

Intro to Public Affairs

- Week 1
- Introductions...
 - Hometown
 - UG institution and major
 - Why an MPA?
 - Outstanding talent or attribute...

An Administrative State?

- 1/3 of U.S. GDP, but other countries much higher
- Bureaucracy vs. democracy
- Red tape...we love it and hate it
- Public vs. private administration
- Policy formation vs. policy execution
- Administrative discretion & responsibility

Politics/Administration Dichotomy

- What is politics?
- What is administration?
- Neutral Competence
- Subordinate Autonomy
- Speaking truth to power
- PA: science, process and art
- Government and nonprofit context

Major Political, Economic and Social Trends

- In North Carolina, for example...

The Browning & Graying of North Carolina

- Net population change from 1990-2000 (394% for Hispanic or Latino, 128% for Asian, 16% for White).
- Births by Race/Ethnicity, 1990 and 2003 (817% for Hispanic, 195% for Asian, 1.4% for White).
- % of Total Change in Public Schools due to Hispanic enrollment (15% in 1995 to 57% in 2005).
- Implications for key industries and school systems.

Browning & Graying (cont'd)

- Relative change in age composition from 1990-2000 (23% for age 55-64, 21% for age 65+ and 5% for age 18-34).
- For 2000-2005 (23% for 35-54 and -7% for 18-34).
- Implications for health and human services systems; succession planning in all organizations.

Growth

- From 2000-2005, 22% in Brunswick, 13% in Pender, 12% in New Hanover (state is 7.9%)
- Growth is positive....
 - double digit economic growth of 10% predicted for region
- But also creates serious challenges...
 - “N.C. Fines Port City \$30,000 for Sewer Spills”
 - “Price of City Roads Might Top \$1 billion”
 - Traffic #1 concern in UNCW surveys
 - “Park Proponents Flock to Meeting”

Education

- B.A. or Higher: Pender (13.6%), Brunswick (16.1%), New Hanover (31%)
 - State average is 23%
- Teacher Pay (26th in U.S.), Pupil-Teacher Ratio (31st) and SAT scores (14th) are Improving, but...
- High School Graduation Rate (38th), College Affordability (11th), and Gaps Between White, Black and Hispanic Students Alarming

Other Trends?

- Effective public administrators must be proactive; otherwise one is in a constant reactive, crisis mode.
- Requires regular scanning of the internal and external environment.
- Bring to class next week a one-page memo identifying five other important trends (either local, state or national).

Intro to Public Affairs

- Week 2
- Discussion of Important Trends...

Politics and the Economy

- “It’s the economy, stupid!”
- Command (government) economies vs. market economies
- Efficiency vs. equality, capitalism vs. democracy, individualism vs. collectivism: clash of values
- Income disparity: the struggle for fairness
- Political attitudes: Republicans vs. Dems

Economic Policy Regimes

- Laissez Faire (*invisible hand*)
- Antitrust (check monopolies)
- Regulatory (increase equity within markets)
- Mixed (gov't intervention for public interest)
- Command (socialism/communism)
- Where does U.S. fit?

Conflict & Cooperation

- Government and business are in conflict at times (examples?)
- But often also cooperate...
 - infrastructure
 - education
 - sharing resources
 - good business = good politics!

Changes in Economy

- Rural (little need for government)
- Industrial (rise of the corporation, middle class, Progressive movement, unions)
- Postindustrial (knowledge society...banking, finance, telecommunication, info management)
- Political implications...

Key Indicators

- Economic Recession and Expansion
 - inflation and unemployment
- Wealth Concentration (inequality gap)
 - top 1% hold 40% of wealth
- Political affiliation...
 - wealthy = Republican
 - lower income = Democrat

Development of Economic Policy

- Excise taxes (whiskey) and tariffs (protection of manufacturing base)
- Public vs. private good (free-rider issue)
 - roads
- Northwest Ordinance Act (public school land)
- Morrill Land Grant College Act
- Distributive Policy

Economic Regulatory State

- Correcting for Market Failure
 - monopoly and anticompetitive behaviors
 - ICC and Sherman Antitrust Act
- Social Darwinism
 - allow the strongest to survive
- Competing Ideologies: self-reliance vs. government assistance

Key Aspects of Political Economy

- Great Depression and the New Deal
 - need for regulation (SEC) and social safety net (social security)
- Military-Industrial Complex
 - co-dependence with political implications
- Social Regulatory State
 - entitlement programs, COLAs

