPS ought to be required to shift more of its guards from private contractors to federal employees. She pointed to the decision to federalize airport inspectors after the September 11, 2001, terrorist attacks. "Many of us believe that it may be time to un–privatize the contractors of the Federal Protective Service or at least put in higher requirements," she said.[2]

Questions to Consider

1. Do you think that it matters *who* provides security at government facilities? Why? Fans of contracting say that whoever can do the job for the lowest cost ought to get the work. Opponents counter that protection is an inherently governmental activity that ought to be performed by government employees.
2. Do you like the idea of arming private employees and allowing them to shoot to kill, in the interest of protecting government buildings and their employees? Or should lethal force be a power given only to government guards doing the government's work?
3. More generally, how would you sort out the work that you think government ought to perform? And who ought to perform that work on behalf of government?

Notes

1. U.S. Government Accountability Office, *Homeland Security: Federal Protective Service's Contract Guard Program Requires More Oversight and Reassessment of Use of Contract Guards*, GAO-10-341 (April 2010), www.gao.gov/new.items/d10341.pdf (accessed September 16, 2010).
2. Ed O'Keefe, "Legislation Would Federalize Private Guards Who Protect U.S. Government Buildings," *Washington Post* (September 14, 2010), www.washingtonpost.com/wp-dyn/content/article/2010/09/13/AR2010091306355.html (accessed September 16, 2010).

Packin' and Pickin': Public Administration of Gun Laws in Nashville, Tennessee

Everyone knows that Nashville, Tennessee, is the home of country music. Its clubs and honky tonks have given birth to newcomers on the music scene, and the Grand Ole Opry was home to legends like Loretta Lynn, Patsy Cline, Tex Ritter, and Johnny Cash. CDs of Nashville's favorite pickers are perennial bestsellers.

But in recent years, Nashville—indeed the whole state of Tennessee—has become known for allowing gun owners to carry their weapons in bars and restaurants. Gun owners with permits (licenses issues by local governments) were allowed to pack their pieces but could not drink while carrying. Bars and restaurants that did not want armed customers could post signs forbidding the guns (although everyone wondered how anyone could tell who was carrying). Rep. Henry Fincher, a Democrat, told his colleagues in the state capitol that "we've made a choice in this state to trust handgun permit holders." He continued, "When we draw imaginary lines on the ground saying we trust you here, handgun-carry permit holder, but we don't trust you there . . . we aren't doing anything but creating a pleasing fiction." Killers, he said, "don't care about those imaginary lines." Rep. Joe McCord, a Republican, countered that lawmakers had to stand up to National Rifle Association lobbying. The NRA, he said, was asking its members to warn legislators that "if you don't vote for carrying guns in bars, we won't endorse you and will in fact oppose you." That argument, he said, was "just bordering on lunacy."[1]

But how—and how vigorously—would Tennessee enforce the law? Police officers were not about to enter every bar and restaurant to frisk patrons. Bar and restaurant owners wanted to be careful about driving away customers. Would banning guns through posted signs help business (by telling people that patrons wouldn't be packing) or hurt it (by missing the chance to cater to NRA members)? And, in planning a night out, how could patrons decide where to go without cruising the streets looking for the presence or absence of patrons don't pack signs?

A Vanderbilt University management professor, Ray Friedman, and his daughter, Toni, decided to enlist friends to canvass bars and restaurants, check for the signs, and post the results on a website, www.gunfreediningtennessee.org/. The premise? "Eat in peace," their website promised. In an email to supporters, Friedman wrote, "Since most Tennesseans do not want guns and alcohol to mix, we believe that letting customers know which restaurants allow guns will put pressure on restaurants to post No-Gun signs (which they can do under the new law)." His goal, he said, was "to use the free-market to limit the effects of the new gun law."[2]

Here was a new law that emerged from an extremely heated debate under the state capitol dome. It contained provisions that public administrators—the police—could not easily enforce. Supporters of the new law wanted to keep the police away from investigating gun permits. Opponents tried to nudge the police out of the central role by creating economic pressure on bars and restaurants to post signs to warn away gun-carriers. It was a new public policy with a very uncertain role for its administrators—and with public administrators caught between warring members of the public.

