

University of North Florida
Master of Public Administration program
PAD 6060 Public administration in modern society
Fall 2017

Introduction

Public manager of the week



[Photo credit](#)

Woodrow Wilson **Former President, and public administration scholar**

Lecture goals: introduce the course, focusing on why societies have 'public management' of some functions, as well as why they maybe shouldn't have public management of others!

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Those of you who paid attention in history classes may have heard of Wilson, a former US President. Prior to that he was a university professor. Within public administration, his 1887 *Political Science Quarterly* article "The Study of Administration" is still a classic which, as Grover Starling puts it, "marks the symbolic beginning of American administration" (1998: 54) as a field of study. Some Wilson quotes:

Government

"Government should not be made an end in itself; it is a means only -- a means to be freely adapted to advance the best interests of the social organism. The state exists for the sake of society, not society for the sake of the state." *The State: Elements of Historical and Practical Politics* (1911)

Judgment

"One cool judgment is worth a thousand hasty counsels. The thing to be supplied is light, not heat." Address on preparedness, Pittsburgh, Pennsylvania, January 29, 1916.

Public Service

"There is no cause half so sacred as the cause of a people. There is no idea so uplifting as the idea of the service of humanity." Address, New York City, October 31, 1912.

Responsibility of People

"In the last analysis, my fellow countrymen, as we in America would be the first to claim, a people are responsible for the acts of their government." Address, Columbus, Ohio, September 4, 1919.

Love

"The way you let your hand rest in mine, my bewitching Sweetheart, fills me with happiness. It is the perfection of confiding love. Everything you do, the little unconscious things in particular, charms me and increases my sense of nearness to you, identification with you, till my heart is full to overflowing."

Okay, so the love verse wasn't too good. Like I said, the guy was a policy wonk, so he's unromantic by definition. Some points worth pondering from his 1887 article, though:

- The hoary old 'politics/administration dichotomy' (from p. 210).
- His ambivalent views regarding the public (p. 208-9).
- Intergovernmental complexities (p. 221).
- His outward-looking focus:

"It is the more necessary to insist upon thus putting away all prejudices against looking anywhere in the world but at home for suggestions in this study, because nowhere else in the world of politics, it would seem, can we make use of the historical, comparative method more safely than in this province of administration" (p. 219).

And two final, important points relate to the contradiction between his outward-looking focus to learn lessons to improve US society. Despite this, as the Barnett reading indicates, he suffered from some serious policy myopia with regards to race relations in the US. So what do we make (or take) from this):

- The world is a complicated place, and progress has been a slow, incremental process?
- Equity is fundamental to public administration. After all, for our *public* administration purposes, the definition of public is (see [the link](#)):
 - a:** of, relating to, or affecting all the people or the whole area of a nation or state <*public law*>
 - b:** of or relating to a government
 - c:** of, relating to, or being in the service of the community or nation

Note that definition (a) does not read "or, relating to, or affecting all the people you like."

Why public management?

As a starting point in courses in public affairs, political science and government, it is customary to ponder why we have government! Government is neither uniquely American, nor a recent invention of America: Raadschelders and Vigoda-Gadot note that "The first documented theories about state and state-ruler relationships can be traced back 2500 years to the studies of Plato and Aristotle in Greece and Kautilya in India (p. 38), while Henry (2007, p. 1) refers to evidence of bureaucracy from 19,000 years ago, and Fukuyama links modern governance to chimpanzee politics (2011, pp. 31-8; see also [online link](#)). Top that! This isn't necessarily an abstract issue, as the basis of the question helps us with a more immediate issue regarding the ever-shifting line between what government should and shouldn't be doing. So what sort of tasks does the public sector take on, and why?

A large part of the reason for government is what are referred to as 'market failures'. The market doesn't seem to be too good at some things. But first, an historical interlude.