Public Opinion and Economic Structures

- Support for Capitalism
- Rejection of Economic Equality
- Rejection of Efforts to Redistribute Income
- Attitudes Toward Welfare and Regulation
- Case of Corporate Responsibility and Annexation

Political Influence of the Business Sector

- Control of government by wealthy businesses and their interest groups an ongoing concern. Power is based on...
- Cultural ideology that espouses the virtues of capitalism
- The political system's need for an expanding and healthy economy
- Threat of departure & loss of benefits

Regulatory Policy

- Definition: replacement of a private decision with a government one with enforcement involved!
- Regulatory Policy Instruments:
 - price controls (airplane tickets, cable TV)
 - exit and entry controls (gas pipelines)
 - standard setting (product & workplace safety)
 - allocation of scarce resources (mining rights)
 - incentives (tax breaks, pollution tax credits)

Regulation as Response to Market Failure

- Competition problems
 - natural & unnatural monopolies
- Unequal bargaining power
 - labor-management relations
- Not enough demand (rural areas)
- Information problems
 - too costly or technical for consumers

Market Failure (cont'd)

- Externalities: the costs or benefits of an economic transaction that affect someone not involved directly in the transaction (spillover effect)
 - negative (pollution) and positive (roads)
- Tragedy of the Commons: pursuit of individual self-interest destroys public good

Regulation as Response to Inequity

- Market may provide an efficient production system, but not always a good distribution system.
- Examples are telephone, airline and postal service; healthcare, education

Budgeting

- One of most fundamental roles of administrator, regardless of level of government or sector.
- Budgets reflect priorities and areas of responsibility.
- Incremental vs. zero-base budgeting
- Uncontrollable vs. discretionary expenditures
- Washington Monument Syndrome

Taxes – Source of Revenue

- Criteria by which to judge taxes
 - economic effects (impact on growth)
 - economic neutrality (impact on business decisions)
 - distributional consequences (tax equity)

Tax Equity

- Tax burden should not be felt more heavily by some people than by others.
- Horizontal Equity (tax deductions for each child)
- Vertical Equity (more you make, more you can bear)
- Regressive vs. Progressive Taxes

Types of Taxes

- Income taxes (personal, corporate, social security)
- Consumption taxes (sales, import and excise)
- Property taxes (real estate, vehicles, estate)
- Nontax revenues (user fees, lotteries)

The Deficit Issue

- Historic Concern (41 states require a balanced budget)...why?
- Undermines financial market confidence in the government (chills investment)
- Gov't borrowing to finance deficit crowds out private borrowing
- Consuming more than we can produce (encourages imports)
- Caused by tax policy, entitlement growth, military spending, payment on public debt)

Key Concepts

- Dual Role of Budget

- economic impact (surplus slows growth, deficit promotes growth...Keynesian economics)
- political impact (distributive issues, bully pulpits for president/governors & legislatures)

- Political Ideology

- conservatives (cut spending/taxes to stimulate economy, rising tide lifts all boats)
- liberals (need activist gov't to control economy and protect social programs and regulations)

Org Theory/Gov't Structure

- Understanding gov't organizations enhanced by using different lenses
- Structural approach
 - classical model (POSDCORB), based on study of objective principles of organization such as span of control , separation of line & staff functions, and adherence to chain of command

Org Theory/Gov't Structure

- Bureaucratic Model

- based on rational-legal authority vs. authority based on tradition or charisma
- efficiency rests on narrow, defined specialization, rules and procedures, staff of experts, and hierarchy
- external or outside definition of roles & responsibilities

Org Theory/Gov't Structure

● Systems Theory

- orgs can be understood by examining inputs, throughputs and outputs
- closed-systems (unaffected by environment)
- open systems (in constant flux due to external forces; challenge is to find equilibrium)
- every org system has a purpose, goal or objective

Org Theory/Gov't Structure

● The Humanist Challenge

- people are not machines as assumed by scientific management movement (study of administrative processes to find one best way)
- impact of Hawthorne experiments
- Theory X vs. Theory Y management philosophies

Org Theory/Gov't Structure

● The Pluralist Challenge

- external focus; must consider conflict, accommodation of interests, and outside pressure groups
- role of horizontal and vertical relationships; networks, alliances, coalitions
- importance of different organization cultures (norms, traditions, informal rules)...CIA/FBI Case

Org Theory/Gov't Structure

- Challenge of Third Party Administration
 - Contracting out (government by proxy)
 - Network analysis (relationships less formal; org. help one another because cooperation provides mutual benefits; management of programs depends on the interconnections among those who actually implement programs.
 - Such networks needed to address “wicked problems”

Org Theory/Gov't Structure

- Each different theory or model provides a different lens for viewing an organization...each lens magnifies or emphasizes certain aspects...need to have a full “tool kit” of these theories to draw upon depending on the particular organizational dynamics.