Questions to Consider

1. What do you think of the new Tennessee law? Policymakers were trying to balance the Second Amendment's right to "keep and bear arms" with the right of individuals to be safe.
2. Do you think that state legislators considered how local public administrators would administer the law in their debates over passing it?
3. Suppose you are the chief of police for a Tennessee city. How would you handle your responsibilities under the law?
4. How does the private website affect the public administration of the law? A small group of private citizens is trying to draw negative attention to the law and to encourage bars and restaurants to ban guns from their establishments. The private citizens, in short, are trying to short-circuit the permissions granted in the new law, but their work is multiplying the number of restaurants where individuals might secretly be packing their pistols in violation of the law. How does that affect the police administration of the law?

Notes

1. Andy Sher, "Tennessee Guns-in-Bars Bill Goes to Governor," *Chattanooga Times Free Press* (May 5, 2010), www.timesfreepress.com/news/2010/may/05/head-tennessee-guns—bars-bill-goes-governor/?breakingnews (accessed September 14, 2010).
2. Michael Cass, "Web Site Shows Restaurants, Bars Where Guns Are, Aren't Allowed," Tennessean.com (September 13, 2010), www.tennessean.com/article/20100913/NEWS02/100913015 (accessed September 14, 2010).

long-term data on federal budget trends. Many of the key budget tables are available for download in Excel format.

In addition, the Congressional Budget Office (**www.cbo.gov**) assembles federal budget data and is especially useful for tracking trends in entitlement and discretionary spending and in federal government revenue.

The best source of information about trends in state and local government finances is the U.S. Census Bureau (**www.census.gov/govs/www/index.html**). For international comparisons, the "statistics" portal at the Organization for Economic Cooperation and Development (**www.oecd.org/home**) is valuable. OECD is an international organization that tracks the policy and financial issues facing nations around the world.

Case 3.1

What Government Does: Getting the Flu Shot

In late fall 2004, 72-year-old Bill Wolfson raced to get to the Runnemede Senior Center in Camden County, New Jersey, in such a rush that he ran a stop sign. Wolfson had heard that the center was holding a flu-shot clinic, and he wanted to be there when the clinic opened. Wolfson had suffered seven heart attacks, he had three sisters to care for, and he wanted to make sure he was healthy enough to get to the casinos during the winter.[1] His health problems and those of his sisters, he argued, made him a high-risk candidate for the vaccine. New Jersey health officials weren't so sure.

In most years, of course, Wolfson's medical history would have been sufficient to qualify anyone for a flu shot. In the 2004 flu season, however, things were very different. An American pharmaceutical company, Chiron, had discovered that 4.5 million doses of the flu vaccine manufactured in its Liverpool, England, plant were contaminated with bacteria. Unsure about how far the contamination had spread, the company took off the market all 46 million doses it manufactured for the season, dramatically reducing the amount of the vaccine that would be available in the U.S. market. Flu annually kills 36,000 people in the United States, and public health officials were understandably worried that a vaccine shortage would drive that number even higher in 2004–2005.

As was soon widely reported, the nation was dependent on just two companies for the vaccine—Chiron, which manufactured its U.S.-bound vaccine in England, and Aventis Pasteur, a French company that manufactured its vaccine for American customers in American plants, using eggs from Pennsylvania farms. Learning that Chiron's problems had eliminated almost half of the U.S. supply, doctors and public health officials scrambled to determine how best to make up the difference for Bill Wolfson and millions of others around the country.

In years past, flu vaccinations had been given free at many public health clinics. Medicare patients—Americans over the age of 65—could have the government pay for their flu shots at their family doctors' offices, and Americans with health insurance usually found that they were covered as well. Anyone could pay $15 or $20 for the vaccine at walk-in clinics in pharmacies and other locations.

Even with the wide availability of the vaccines, many Americans historically had chosen to avoid the inoculations. For the most part, that hadn't presented a major problem. Relatively low demand coupled with spotty administration—some state public health systems were slow to distribute the vaccines or set up few public vaccination clinics—typically hadn't created a crisis situation during flu season. But a particularly virulent strain of the flu struck early in the winter of 2003, causing the deaths of at least five Colorado children. Adams County, Colorado, chief deputy coroner Mark Chavez said, "We have never had a string of deaths like this."[2] Local public health officials who previously had not been able to get people to line up for immunizations were soon swamped by the quick and sometimes fatal spread of the illness. That led to a surge in demand for the vaccines as the winter wore on, and many people were determined to get their shots early in the 2004 flu season.