An historical interlude: The classic social contract theorists provide a still useful take on why we have government:

Thomas Hobbes

"Thereby it is manifest, that during the time men live without a common Power to keep them in awe, they are in that condition which is called Warre; and such a warre, as is of every man, against every man. And life of man, solitary, poore, nasty, brutish and short." *Leviathan* (1651)

John Locke

"The great and chief end, therefore, of men's uniting into commonwealths, and putting themselves under government, is the preservation of their property; to which in the state of nature there are many things wanting." *Second Treatise of Government* (1690)

Jean Jacques Rousseau

"I assume that men reach a point where the obstacles to their preservation in a state of nature prove greater than the strength that each man has to preserve himself in that state. The only way in which they can preserve themselves is by uniting their separate powers in a combination strong enough to overcome any resistance, uniting them so that their powers are directed by a single motive and act in concert." *The Social Contract* (1762)

Note that these take a very pragmatic position on why we have government: we can't live without it. The historical development of public administration is not quite as romantic as that implied by the 'social contract' theorists, but essentially individuals, and even smaller groups of people, do not submit to common management unless they are mutually dependent. So the history of the development of 'government', from the tribe to the United Nations, is one of increasingly large scale interaction, creating insoluble problems requiring common action to ameliorate these.

Our Founding Fathers, by the way, were both very aware of, and heavily influenced by these three thinkers (among others!). Not surprisingly, our founding documents include the following:

Declaration of Independence:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness." my emphasis coming, "--That to secure these rights, Governments are instituted among Men..."

US Constitution:

"We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America."

PS: what is wrong with the Constitutional 'teaching' included in [this link](#)?

Why we have government

One way of looking at the question of the role of government would be to think of society as composed of numerous 'sectors', or ways of organizing production and distribution of goods and services, and keep in mind that 'services' covers a lot: transportation, child rearing, cooking, spiritual guidance and fellowship, national defense (security), health care (security), unemployment insurance (yet more security!), information, partying, shoes, carrots, etc. Various options for providing *and allocating* these services would include:

- State (public)
- Market (private)
- Nonprofit
- Communal
- Self provision/subsistence

-- On this, one of the commonly pointed to idiocies of the way modern society formally measures the production of goods and services is illustrated as follows: if you divorce your spouse then hire him/her as your housekeeper, GDP (the size of the economy, as measured by government statistical agencies) goes up, as the provision of these cooking and cleaning services shift from self-provision to the market sector of the economy. GDP only counts 'market' exchange.¹

Keep in mind that in human history, the order of the above was generally reversed: if we couldn't do something for ourselves, we got help from friends/family/tribe, if this didn't work we went out and tried to buy what we needed from someone else. When all else fails, we turn to government.

Table 1				
Size of government compared				
	Economic freedom	Size of government	Regulation	Gov't ¹ % GDP
G7+				
US	7.93	7.13	7.78	16
Australia	7.83	6.80	7.91	17
Canada	7.92	6.54	8.16	19
France	7.20	5.43	6.45	23
Germany	7.47	5.64	6.34	18
Italy	6.75	5.71	5.77	21
Japan	7.38	6.18	7.34	18
Sweden	7.26	3.61	7.16	26
UK	7.78	6.02	7.76	22
BRICs				
Brazil	6.18	6.39	5.00	20
China	6.44	3.28	5.93	11
India	6.48	6.84	6.16	12
Russia	6.57	7.27	5.69	18
Laggards				
Pakistan	5.80	7.71	6.12	11
Nigeria	5.93	5.89	6.99	n/a
Vietnam	6.15	6.27	6.34	6
Venezuela	4.35	5.09	4.91	14

Sources: The first three columns are from the [Fraser Institute](#) and [Cato Institute](#)'s 2010 *Economic Freedom of the World Report*. The data is on a 1-10 scale, with 10 equal to more economic freedom (i.e. less government 'meddling'). The final column is from the [World Bank](#)'s *World Development Report 2011*, pages 350-1.

Note: ¹ -- Government final consumption, as % GDP.

¹ I think British economist A.C. Pigou (1920) first made this observation ([link](#), see I.III.2).

The 'public' 'sector'

Table 1 (on the previous page) provides some comparative indicators (circa 2008) that allow us to look at public management in the US, relative to a collection of other countries. Be sure to read the notes/sources below, so that you understand how the indices are presented.

Note that, relative to the size of the United States, government is *smaller* than in these other large rich countries, and has a relatively light regulatory footprint. Our country is also among the least corrupt, most free and most democratic societies in the history of our species. Hello?