Administrative Reform

● Reinventing Government Movement

- 1) Catalytic Government: Steering Rather Than Rowing
- 2) Community-Owned Government: Empowering Rather Than Serving
- 3) Competitive Government: Injecting Competition into Service Delivery
- 4) Mission-Driven Government: Transforming Rule-Driven Organizations
- 5) Results-Oriented Government: Funding Outcomes, Not Inputs

Administrative Reform

- Reinventing Government Movement

6) Customer-Driven Government: Meeting the Needs of the Customer, Not the Bureaucracy

7) Enterprising Government: Earning Rather Than Spending

8) Anticipatory Government: Prevention Rather Than Cure

9) Decentralized Government: From Hierarchy to Participation and Teamwork

10) Market-Oriented Government: Leveraging Change Through the Market

Administrative Reform

- Total Quality Management (TQM)

- Constant search for continuous improvement in quality by examination of every element of your processes and everything you do.
- Think small and consult workers in the trenches and customers.
- Eliminate aspects of process that does not add value.
- Must drive fear out of the workplace by rewarding the discovery of errors or causes of suboptimal performance.

Regulatory Administration

- Procedural Fairness
 - notice, oral hearings, witnesses
- Substantive Correctness of Decisions
 - best science & technology available
- Achievement of Public Policy Objectives
 - intended vs. unintended consequences

Public Interest Standards

- Legality/Morality
- Political Responsiveness
- Political Consensus
- Concern for Logic
- Concern for Effects
- Agenda Awareness

Legislative Oversight

- Assurance that administrators follow the intent of Congress
- Investigation of waste, fraud, and abuse
- Collection of information
- Evaluation of program effectiveness
- Freedom of Information Act
- Government Performance & Results Act

Strategic Planning

1. Mandates
2. Mission/Values
 - by stakeholders
3. External Environment Scanning (Opportunities and Threats)
 - Forces/Trends (political, economic, social, technological)
 - Clients/Customers
 - Competitors and Collaborators

Strategic Planning

4. Internal Environment (Strengths & Weaknesses)

- Resources (people, economic, information, competencies)
- Present Strategy
- Performance (results, history)

5. Strategic Issues

- cannot afford to ignore to achieve mission

Strategic Planning

6. Strategies

- practical alternatives
- barriers
- major proposals

7. Vision of Success

- description of organization in future

8. Actions

9. Results

- revise original plan accordingly

Civil Service Principles

- Hire employees by merit
- Pay according to their position
- Protection from political interference and dismissal
- Obligation to accountability

Human Capital Challenge

- Effective government or nonprofit agency requires excellent people...they are your greatest resource!
- Must have comprehensive approach that recognizes human resource “pipeline”: any leak in the system will undermine your ability to attract and retain the best and the brightest.

HR Pipeline

- Appropriate organization structure and job descriptions
 - people know where they fit, who they are responsible to, and what they are there for!
- Efficient Recruitment & Selection Processes
 - know who to target and invest in assessing candidates

HR Pipeline

- Orientation & Training

 - give people the background and tools they need

- Competitive Compensation

 - optimum blend of salary, benefits and non-monetary quality of life package

- Appraise and Reward

 - legitimate, valid process for determining exemplary, satisfactory and unacceptable performance with corresponding consequences

Issues in Public HRM

- Succession planning (where is the next generation?)
- Relationship between political appointees and career civil servants
- Relationship between boards and staff
- Pay compression
- Fostering a results-oriented culture

Leadership Theories

- Difference between Leading and Managing

 - leaders do the right thing; managers do things right

- Transactional vs. Transformational Leadership

 - manipulation of tangible rewards/punishments vs. inspiring through clear vision and shared values

Leadership Theories

- Star vs. Servant Leadership
 - “master of the universe” vs. leading from behind
- Theory X vs. Theory Y Manager
 - control/monitor vs. empower/expect results
- Task Centered vs. People Centered Leadership; Situational Leadership
 - must adapt to context and demands
- Case of EPA “FAME” Program

Decision Making

- The task of “deciding” pervades the entire administrative organization.
- Similar to management theories, no single approach predominates, but different theories illuminate or focus on different factors that must be considered (the “lens” analogy).
- Remember: no decision is a decision!

