

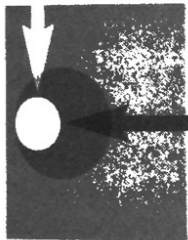
Suggested Websites

The National Academy of Public Administration conducts excellent research on the management of the executive branch and of management problems within individual agencies, making its reports available on its website, www.napawash.org. In addition, the Government Accountability Office is an invaluable source for analysis of both management and policy issues; see www.gao.gov.

For information about employment trends in the federal government, see the Office of Personnel

Management's "Federal Employment Statistics" web page, www.opm.gov/feddata.

There is an enormous amount of information about e-government available on the web. An excellent foundation for exploring the federal government's websites is the federal portal, www.firstgov.gov. Most state and local governments have web pages and portals as well; among the very good ones are those for the Commonwealth of Virginia, www.virginia.gov/cmsportal, and for the city of Phoenix, <http://phoenix.gov>.



The Federal Aviation Administration and the Challenges of Regulating the Airline Industry

In April 2008, the frustration of American Airlines passengers was mounting. For three days running, the airline canceled 1,000 flights, delaying some passengers for hours and leaving others stuck in the airport without a connecting flight.

Frustration didn't even begin to capture the mounting fury of many passengers. Dean Headly, an expert on airline service, had traveled to Washington, D.C., to announce the findings of a new study. His return back to Wichita, Kansas, where he was a marketing professor at Wichita State University, was a nightmare. His plane from Washington arrived in Dallas, Texas, but the connecting flights had all been grounded. He finally managed to secure a flight out of Dallas to Tulsa, Oklahoma, and had to rent a car to drive three hours to Wichita, arriving at 2:30 a.m. His luggage finally caught up with him two days later.¹

The reason? Federal inspectors had discovered that American Airlines had not complied with Federal Aviation Administration (FAA) wiring safety requirements. The agency's airworthiness directives specified that groups of wires needed to be tied tightly together at intervals of no more than 1 inch. On the American MD-80 airplanes, the mainstay of the airline's fleet, the ties were one-quarter of an inch farther apart than the regulated distance. That tiny error grounded Headly and 100,000 other angry passengers over a three-day span.

Rep. Steve Kagen (D-Wis.) said he had received a complaint from one of his constituents who had been stuck in Columbus, Ohio, for thirty-six hours.² Sara Martinez, a community relations road warrior, repeatedly got stuck in Chicago. While waiting at O'Hare Airport for any transportation back home to San

Antonio, Texas, the only seat she could find was on Southwest Airlines. But that plane left hours later, out of Midway Airport, on the other side of the city. She traveled back to the center of the city to visit friends before heading out to Midway, whiling away the extra hours on her BlackBerry.³

Sen. John D. Rockefeller (D-W.Va.) sharply criticized the FAA for its decision to ground the American Airlines flights. "The FAA is an agency that's spiraling downward and approaching the losing of the confidence of the American people," he said during an oversight hearing into the agency's practices.⁴ American Airlines employees stood around airline gates handing out orange juice and cereal bars, but that did little to calm the shattered nerves of frustrated fliers.

Was it really worth virtually shutting down the airline, as well as grounding hundreds of flights from other carriers flying the same plane, for just one-quarter of an inch?

Aviation experts said yes. It was not a problem likely to lead to immediate problems, but if wires are not properly secured, they can chafe and fray. Frayed wires can lead to cracked or broken insulation and sparks near the planes' fuel tanks. And that, in turn, can produce a catastrophic explosion.

This scenario is not hypothetical. In July 1996, TWA Flight 800 had taken off from New York's Kennedy Airport on its way to Paris. Just minutes into its flight, the Boeing 747 exploded over Long Island Sound and all 230 people on board died. Speculation swirled about the cause. Conspiracy theorists suggested that a terrorist or a wayward U.S. Navy missile had brought down the plane. However, investigators from the federal National Transportation Safety Board later concluded that an explosion in the plane's center fuel tank, probably due to a short circuit in the wiring of the plane's fuel gauge, had caused the crash.

Experts pointed to that crash as the reason for their caution about the MD-80s. The planes were old—an average of eighteen years—and FAA inspectors had found that fifteen of nineteen American

MD-80s that they checked did not meet the spacing requirements. That led to the FAA's order to ground all of the planes immediately until the problem was fixed.