This combination—memories of the previous year's problems and the sudden disappearance of half the nation's vaccine supply—led to near panic in some communities. A flu vaccine black market, with doses fetching up to $800, sprang up. Doctors reported that burglars were breaking into their offices late at night and looting vaccines from their refrigerators. Seniors with walkers and canes came to public health clinics at 5:00 a.m. and stood in line for hours, only to discover that the handful of doses on hand disappeared within minutes of the clinics' openings.

Democratic candidate John Kerry made the vaccine debacle a big issue in his 2004 presidential campaign, and the flu vaccine problem quickly became entangled in everything from the George W. Bush administration's plans for Social Security reform to Kerry's charges that Bush had mismanaged health policy. But the one issue that the election furor missed was the central one: the chronically poor condition of the nation's public health system.

Chiron's Liverpool plant had been shut down by British government regulators, whose decision surprised the Food and Drug Administration (FDA), the lead U.S. regulatory agency for vaccines. As officials at the FDA and the Centers for Disease Control and Prevention, the chief federal agency tracking health problems, struggled to devise a policy to help alleviate the shortage, state officials complained that they were getting little useful information or guidance from the federal government. Meanwhile, local public health agencies, which ran public clinics and worked with local doctors, had to cope with the long lines and worried citizens.

Those public health officers faced some tough questions—most important, how had the nation become totally dependent on just two companies for its entire flu vaccine supply? Partially to blame was the difficulty of forecasting demand: in some years, when relatively few patients sought the vaccine, manufacturers were left with unsold supplies that could not be used the next year; in other years, demand surged and unhappy patients could not get the shots they wanted. Company officials added that government regulations made it hard for them to make much money on the product, and fewer companies were interested in competing.

A further complication was the process for manufacturing the vaccines, which are grown in hens' eggs over a six-month period. Because mutations in the flu virus make each year's flu strain different from that of the year before, manufacturers have to guess long in advance of the flu season which strains are most likely to occur so they can prepare the most effective vaccine. The extended timetable of the manufacturing process means that neither policymakers nor manufacturers can second-guess either the formula decided on or the appropriate quantity to be produced.

The combination of uncertain markets and costly government regulations, the vaccine manufacturers said, had led many of their competitors to abandon the field. That reasoning, in turn, led some analysts to propose that the government intervene in the market to help make it more profitable, perhaps by guaranteeing in advance the purchase of a sufficient number of doses to make the business more profitable.

But the sudden attention paid to these high-level issues was little reassurance to the 72-year-old man and his friends, many of whom did not receive a flu shot and who hoped to get through the winter without contracting a serious illness.

Questions to Consider

1. What role does—and should—government play in vaccinating the nation's citizens against the flu?
2. Consider the roles of the federal, state, and local governments in flu vaccine policy. What does this say about how responsibility and accountability are distributed in the administrative process?
3. How have international forces come to shape the impact of governmental policy at even the lowest levels of American government?
4. Should the United States change its policy regarding flu vaccines? If so, how should the policy change?

Notes

1. Monica Yant Kinney, "Flu-Shot Scarcity Stinging Seniors," *Philadelphia Inquirer,* October 17, 2004, B1.
2. Quoted in Kieran Nicholson and Karen Augé, "Flu Claims 5th Colorado Child," *Denver Post .com,* www.denverpost.com/Stories/0%2C1413%2C36%257E24769%257E1805090%2C00.html (accessed December 3, 2003).

Case 3.2

Pennsylvania: Who is in Charge of Homeland Security?

In late 2010, investigative journalists at the ProPublica nonprofit website got their hands on a copy of "Pennsylvania Intelligence Bulletin No. 131," a twelve-page newsletter distributed to law enforcement officials and managers of some private-sector operations by the state's Office of Homeland Security. In the coming weeks, the newsletter warned, officials in Cranberry Township would be holding a hearing on drilling for natural gas in a shale formation. Near the Delaware River in Philadelphia, a group had scheduled a screening of the movie *Gasland,* a documentary that explored whether new natural gas wells risked contaminating the nation's water supply. The movie, the bulletin warned, was controversial and might pose a threat to homeland security.[1] How controversial was the film? The movie won a documentary award at the Sundance Film Festival and was later broadcast on PBS.