Basic Elements of Decision Making

- How to process the combination of information and values!
- Information is the mother's milk of decision making (but information is never complete and it is subject to interpretation).
- Values can be hard (if not impossible) to separate from facts. Decision making is inherently subjective!
- Four basic models

Rational Model

- Rational decision making holds efficiency as highest value...maximize ratio of outputs to inputs.
- Five basic steps:
 1. Define goals
 2. Identify alternatives
 3. Calculate consequences
 4. Decide
 5. Begin again

Pros and Cons

- Rational model focuses on good data, objectivity and is apolitical, however...
- Data and time are limited (we “satisfice”); and selection of goals is value-laden and typically influenced by “mass public” or “attentive publics”

Bargaining Model

- Focuses on conflict, negotiation, persuasion, and individuals with stakes in particular policies and decisions.
- Ties in concept of Lindblom's "incrementalism."
 - instead of beginning consideration of each program afresh, decision makers take what they are currently doing as given, and make small, marginal adjustments in that current behavior that is a product of "partisan mutual adjustment."
 - great goals are beyond reach; must take problems in smaller chunks that are easier to define, diagnose & solve.

Pros and Cons

- Focuses on describing how decisions are made and how decision makers build political support for their judgments, however...
- Does not answer the question of resource constraints or how much analysis needs to be done.

Participative

- Focuses on processing opinions of all those who will be affected by the decision.
- Raises important question of who are stakeholders, including employees, clients, taxpayers/donors, whole public or attentive publics

Pros and Cons

- Consistent with public interest standards of responsiveness, consensus and agenda awareness, however...
- In real world, difficult to get everyone at the table
- Elites and powerful tend to dominate
- NIMBY phenomenon: strong pressures to keep potentially objectionable programs “not in my backyard”

Public Choice Model

- Must remove decision-making from public officials because the pursuit of their self-interest leads them to avoid risk and to promote their careers.
- Decisions should be based on market-based mechanisms such as contracts that maximize efficiency.

Pros and Cons

- Focuses on objective items such as outputs and inputs and provides incentives for efficiency through competition. However...
- Assumes that both the goals and motives of the private and public sector are the same.
- Contracts away responsibility to manage those functions which are inherently governmental.

Limits on Decision Making

- Specialists lacking the big picture
- Uncertainty: tackling issues on the current edge of knowledge, where experts disagree and the road ahead is uncertain
- Information pathologies: in any organization information is filtered
- Crises: often reverse the order of normal decision making procedures

Garbage Can Theory

- Public policy is not one single actor's brainchild; an idea doesn't start with a clear single source
- Nobody leads anybody else, but people plants seeds and fertilize every day
- Decisions are products of "organized anarchies typified by problematic preferences, unclear technology and fluid participation

Garbage Can Theory

- Decision structures are comprised of four streams: problems, solutions, participants, and choice opportunities
- Decisions are a product of a collection of choices looking for problems, issues and feelings looking for decision situations in which they might be aired, solutions looking for issues to which they might be the answer, and decision makers looking for work

Garbage Can Theory

- Public policy in general can be understood as a streams of problems, policies, and politics
- Problems receive attention through indicators (data), focusing events (crises), and feedback (formal & informal)
- Policy ideas float in a “soup” that rise to the top if they are perceived to have technical feasibility and value acceptability
- Political streams are composed of public mood, pressure group campaigns, election results, and partisan or ideological distributions in legislatures.

Garbage Can Theory

- Policy happens (or decisions made) when a window of opportunity arrives and coupling of problem, proposal and political streams occurs.
- “People who are trying to advocate change are like surfers waiting for the big wave. You get out there, you have to be ready to go, you have to be ready to paddle...if you’re not ready...when the big wave comes...you’re not going to ride it i

Local Politics

- Vast majority of U.S. population growth is occurring in metropolitan areas.
- Half of all Americans live in 39 metro areas
- 80 million (30%) live in central cities
- Physical infrastructure shortfalls, problems associated with growth management, traffic congestion, lack of affordable housing, and demands of aging and more diverse population abound.