American Airlines had asked the FAA to allow them to make the repairs over several days while keeping other planes in the air, but the agency refused. Industry representatives quietly pointed to the original wiring regulation, issued in 2006, which allowed the airlines eighteen months to bring their planes up to standards. If the issue was so serious as to require an immediate grounding, why had the FAA permitted airlines a year and a half to fix the problem? Gerald Arpey, American's chief executive, said simply that "I think it would be fair to say the FAA is stepping up surveillance."⁵

The FAA was already under harsh criticism for its oversight of the airlines. Just a month before, the FAA found that several of its own government inspectors had collaborated with employees of Southwest Airlines to hide safety issues. The airline had flown more than thirty-five jets for thirty months past required safety inspection deadlines. FAA officials said that when its inspectors found the problem, they should have grounded the planes. Instead, inspectors looked the other way, and when supervisors discovered the problem, they accepted the airline's promise it would ground the planes without checking to make sure the airlines had actually done so. The planes continued to fly.

For Southwest, the problem lay in fuselage inspections. Later checks revealed several of the planes had developed cracks, including one that stretched 3.5 inches. Whistleblowers inside the FAA suggested that supervisors had taken a permissive stance toward the airline, especially after the friend of one supervisor joined the airline. "It is obvious that the cozy relationship" between the two friends, one FAA employee wrote, "played a contributing factor."

One member of Congress, Rep. Eddie Bernice Johnson (D-Tex.), charged that the FAA "has been pretty derelict to not follow their guidelines." She concluded, "Anytime that the relationship [between carrier and regulator] is such that it could subject

passengers to unsafe conditions, it's time for something to be done about it."⁶

The FAA has long been whipsawed between charges that it was bending safety rules to help airlines protect their business and that it was paying far too much niggling attention to minor rules at the expense of the traveling public. The agency's problems in early 2008 showed that this debate still had wings.

Questions to Consider

1. Should the FAA have forced American Airlines to ground its entire MD-80 fleet until each plane was checked and fixed—or should it have given the airline a longer time to make the repairs? What issues should overseers consider in making the decision?
2. How should the FAA balance its mission to promote aviation with its mission of ensuring the safety of passengers?
3. How does the FAA's structure affect this question? Would it be better to have different agencies responsible for promoting air travel, ensure effective air traffic control, and upholding the safety of airliners—or to have one agency to oversee all things aviation? How should we balance the need to coordinate the

government's relationship with the airlines and the need to ensure functional expertise in the airline industry?

Notes

1. Michelle Higgins, "Flight Chaos Shows Passengers Have Few Rights," *New York Times*, (April 16, 2008), <http://travel.nytimes.com/2008/04/16/travel/16prac.html?scp=2&sq=michelle%20higgins%20%22dean%20headley%22&st=cse>.
2. Lisa Stark and others, "Travel Chaos," *ABCNews.com*, (April 9, 2008), <http://abcnews.go.com/Business/BusinessTravel/Story?id=4618579&page=1>.
3. Jeff Bailey, "American Airlines Cancels 922 More Flights," *New York Times*, (April 10, 2008), www.nytimes.com/2008/04/10/business/11aircnd.html?_r=1&oref=slogin.
4. Del Quentin Wilber, "More American Flights Canceled over Jets' Wiring," *Washington Post*, (April 11, 2008), www.washingtonpost.com/wp-dyn/content/article/2008/04/10/AR2008041000991_pf.html.
5. Ibid.
6. Dave Michaels, "Southwest Airlines, FAA Accused of Falsifying Safety Report," *Dallas Morning News*, (March 13, 2008), www.dallasnews.com/sharedcontent/dws/bus/stories/DN-southwest_11bus.ART.State.Edition2.46665ec.html.

Which Way for Cheese? Conflicting Policies at the U.S. Department of Agriculture

Not long ago, Domino's pizza chain was in trouble. Sales were down and even the company's advertisements acknowledged it was not making a very good pizza. But Dairy

Management, a nonprofit trade association, came riding to the rescue, with pizza design help and \$12 million for a new marketing campaign. The result was a new pizza with 40 percent more cheese, and

people loved it. Sales soared and the company began to climb out of the fast-food cellar.

Dairy Management also helped Taco Bell invent a new steak quesadilla, which mixed together pepper jack, mozzarella, and cheddar cheeses, along with a creamy sauce. People loved it, in part because it had eight times more cheese than most other items on the Taco Bell menu.