But the bulletin didn't stop there. Antiwar activists planned a short car caravan through a small town to stop at a defense contractor's facility. The newsletter listed other looming dates: Eid, the end of the Ramadan month of fasting for Muslims, and the Jewish high holidays, which "may present additional risk factors" because there would be "very high attendance at Jewish houses of worship and public gatherings." A few days later, an animal rights group planned to protest against a rodeo. Gay and lesbian activists planned a PrideFest event.

All of this information came from the state's Office of Homeland Security, through the Institute of Terrorism Research and Response, a private contractor hired with $125,000 of grant money. The source of the grant money? A federal program designed to help state and local governments identify threats to "critical infrastructure"—power plants, bridges, water systems, and other facilities that, if attacked by terrorists, might cause big disruptions.

Governor Ed Rendell, a Democrat winding down his term, was furious. "Tell me," he wondered out loud, "what critical infrastructure does the gay and lesbian PrideFest threaten?" He went on, "How in the Lord's name can we consider them to be terrorists?" An anti-drilling activist asked, "I remember when Iran, Iraq, and North Korea were enemies of the state." He went on, "When did Lassie, Mother Nature, and vegetarians become the Axis of Evil?"

Embarrassed supporters of the newsletter quietly told reporters that the natural gas industry had suffered some acts of vandalism, and that environmental activists were "beginning to morph—transitioning to more criminal, extremist measures." The newsletter, a spokesperson for the state office overseeing the Homeland Security agency said, helps "increase situational awareness for public safety officials."[2]

Reporters discovered that an organization, Good Schools Pennsylvania, which was founded by the governor's own policy adviser previously appeared in a warning. Rendell said he was "deeply embarrassed" and promised to terminate the contract. He said he wouldn't fire the head of the Homeland Security office, however, because "there's shared responsibility here." It turns out that some members of Rendell's staff knew that the contractor had been tracking innocent activities around the state for several months.[3]

Just what was the Institute of Terrorism Research and Response? Its website says that it is an "American and Israeli nonprofit corporation created to help organizations succeed and prosper in a world threatened by terrorism," with offices in Philadelphia, Washington, London, and Jerusalem. Its head was a former police officer from York, a small town in south-central Pennsylvania who had worked in military and counter-terrorism operations in Israel.

Tom Ridge, the Republican former Pennsylvania governor, founding director of the Office of Homeland Security, and adviser to the shale oil company that was the object of some of the demonstrators, said he found the program "rather bizarre." Had he had any role in the contract, Ridge was asked? "Hell, no," he replied.[4]

Questions to Consider

1. After the September 11, 2001, terrorist attacks, experts worried that a new round of small but carefully targeted terror attacks against "critical infrastructure" could cripple American cities by shutting off power, poisoning water, or blocking traffic. Does the broader strategy to identify possible threats to this critical infrastructure strike you as a wise idea?
2. Who is accountable for this action? The money flowed from the U.S. Department of Homeland Security to the Pennsylvania Office of Homeland Security to a private contractor. If you wanted to fire someone, who would you fire? The federal official who awarded the grant? The state official who managed the contract? The contractor? Would you fire the official in charge at each step—or the higher-level officials who were in charge of the agencies? Or would you just terminate the contract?
3. What steps do you think government ought to take to control the actions of contractors who spend taxpayers' dollars in the government's name?
4. More generally, is the analysis of possible threats to homeland security something that can—and should—be contracted in part to private organizations, who might have more expertise

than government agencies? Or is it an activity, full of implications for individual freedom, that the government ought to keep within its own organizations?

Notes

1. See www.propublica.org/documents/item/pennsylvania-intelligence-bulletin-no.-131-aug.-30–2010 (accessed September 16, 2010).
2. Angela Couloumbis, "Rendell 'Appalled' by State's Tracking of Activists," *Philly.com* (September 15, 2010), www.philly.com/philly/news/20100915_Rendell_appalled__by_state_s_tracking_of_activists.html (accessed September 16, 2010).
3. Donald Gilliland, "Rendell Staff Knew of Tracking," *Patriot-News* (September 16, 2010), www.pennlive.com/printer/printer.ssf?/base/news/12846057131451.xml&coll=1 (accessed September 17, 2010).
4. Joe Smydo, "Shale Adviser Ridge Calls Anti-Terror Pact 'Bizarre,'" *Pittsburgh Post-Gazette* (September 16, 2010), www.post-gazette.com/pg/10259/1087904-454.stm (accessed September 16, 2010).