Uneven Resources

- More than 90% of municipal governments serve communities of less than ten thousand.
- Although most people live in urban areas, most local governments, both inside and outside metro areas, serve small populations and have limited management capacity and small in-house professional staffs.
- Budgets strained by need to deliver basic public services such as police, fire, water, street and sewer construction and maintenance.

Increased Problem Complexity

- Crime rates are heavily driven by drugs
- Feminization of poverty threatens well-being of increasing numbers of women and children.
- Health care costs are rising.
- Disparities continue to widen between cities and suburbs, whites and minorities, “gold coast” and rural inland areas

Other Trends

- Increased activism by citizens and elected officials (often single-issue driven).
- Future of local government is regional, but a citizenry that is not class-based or parochial is in its infancy.
- Disintegration of civic infrastructure: individual and group “wants” in recent years have been self-defined as “needs” and then demanded as “rights” with little or no engagement in the broader discussion of what is good for society.

Skills Necessary for Local Governance

- Facilitative management & leadership
- Thinking, planning and managing strategically (and self-evaluating)
- Negotiating and mediating conflict between diverse groups

Negotiation Models

- Domination
 - hard to sustain; fosters enemies
- Balance of Power
 - avoids real discussion, expensive to maintain
- Cooptation
 - fosters resentment over time
- Integration of Interests
 - fosters creative, sustainable solutions that address “wants”

Coalitions/Alliances

- Traditional, bureaucratic institutions are being supplemented by voluntary, public-private, intercommunity partnerships designed to solve regional problems
- One sees interconnected problems, fragmented authority, and administrative helplessness
- No single person, group or organization can resolve these “wicked problems”, but everyone has a partial responsibility and everyone can say no!

Coalitions/Alliances

- Need structures that enhance political leadership, civic infrastructure and societal learning
- Coalitions/alliances are seen in literature on shared power and “uncentralization”, networks, and leaderless groups.

Keys to Effective Coalitions/Alliances

- Neutral, credible convener and facilitator
- No preordained mission, power, structure or rules
- Voluntary participation
- Inclusion of all key decision makers
- Decisions by consensus

Public Leadership

- Nonhierarchical and interorganizational
- Evokes collaboration and concerted action
- Provides the necessary catalyst or spark for action
- Takes responsibility for convening stakeholders and facilitates agreements for collective action
- Facilitative; asks the right questions
- Has a stake in getting to agreed-upon outcomes, but encourages divergent ways to reach them

The Catalytic Tasks of Public Leadership

1. Focus attention by elevating the issue to the public and policy agendas.
2. Engage people in the effort by convening the diverse set of people, agencies, and interests needed to address the issue.
3. Stimulate multiple strategies and options for action.
4. Sustain action and maintain momentum by managing the interconnections through appropriate institutionalization and rapid information sharing and feedback.

Elements of Policy Issue Paper

- Letter of Transmittal
- Executive Summary
- I. Source and Background of the Problem
 - A. Description of Problematic Situation
 - B. Outcomes of Prior Efforts to Resolve Problems
 - C. Assessment of Past Policy Performance
 - D. Significance of Problematic Situation

Elements of Policy Issue Paper

II. The Policy Problem

- A. Problem Statement
- B. Approach to Analysis
- C. Major Stakeholders
- D. Goals and Objectives
- E. Measures of Effectiveness
- F. Potential Solutions

Elements of Policy Issue Paper

III. Policy Alternatives

- A. Description of Alternatives
- B. Comparison of Alternatives
- C. Spillovers and Externalities
- D. Constraints and Political Feasibility

Elements of Policy Issue Paper

IV. Policy Recommendations

- A. Criteria for Recommending Alternatives
- B. Description of Preferred Alternative (s)
- C. Outline of Implementational Strategy
- D. Provisions for Monitoring and Evaluation
- E. Limitations and Unanticipated Consequences

- References
- Appendices

Smart Growth Principles

- Mix Land Uses
- Take Advantage of Existing Community Assets
- Create a Range of Housing Opportunities and Choices
- Foster “Walkable,” Close-Knit Neighborhoods
- Promote Distinctive, Attractive Communities with a Strong Sense of Place, Including the Rehabilitation and Use of Historic Buildings

Smart Growth Principles

- Preserve Open Space, Farmland, Natural Beauty, and Critical Environmental Areas
- Strengthen and Encourage Growth in Existing Communities
- Provide a Variety of Transportation Choices
- Make Development Decisions Predictable, Fair, and Cost-Effective
- Encourage Citizen and Stakeholder Participation in Development Decisions