Dairy Management has become a huge player in the food business.¹ Americans eat an average of 33 pounds of cheese each year, and Dairy Management aims to increase that total. With its \$140 million annual budget, it has worked with Pizza Hut to develop its Cheesy Bites pizza, with Wendy's on the Double Melt sandwich, and with Burger King on the Angus Bacon cheeseburger. The organization's goal is to convince Americans to eat more cheese—and to expand the market for cheese producers. In 2007, its efforts increased cheese sales of almost 30 million pounds, and cheese producers love it.² The association has been tremendously successful in bringing more cheese to restaurant menus and into supermarkets, and it was behind the wildly successful "Got Milk?" campaign.

Dairy farmers contribute to a fund to help promote the consumption of dairy products. The U.S. Department of Agriculture (USDA) collects the funds and disburses them under a program created by Congress.³ The program is self-funded, but USDA oversees its operations, to ensure the activities are consistent with the law that created the nonprofit corporation designed to encourage dairy production. In addition, USDA regularly reports on its operations to Congress.⁴ Is it a governmental organization? No. Is it connected to the federal government? Yes, through the collection of distribution of money and through policy oversight.⁵

In other parts of its operation, USDA is working hard to encourage Americans to make so-called healthier food choices. It's easy to blast past government-recommended levels of saturated fat consumption with a couple of slices of Domino's pizza. USDA's

Nutrition.gov program is making an aggressive effort to encourage Americans to reduce their consumption of fatty foods, especially saturated fats. It points out that "a healthy eating plan is one that:

- Emphasizes fruits, vegetables, whole grains, and fat-free or low-fat milk and milk products.
- Includes lean meats, poultry, fish, beans, eggs, and nuts.
- Is low in saturated fats, trans fats, cholesterol, salt (sodium), and added sugars."⁶

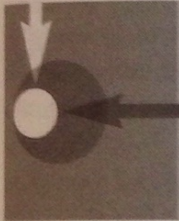
First lady Michelle Obama added her own voice to the healthy eating campaign. She told the American Restaurant Association that "One local survey found that 90 percent of those menus includes mac and cheese—our children's favorite; 80 percent includes chicken fingers; 60 includes burgers or cheeseburgers." It's important, she said, to "make a commitment to promote vegetables and fruits and whole grains on every part of every menu. We can make portion sizes smaller and emphasize quality over quantity. And we can help create a culture—imagine this—where our kids ask for healthy options instead of resisting them." She concluded by saying that "I hope that each of you will do your part to give our kids the future that we all know they deserve."⁷

Questions to Consider

1. What do you make of these contradictory policies within a single federal department: one which encourages the consumption of dairy products, and another which urges their consumption in moderation?
2. Do you think it makes a difference that the USDA's role in the Dairy Management association is indirect?
3. If you were the leader of USDA, would you have an obligation to reconcile these competing programs? Or would you view it as an inevitable product of the political battles within American pluralism?

Notes

1. See www.dairyinfo.com/.
2. Michael Moss, "While Warning About Fat, U.S. Pushes Cheese Sales," *New York Times* (November 6, 2010), www.nytimes.com/2010/11/07/us/07fat.html.
3. See the organization's website www.agweb.com/article/dairy_management_inc._answers_new_york_times_allegations/.
4. See www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELDEV3099963.
5. For a discussion, see www.huffingtonpost.com/social/NoSillyName/confusing-weight-loss-adv_b-782757_67472894.html.
6. See <http://health.gov/dietaryguidelines/dga2005/document/html/brochure.htm>.
7. Michelle Obama, "Remarks by the First Lady in Address to the National Restaurant Association Meeting" (September 13, 2010) www.whitehouse.gov/the-press-office/2010/09/13/remarks-first-lady-address-national-restaurant-association-meeting.



Case 5.3

Partly Cloudy? Wyoming Moves to Google Apps for Government

In October 2010, the state of Wyoming announced it was moving all 10,000 of its employees to Google Apps for Government (<http://gov.googleapps.com/>). The result, Google proudly announced, would save the state \$1 million per year and bring all state employees, for the first time, to a common electronic platform. "We welcome Wyoming to the cloud," Google said.¹

It's always good, of course, to save a lot of money. But what is "the cloud"? In one respect, it's simply another name for the Internet. More broadly, it's a way of separating the details of computer systems from users—software providers create easy interactions with the key programs that users need, and then manage the back-end Internet systems in ways that are transparent (and therefore unimportant) to users. Web browsers provide the key point of connection to the world. Software and data are stored on servers. Computer analysts have long used cloud-like drawings to depict these connections, and "the cloud" has come to capture the broad approach of web-based computing.