Case 3

Wasting Away? Fifty Examples of Government Waste[1]

In late 2009, the conservative Heritage Foundation released a list of fifty examples of government waste. The examples fell into six categories, according to the foundation's analysts:

1. Programs that should be devolved to state and local governments;
2. Programs that could be better performed by the private sector;
3. Mistargeted programs whose recipients should not be entitled to government benefits;
4. Outdated and unnecessary programs;
5. Duplicative programs; and
6. Inefficiency, mismanagement, and fraud.

And here's their list:

1. The federal government made at least **$72 billion** in improper payments in 2008.
2. Washington spends **$92 billion** on corporate welfare (excluding expenditures under the Troubled Assets Relief Program [TARP]) versus $71 billion on homeland security.
3. Washington spends **$25 billion** annually maintaining unused or vacant federal properties.
4. Government auditors spent the past five years examining all federal programs and found that 22 percent of them—costing taxpayers a total of **$123 billion** annually—fail to show any positive impact on the populations they serve.

[1] Excerpt from Brian Reidl, *50 Examples of Government Waste*, Heritage Foundation (October 6, 2009), www.heritage.org/research/reports/2009/10/50-examples-of-government-waste (accessed September 17, 2010). The citations to the original sources can be found at the Heritage Foundation website. Emphasis is in the original.

5. The Congressional Budget Office published a "Budget Options" series identifying more than **$100 billion** in potential spending cuts.
6. Examples from multiple Government Accountability Office (GAO) reports of wasteful duplication include **342** economic development programs; **130** programs serving the disabled; **130** programs serving at-risk youth; **90** early childhood development programs; **75** programs funding international education, cultural, and training exchange activities; and **72** safe water programs.
7. Washington will spend **$2.6 million** training Chinese prostitutes to drink more responsibly on the job.
8. A GAO audit classified **nearly half of all purchases** on government credit cards as improper, fraudulent, or embezzled. Examples of taxpayer-funded purchases include gambling, mortgage payments, liquor, lingerie, iPods, Xboxes, jewelry, Internet dating services, and Hawaiian vacations. In one extraordinary example, the Postal Service spent **$13,500** on one dinner at a Ruth's Chris Steakhouse, including "over 200 appetizers and over $3,000 of alcohol, including more than 40 bottles of wine costing more than $50 each and brand-name liquor such as Courvoisier, Belvedere, and Johnny Walker Gold." The 81 guests consumed an average of $167 worth of food and drink apiece.
9. Federal agencies are delinquent on nearly 20 percent of employee travel charge cards, costing taxpayers **hundreds of millions of dollars** annually.
10. The Securities and Exchange Commission spent **$3.9 million** rearranging desks and offices at its Washington, D.C., headquarters.
11. The Pentagon recently spent **$998,798** shipping two 19-cent washers from South Carolina to Texas and **$293,451** sending an 89-cent washer from South Carolina to Florida.
12. **Over half of all farm subsidies** go to commercial farms, which report average household incomes of $200,000.
13. Health care fraud is estimated to cost taxpayers more than **$60 billion** annually.
14. A GAO audit found that 95 Pentagon weapons systems suffered from a combined **$295 billion** in cost overruns.
15. The refusal of many federal employees to fly coach costs taxpayers **$146 million** annually in flight upgrades.
16. Washington will spend **$126 million** in 2009 to enhance the Kennedy family legacy in Massachusetts. Additionally, Senator John Kerry (D-Mass.) diverted $20 million from the 2010 defense budget to subsidize a new Edward M. Kennedy Institute.
17. Federal investigators have launched more than **20 criminal fraud investigations** related to the TARP financial bailout.
18. Despite trillion-dollar deficits, last year's 10,160 earmarks included **$200,000** for a tattoo removal program in Mission Hills, California; **$190,000** for the Buffalo Bill Historical Center in Cody, Wyoming; and **$75,000** for the Totally Teen Zone in Albany, Georgia.
19. The federal government owns more than **50,000 vacant homes**.
20. The Federal Communications Commission spent **$350,000** to sponsor NASCAR driver David Gilliland.
21. Members of Congress have spent **hundreds of thousands** of taxpayer dollars supplying their offices with popcorn machines, plasma televisions, DVD equipment, ionic air fresheners, camcorders, and signature machines—plus **$24,730** leasing a Lexus, **$1,434** on a digital camera, and **$84,000** on personalized calendars.
22. More than **$13 billion** in Iraq aid has been classified as wasted or stolen. Another **$7.8 billion** cannot be accounted for.