For Google, it was one of a series of agreements it had negotiated with government agencies. Los Angeles and Orlando had both signed up with Google. So did government departments in Colorado, Kansas, and New Mexico. But its mega-competitor, Microsoft, was scarcely standing still. New York City signed a deal to bring 100,000 of its employees to Microsoft's cloud applications. The city built this arrangement into a much broader effort, nicknamed *SimpliCity*, to streamline the city's work and improve its service to citizens. In its previous system, the city managed forty different software licenses and even more maintenance and support packages. The cloud approach, city officials believed, would allow city officials to collaborate more easily across a single software platform.² In addition, New York Mayor Michael Bloomberg and Microsoft CEO Steve Ballmer also agreed that the city would host Microsoft's *Imagine Cup 2011* worldwide finals in 2011, a global competition bringing high school and college students together to solve problems through technology. As Stephen

Goldsmith, deputy New York mayor for operations, explained, "We took advantage of the competitive moment," in an arrangement that would save \$50 million in the next five years.³

Questions to Consider

1. As technology creates new opportunities, how do you think that government can—and should—use technology to increase its efficiency and provide better service to its citizens?
2. Do you think that competition between private companies, such as between Google and Microsoft, enhances government's ability to get a good deal? How might this case have worked differently if either Google or Microsoft had been in the game as the sole provider?
3. Since the cloud relies on the Internet, the servers provide services that could be located anywhere. For example, some of the leading cloud computing companies are working to expand their operations to China. If you were a government information technology manager, would you be concerned about basing your mission on technologies that rely heavily on elements that aren't transparent to you? Would you use different strategies for different parts of your mission—perhaps maintaining the most confidential work on your own servers and

relying on the cloud for the rest of your work—or would you worry that such a divided strategy might compromise the efficiencies you are seeking?

4. Many state and local governments have encountered serious difficulty in managing their information technology resources in recent years. The reason, most often, is that governments have not had sufficient expertise in-house to assess the claims and promises that private companies made. If you were a government official charged with making these decisions, what steps would you take to make sure that you were in the best position to make the best decisions for your government and for the citizens it serves?

Notes

1. See <http://googleentreprise.blogspot.com/2010/10/wyoming-is-going-google.html>.
2. See www.nyc.gov/portal/site/nycgov/menuitem.c0935b9a57bb4ef3daf2f1c789a0/index.jsp?pageID=mayor_press_release&catID=1194&doc_name=http%3A52F%2Fwww.nyc.gov%2Fhtml%2Fom%2Fhtml%2F2010b%2Fpr439-10.html&cc=unused1978&rc=1194&ndi=1.
3. Keven McCaney, "NYC Gets Citywide Deal for Microsoft Cloud" (October 20, 2010), <http://mcpmag.com/articles/2010/10/21/nyc-gets-citywide-deal-for-microsoft-cloud-apps.aspx>.

Lee, Mordecai. *Nixon's Super-Secretaries: The Last Grand Presidential Reorganization Effort*. College Station: Texas A&M University Press, 2010.

National Commission on Terrorist Attacks upon the United States. *The 9/11 Commission Report*. New York: Norton, 2004.

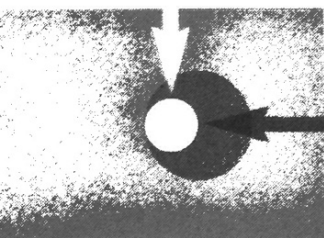
Suggested Websites

The federal government has moved its extensive guide to its organizational structure, the *U.S. Government Manual*, online to www.gpoaccess.gov/gmanual/index.html. This is an invaluable resource for understanding the structure and function of government agencies.

The California Performance Review (<http://cpr.ca.gov>) has assembled thorough background

Thomas, Craig W. "Reorganizing Public Organizations: Alternatives, Objectives, and Evidence." *Journal of Public Administration and Theory* 3 (1993): 457–486.

discussions about the organization of the state's government; it is a useful guide for understanding the structural issues faced by the nation's largest state. Many other state and local governments regularly explore how best to improve their operations, and a web search will uncover the most recent initiatives they are taking.



Case 6.1

Sunset, the Golden Retriever: Governor Schwarzenegger and the Restructuring of California's Executive Branch

For Sunset, a golden retriever, the news from Sacramento wasn't good. Sunset was training to be a guide dog for the blind, and Sunset's instructor, Katryn Webster, was worried about the future of her organization, Guide Dogs of the Desert.¹ The Board of Guide Dogs for the Blind, the state government agency regulating Sunset's training and Webster's organization, was threatened with radical surgery as part of Gov. Arnold Schwarzenegger's new reform agenda, the California Performance Review. Webster wasn't sure whether the performance review's recommendations would permanently change the

way her organization worked and how effective it could be.

When he took office in January 2004, Schwarzenegger had launched the performance review program to eliminate waste and inefficiency across state government, in part by reducing perceived duplication in "common functions and responsibilities."² The "Gubernator," as he quickly became known to fans of his action-hero movies, faced a huge budget deficit and a public tired of taxes. At his inauguration, Schwarzenegger told California's citizens that his performance review could help slash the

state government's costs. "I plan a total review of government—its performance, its practices, its cost," he announced.³

Luckily for Sunset, when Schwarzenegger's task force made its recommendations in August 2004, it didn't suggest wiping out the guide dog program and the board that supervised it. Rather, it recommended moving the Board of Guide Dogs for the Blind to a new Department of Education and Workforce Preparation—along with similar changes for more than a hundred other boards and agencies that existed independent of the governor's cabinet agencies. But the board's supporters worried the move would weaken their work.

"Guide dogs take you into situations where it's life and death," explained board member Jane Brackman, "and if a dog isn't properly trained or a student isn't properly trained, people die."⁴ Sheila Styron, president of Guide Dog Users, Inc., a national support organization, added, "Most people in California are pretty happy with the board." In fact, she said, "We would like it to become stronger."⁵

Eliminating the board, its supporters said, would not even save the state any money—Schwarzenegger's primary goal in launching the performance review—because license fees paid the board's \$141,000 annual budget. (Blind persons received the dog and training for free; donations covered the \$50,000 per dog training cost, and the three dog training academies that exist in California paid the state a license fee to be allowed to operate.) The board was scarcely a megabureaucracy soaking up taxpayer dollars; its seven members each received \$100 (plus expenses) per day for the board's eight meetings per year.

Tough government rules were necessary, said the board's supporters, because some dog owners were taking unfair advantage of the special rules for guide dogs. Dog lovers with perfectly good eyesight, for example, were pretending their pets were guide dogs to be able to bring them into restaurants. The board performed important advocacy work as well, such as its effort to get an exemption for guide dogs from Hawaii's rule that dogs moving into the state had to be

quarantined (to protect Hawaii from importing rabies). Moving the board into the new department, supporters feared, would make it harder to provide dogs for blind citizens. "You put a small entity like the state board into an overarching entity," explained Mitch Pomerantz, a disability law compliance officer for Los Angeles, "and it's going to get lost in the shuffle."⁶

Critics, however, wondered if the California Performance Review had gone far enough. "They did not go to the hard step and say, 'Do we really need to regulate guide dog trainers any more?'" explained Julie D'Angelo Fellmeth, administrative director of the Center for Public Interest Law at the University of San Diego. "They're not shrinking government. They're just getting rid of multi-member boards and substituting bureaucrats."⁷

The battle over the Board of Guide Dogs for the Blind played itself out hundreds of times over. Schwarzenegger's task force recommended that a third of the state's 339 independent boards and commissions should be moved into executive departments, whose heads would report to the elected governor.

Three months after the California Performance Review issued its report, experts told a public hearing that any kind of reorganization would be difficult to implement. Every board had its own constituency, and every constituency feared its influence over policy would be watered down if the location of its organization was moved lower on the bureaucratic food chain. While searching for billions of dollars of savings, Schwarzenegger and his aides had to decide how far to take a reorganization battle that promised few budgetary savings.