23. Fraud related to Hurricane Katrina spending is estimated to top **$2 billion**. In addition, debit cards provided to hurricane victims were used to pay for Caribbean vacations, NFL tickets, Dom Perignon champagne, "Girls Gone Wild" videos, and at least one sex change operation.
24. Auditors discovered that **900,000** of the 2.5 million recipients of emergency Katrina assistance provided false names, addresses, or Social Security numbers or submitted multiple applications.
25. Congress recently gave Alaska Airlines **$500,000** to paint a Chinook salmon on a Boeing 737.
26. The Transportation Department will subsidize up to **$2,000 per flight** for direct flights between Washington, D.C., and the small hometown of Congressman Hal Rogers (R-KY)—but only on Monday mornings and Friday evenings, when lawmakers, staff, and lobbyists usually fly. Rogers is a member of the Appropriations Committee, which writes the Transportation Department's budget.
27. Washington has spent **$3 billion** re-sanding beaches—even as this new sand washes back into the ocean.
28. A Department of Agriculture report concedes that much of the **$2.5 billion** in "stimulus" funding for broadband Internet will be wasted.
29. The Defense Department wasted **$100 million** on unused flight tickets and never bothered to collect refunds even though the tickets were refundable.
30. Washington spends **$60,000 per hour** shooting Air Force One photo-ops in front of national landmarks.
31. Over one recent 18-month period, Air Force and Navy personnel used government-funded credit cards to charge at least **$102,400** on admission to entertainment events, **$48,250** on gambling, **$69,300** on cruises, and **$73,950** on exotic dance clubs and prostitutes.
32. Members of Congress are set to pay themselves **$90 million** to increase their franked mailings for the 2010 election year.
33. Congress has ignored efficiency recommendations from the Department of Health and Human Services that would save **$9 billion** annually.
34. Taxpayers are funding paintings of high-ranking government officials at a cost of up to **$50,000 apiece**.
35. The state of Washington sent $1 food stamp checks to 250,000 households in order to raise state caseload figures and trigger **$43 million** in additional federal funds.
36. Suburban families are receiving large **farm subsidies for the grass in their backyards**—subsidies that many of these families never requested and do not want.
37. Congress appropriated **$20 million** for "commemoration of success" celebrations related to Iraq and Afghanistan.
38. Homeland Security employee purchases include 63-inch plasma TVs, iPods, and **$230** for a beer brewing kit.
39. Two drafting errors in the 2005 Deficit Reduction Act resulted in a **$2 billion** taxpayer cost.
40. North Ridgeville, Ohio, received **$800,000** in "stimulus" funds for a project that its mayor described as "a long way from the top priority."
41. The National Institutes of Health spends **$1.3 million** per month to rent a lab that it cannot use.
42. Congress recently spent **$2.4 billion** on 10 new jets that the Pentagon insists it does not need and will not use.
43. Lawmakers diverted **$13 million** from Hurricane Katrina relief spending to build a museum celebrating the Army Corps of Engineers—the agency partially responsible for the failed levees that flooded New Orleans.

44. Medicare officials recently mailed **$50 million** in erroneous refunds to 230,000 Medicare recipients.
45. Audits showed **$34 billion** worth of Department of Homeland Security contracts contained significant waste, fraud, and abuse.
46. Washington recently spent **$1.8 million** to help build a private golf course in Atlanta, Georgia.
47. The Advanced Technology Program spends **$150 million** annually subsidizing private businesses; 40 percent of this funding goes to Fortune 500 companies.
48. Congressional investigators were able to receive **$55,000** in federal student loan funding for a fictional college they created to test the Department of Education.
49. The Conservation Reserve program pays farmers **$2 billion** annually not to farm their land.
50. The Commerce Department has **lost 1,137 computers** since 2001, many containing Americans' personal data.

Questions to Consider

1. Look over the list. Which examples do you think are the most serious? Are there programs on the list that you think are, in fact, not wasteful?
2. Assume that in at least some of these cases, someone thought there was a good reason to fund the programs. Can you identify five such programs and craft an argument that could be used to support the programs?
3. Pick five programs you think are simply bad ideas. They are likely to be decisions made by elected officials. What steps would you take to end them?
4. Responding to some of these problems might require administrative changes. Can you pick one program on this list that you think you could improve through improved public administration? What steps would you take to strengthen its administration to reduce waste?