On the other hand, if he were to step back from the reorganization battle, Schwarzenegger risked undermining his credibility. In his 2004 State of the State Address, he had pledged to "blow up boxes" in restructuring the state's bureaucracy—eliminating those boxed entries that are so ubiquitous on organizational charts. Toward the end of his first year in office, however, a *San Francisco Chronicle* editorial said his term so far had mostly been a "victory

parade." His performance review offered 1,200 recommendations—ranging from improved electronic government to changing vehicle registration from once a year to once every two years—which would produce \$32 billion in predicted savings. "Is he serious about government reform, or is the package for political show?" the newspaper asked.⁸

Schwarzenegger was vastly underrated when he took office. Critics laughed off his campaign as an ego-driven publicity stunt. But they had grossly underestimated the wily Austrian bodybuilder and chess player. In case after case, he proved a far more effective governor than his critics had expected. After a few months, "The only people who are still laughing at Governor Schwarzenegger," explained Jack Pitney, a Claremont McKenna political scientist, "are the people who don't know California."⁹

But his performance review remained a long-running battle. Schwarzenegger had called California's sprawling government bureaucracy "a mastodon frozen in time." He saw the job of restructuring the state bureaucracy—including the Board of Guide Dogs for the Blind—as a symbol to demonstrate his determination to transform the state government. He knew that the reorganization, in itself, would not save billions. But if he could prevail, it would strengthen his hand in controlling the state government apparatus and in enhancing his ability to win on even bigger policy battles later.

The battle had enormous implications, many observers of California politics believed. "To me, the jury's still out on whether he wants real, true structural reform," said Joe Canciamilla, a Democrat from the State Assembly. "If he's not willing to take that step, with the popularity he's had, the independence he's had, the public statements he's made—if this governor isn't willing to go there, it ain't gonna happen for several generations."¹⁰

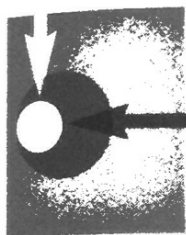
The battle hinged on the supervision of Sunset, the golden retriever, and thousands of cases just like Sunset's throughout the state and its government.

Questions to Consider

1. Consider the case for moving independent boards and commissions into executive branch departments. What are the advantages and disadvantages of such a restructuring?
2. Government reformers often lose their appetite for the political battle over restructuring the executive branch when they discover that, in itself, it tends to save little money. Are there other reasons to consider such reorganization? Do these reasons make a strong enough case to make it worth the political fight, even if there are not big savings in tax dollars?
3. Consider the symbolic value of an organization's structure. What roles do such symbols play, on both sides of the reorganization battle?
4. Just how much do you believe that the *structure* of government bureaucracies really matters? If you were an adviser to Governor Schwarzenegger, how much of his political capital would you advise him to invest in the battle over eliminating so many quasi-independent boards and commissions?

Notes

1. See the organization's website, www.guidedogsoft-hedesert.org/index2.html
2. See the report of the *California Performance Review* (2004), <http://cpr.ca.gov>.
3. Ed Mendel, "Optimistic Governor Doesn't Pull Punches," *San Diego Union-Tribune*, January 7, 2004, A1.
4. Jordan Rau, "Guide Dog Board Threatened," *Los Angeles Times*, November 29, 2004, B1.
5. Ibid.
6. Ibid.
7. Ibid.
8. "Now, Governor's Second Act," editorial, *San Francisco Chronicle*, November 17, 2004, B10.
9. Alan Greenblatt, "Strong Governor," *Governing*, July 2004, www.governing.com/articles/7schwarz.htm.
10. Ibid.



California and the Marijuana Muddle: When Federal and State Laws Are at Odds*

Business had taken some strange turns for Stewart Hauptman. He had been making roving sales from his motor home in Norco, California, until police ticketed him. The crime? Selling \$10 marijuana cookies from his roving dispensary—legal in California but not in Norco, where local officials tried to trump the state policy with a local ordinance banning the sale of medicinal marijuana within its jurisdiction.

Hauptman's journey highlights the bizarre legal and policy tangles surrounding the spread of pot as a drug. California is one of fourteen states, plus the District of Columbia, that allow the sale of marijuana for medical conditions. No one really knows whether local restrictions can preempt state permissions, or how states' legalization of medical marijuana will affect the federal war on drugs—or whether medical marijuana even works.

Medical marijuana has entered a legal and political twilight zone, caught between the ongoing policy battles on drugs and the pleas of patients suffering from painful, debilitating diseases such as multiple sclerosis. Last fall, U.S. Attorney General Eric Holder announced that, in the fourteen states permitting the sale of medical marijuana, the federal authorities would focus only on big drug traffickers and money launderers. Republicans fired back that Holder was undermining federal laws and fueling the drug wars on the Mexican border. The House Judiciary Committee's ranking Republican, Rep.

Lamar Smith, countered that "We cannot hope to eradicate the drug trade if we do not first address the cash cow for most drug-trafficking organizations—marijuana." The Cato Institute's Tim Lynch countered that the drug war had proven a "grand failure" while advocates of legalizing marijuana quietly applauded.

The federal authorities signaled they wouldn't prosecute, more states joined the medical marijuana bandwagon, libertarians wanted the government to back off the war on drugs, and opponents resorted to trying to ban sales through local ordinances. State laws on what could be sold, how it could be sold, and the conditions for which marijuana could be prescribed varied widely. As the Mexican drug wars heated up, American pot policy fell into legal chaos.

This battle has played out against a background of surprising scientific uncertainty. Researchers think there's evidence that marijuana might help those with long-term pain, glaucoma, multiple sclerosis, and seizures. They've found that some human cells seem to have receptors wired to respond to the active chemicals in pot. Doing the research to prove these claims, however, is a tall order. The federal Food and Drug Administration does not recognize marijuana as a medicinal drug and classifies marijuana as a Schedule 1 controlled drug, along with PCP and Ecstasy. To research its effects, investigators need a license from the Justice Department's Drug

*From Donald F. Kettl, "Potomac Chronicle" in *Governing* magazine, August 2010, www.governing.com/columns/potomac-chronicle/marijuana-legalize-not-legalize.html.

Enforcement Administration. There's little incentive for scientists to jump those hoops to check on something peddled on the street, illegally in plastic bags or legally in cookies sold in states with medical marijuana laws.

It's hard to think of a policy battle full of so much heat but backed by so little research. The drive for medical marijuana comes from two sources—the underground campaign to make marijuana legal, where advocates have long argued that pot is a harmless recreation, and the desperate plight of patients suffering from chronic diseases, where traditional medicine has provided little relief. For these patients, the argument goes, what can it hurt to try something that's been peddled for decades, albeit illegally, and that might give help for people where nothing else has worked?

That's just what sixty-year-old grandmother Ellen Lenox Smith thought. She's struggling with two horrendous diseases, one plaguing her lungs and another destroying the connective tissue in her joints. The pain made it impossible for her to sleep, and she couldn't tolerate prescription painkillers like OxyContin typically used to treat the problem.

Her doctor suggested she try marijuana. Her lung disease made it impossible for her to smoke it, so she soaked some marijuana in oil and mixed it with applesauce. For the first time in months, she said, she slept through the night. She took her applesauce, "and the next thing I know, it was morning," she told a National Public Radio reporter. And because she lived in Rhode Island, which recently had legalized medical marijuana, her pot-spiked applesauce was legal.

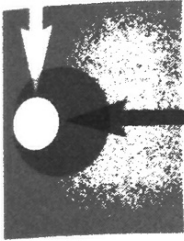
Tales like this grandmother's are driving the medical marijuana experiment forward. Even the American Medical Association is intrigued, suggesting that more research would be useful and that the FDA ought to consider changing marijuana's Schedule 1 designation to make that possible.

But the debate has taken on a truly bizarre character. Amid the ongoing federal war on drugs, the states are leading a noisy revolution to legalize pot, at least for medical use. The Barack Obama administration has said it will back off prosecuting drug laws in the states permitting medical marijuana, but in some local governments, opponents are fighting back to restrict where state-sanctioned marijuana can be sold. The state laws themselves are all over the map, from California's permissive statute to New Jersey's tough government regulation of the chain from plant to user.

Somewhere between Steven Hauptman's potmobile and Ellen Lenox Smith's tough struggle with two incurable diseases, we're clumsily drawing new lines on drug use as only American federalism can.

Questions to Consider

1. State governments have long prided themselves as "laboratories of democracy," where new ideas can be tried as experiments before being launched across the nation. But that also means that some state governments sometimes can get out of sync with national policy. What do you think about state practices that vary with national policy?
2. How should we sort out the enforcement responsibilities between federal, state, and local officials, when the policies under which they are operating diverge?
3. In states like California that have allowed the sale of medical marijuana, local ordinances and local enforcement practices often vary. When Norco officials stopped his roving potmobile, Hauptman began using his car to deliver his goods to individuals' homes. How do you believe the local police ought to invest their time to deal with such issues?



Naughty Aughties: Has American Government Become More Centralized?*

What's happened to the balance of power between the federal, state, and local governments in the last fifteen years? Here is my list of the top ten game changers during the Naughty Aughties and beyond.