Herman follows her own advice, of course. On a subway, she nervously eyed two large men who, in turn, were eyeing her. They hadn't shaved and their clothes were shabby, and she prepared to hop off the train as soon as it stopped.

"Hey," one of the men said, noticing that she was noticing, "we took your course. We're cops."

Questions to Consider

1. In police department culture, could there be many things further removed than the study of art history? Consider how an organization's culture helps the organization accomplish its mission—and how bringing other cultural insights can help hone the ability to achieve results.
2. Choose one or two other local governmental organizations. Assess the culture that operates inside those organizations. How might that culture support the mission—and where do you think that culture might blind the organization to things it ought to know to get its job done? Can you suggest ways of providing the organizations with new insights?
3. Organizational culture is the product of the hierarchy, the informal norms that shape the organization, and the way that individuals approach their jobs. What lessons do the lessons from Herman's course suggest for organization theory?

Notes

1. The case comes from Neal Hirschfeld, "Teaching Cops to See," *Smithsonian.com* (October 2009), www.smithsonianmag.com/arts-culture/Teaching-Cops-to-See.html.

Case 4.3

Net-Gen Takes over the Workforce: How the Younger Generation is Challenging Organizational Culture

A new generation of workers is pushing Baby Boomers and Generation X out of the way. Take your pick of labels—Generation Y, the Millennials, or the Netgeneration (from the explosion of the Internet in recent years), but those born from the late 1970s to the early 2000s are moving in and taking over. They are huge in number, are very different in orientation according to every study, and pose big challenges for the way complex organizations work.

Net-Geners are "digital natives," one government report explains. They've "grown up with technology in every aspect of their lives" and information technology "capabilities are often second nature to them." The generation is "the most demanding generation in history, demanding challenge, meaningful work with impact, committed co-workers, and the ability to reach personal and financial goals." What are their ideal employers? A recent survey found that 55 percent of respondents aged 13 to 30 said the private sector, 25 percent said nonprofit organizations, and 20 percent said the public sector.[1]

In 2006, in-depth interviews of Net-Geners revealed eight norms that shape their interests and behaviors.[2] These norms pose big challenges for those trying to design and manage organizations.

This new generation also poses sharp tests for previous generations of organizational theory.

1. *Freedom.* Net-Geners expect to be able to define their own priorities. They expect their job to fit into their social and personal lives, not vice versa.
2. *Customization.* Net-Geners expect to be able to create their own worlds, from the pictures on their credit cards to how they get their entertainment.
3. *Scrutinizers.* Net-Geners expect to make tough comparisons among their choices and expect high levels of trust and transparency from the organizations that employ them.
4. *Integrity.* Net-Geners expect to work for organizations with high levels of ethical practice.
5. *Collaboration.* Net-Geners expect to engage in highly interactive work with significant personal impact on the tasks to which they devote themselves.
6. *Entertainment.* Net-Geners expect to enjoy their work, learn new things, be part of the action, and to have fun in the process.
7. *Speed.* Net-Geners expect to use instant messaging and other high-speed means of communication, instead of the telephone and e-mail.
8. *Innovation.* Net-Geners expect to use information technology heavily, because it's always been woven heavily into their lives.

Government information technology analysts, after looking carefully at these trends, have identified important characteristics of the "Net-Gen world"[3]:

- They don't want to be labeled.
- They want continuous feedback and recognition.
- They value genuine mentoring.
- They want autonomy, responsibility, and challenges.
- They need structured accountability.
- They're not interested in "paying their dues."
- They're used to having their opinions heard.
- They're used to group/team problem solving.
- They expect high tech/constant stimulation.
- They're used to living in a 24/7 environment.

Questions to Consider

1. Compare these characteristics with the foundations of organization theory. What similarities and differences stand out for you?
2. What special challenges do you see for bringing Net-Geners into large hierarchical organizations?
3. What innovations in organization theory do you think will be required to lead and motivate Net-Geners?
4. If you could design the ideal government workplace for Net-Geners, what would it look like?

Notes

1. Chief Information Officers Council, *Netgeneration: Preparing for Change in the Federal Information Technology Workforce* (Washington, D.C.: Chief Information Officers Council, 2010), 39, www.cio.gov/Documents/NetGen.pdf.
2. Don Tapscott, quoted in ibid., 38–39.
3. CIO Council, *Netgeneration,* 40.