1. *Census (2000 and 2010)*. Take the decennial count, add personal computers equipped with mapping software and presto—there's a new game where incumbents can create safe legislative districts and permanently lock in their advantage. Reapportionment shrank the number of marginal seats and increased the level of conflict between increasingly polarized political parties. That made it harder for everyone to govern and for newcomers to run in elections.
2. *The September 11, 2001, attacks (2001)*. Everyone conceded the need to do a far better job connecting the dots, but as the feds fought over who was in charge, state and local governments often found themselves alone on the front lines of first response. The government has done a lot better in pulling the emergency systems together, but too many of the dots remain unconnected.
3. *No Child Left Behind (2002)*. The George W. Bush administration's signature domestic initiative had broad support. Who favored leaving children behind? But no one was very happy about the way the initiative worked out. Local school districts complained that the program imposed unfunded mandates. Attacking the program was one of the few things Democratic presidential candidates agreed on in 2008, but finding a fix is proving very hard without pumping in a lot more cash.
4. *John Roberts named chief justice (2005)*. The William Rehnquist court left behind a long string of decisions expanding the power of the states at the expense of the feds. Although it's still a bit early to determine the mark of the Roberts court, the Rehnquist "federalism revolution" is ebbing in favor of a much more pragmatic approach. The court, however, is just one vote away from sliding toward a new revolution in states' rights.
5. *Hurricane Katrina (2005)*. The storm not only devastated the Gulf States, but also left a major city in near-anarchy and made FEMA a dirty word. The feds concluded that they made a big mistake by trusting state and local officials to deal with really big problems. In the aftermath of the Hurricane Katrina fiasco, the feds have quietly decided they'll be quicker on the trigger with a mega-federal response the next time a big disaster occurs.

*Excerpt from Donald F. Kettl, "Potomac Chronicle" in *Governing* magazine, February 2010, www.governing.com/columns/potomac-chronicle/A-Decade-To-Remember.html.

6. *Minneapolis bridge collapse (2007)*. When the I-35W bridge came down in the Twin Cities, the nation got a stunning reminder of the crumbling state of its infrastructure. Cable failures on the San Francisco-Oakland Bay Bridge, the shutdown of I-95 in Philadelphia to repair a crumbling bridge, and the implosion of a major bridge connecting New York and Vermont underlined the emerging crisis. Great video, but little action.
7. *Ireland rejects European Union reform treaty (2008)*. Voters decisively rejected the EU's plan to smooth out battles among its states, create a new president, and strengthen foreign policymaking. Kudos to James Madison and the gang from 1787—this federalism stuff is a lot harder to create and sustain than it looks.
8. *Economic meltdown (2009)*. As the rest of the economy staggered back to its feet, state and local governments continue to battle the long-term effects of the Great Recession. At the end of 2009, state and local tax revenues were down 7 percent over the dismal previous year. Almost every state is looking at big deficits. Mayor Scott Smith of Mesa, Arizona, told *The Wall Street Journal* that he wasn't sure if his city's services would ever return to previous levels. "We are redefining what cities are going to be," he says.
9. *New transparency (2009)*. What's not to like about tens of billions of dollars in stimulus money? The cash, though, came with lots of strings. Loads of information delivered through Recovery.gov became the new accountability, and it's a safe bet that this "new transparency" will endure long after the stimulus money is gone. Everyone agrees transparency is the answer. No one really knows what it is going to mean.
10. *Health reform (2009)*. As the "public option" evaporated from the debate, the states became

even bigger players in the national health-care reform effort. A close reading of the proposed bills, however, revealed that the feds had taken to writing in state agencies as if they were agents of the federal government. In practice, of course, they long have been. The frantic drafting process of the health-care reform bills simply stripped away the old pretense and laid bare the way Congress really thinks about the states.

Where does this leave the country as the new century grows into its teens? The United States has changed a lot since the 1990s, when the states were in the driver's seat of domestic policy and the governor's mansion was the proving ground for presidential candidates. Take away item No. 4—with the balance of the U.S. Supreme Court's views on federalism teetering on the next appointment—and the feds are steering the system.

It's hard to see concerns about terrorism ebbing away, and health reform is likely to cement the federal government's preeminence. It will be hard for state and local governments to fight back when their coffers are dry and the feds can tip the game with vast infusions of cash borrowed from foreign investors.

Questions to Consider

1. As you assess the balance of centralization and decentralization in American government, what do you think have been the major events of the last fifteen years?
2. Is there a trend in this balance? Do you think we are becoming more centralized or decentralized? What are the forces shaping this trend, if there is one?
3. What difference do you think that this makes, both for governance in America and for public administration?