Why government?

Market failure! As suggested above, government often kicked in when all else failed, especially when markets have been unable to provide a good or service. Eleven classic types of market failure ([link](#) for a more extensive discussion):

To start: Adam Smith's (1776!) "[three duties of the sovereign](#)," plus two others implied by Smith.

1. *Defense*: "The first duty of the sovereign, that of protecting the society from the violence and invasion of other independent societies, can be performed only by means of a military force" (1776, Volume II, p. 213).

2. *Justice*: "The second duty of the sovereign, [is] that of protecting, as far as possible, every member of the society from the injustice or oppression of every other member of it, or the duty of establishing an exact administration of justice..." (1776, Volume II, p. 231; see also John Locke, 1690, quoted above).

3. *Public works*: "The third and last duty of the sovereign or commonwealth is that of erecting and maintaining those public institutions and those public works, which, though they may be in the highest degree advantageous to a great society, are, however, of such a nature that the profit could never repay the expense to any individual or small number of individuals, and which it therefore cannot be expected that any individual or small number of individuals should erect or maintain" (1776, Volume II, p. 244).

4. *Public institutions*: Smith added a subset of 'public works', and so a fourth, distinct 'duty of the sovereign'. Beyond major infrastructure "for facilitating the commerce of the society," he added institutions "for promoting the instruction of the people. The institutions for instruction are of two kinds: those for the education of youth, and those for the instruction of people of all ages". Related to 3 and 4 is the broader topic of [public goods](#).

5. *Monopoly*: Smith implied this type of market failure, as well, in his discussion of relations between workers and employers:

"What are the common wages of labour, depends everywhere upon the contract usually made between those two parties, whose interests are by no means the same. The workmen desire to get as much, the masters to give as little as possible. The former are disposed to combine in order to raise, the latter in order to lower the wages of labour. It is not difficult to see which of the two parties (masters and workmen) must, upon all ordinary occasions, have the advantage in the dispute, and force the other into compliance with their terms. The masters, being fewer in number, can combine much more easily; and the law, besides, authorizes, or at least does not prohibit their combinations, while it prohibits those of the workmen" (1776, Volume I, p. 74). [See also](#).

‘*Natural monopoly*’: A subset of monopoly is what is referred to as natural monopoly: in some cases total costs are kept to a minimum when one producer serves the whole market ([JSTOR link](#)). Note: this monopoly then needs to be regulated to reduce price-gouging.

More:

6. *Asymmetric information* (usually: the seller knows more about the product than the buyer). Because ‘buyer beware’ is out of favor, public information gathering is required to identify firms producing dangerous products, making products in unsafe ways, etc. [See also](#).

7. *Externality*: utility maximizing activity by one causes loss of utility to another. [See also](#).

8. ‘*Substantive*’ issues: a number of people (of all political stripes) argue that government should be about more than just efficiency and the provision of goods and services (childcare, say). Alberto Guerreiro Ramos argued that in contemporary public administration “...questions like the ‘good’ of man or society have no place in the area of rational debate. Rational man is unconcerned with the ethical nature of ends per se. He is a calculative being intent only on accurately finding adequate means to accomplish goals” (1981, p. 106). And so instead, for Ramos public administration needed to concern itself with issues like “love, trust, honesty, truth, and self-actualization” (p. 112). [See also](#).

9. *Principal/agent problems*. When the people hired to manage firms put their own interests ahead of the firm, market distortions result. [See also](#).

10. *Irrationality*: The case that markets will lead to socially optimal allocation decisions assumes rational decision-making on the part of consumers and suppliers. Yet as especially the spate of recent bubbles has shown (not to mention the readings from Roubini and Cassidy later in this course), this is an at least questionable assumption. [See also](#).

11. Implications of creative destruction: Austrian economist Joseph Schumpeter famously defended the logic of capitalism as follows:

“The opening up of new markets, foreign or domestic, and the organizational development from the craft shop and factory to such concerns as U.S. Steel illustrate the same process of industrial mutation—if I may use that biological term—that incessantly revolutionizes the economic structure *from within*, incessantly destroying the old one, incessantly creating a new one. This process of Creative Destruction is the essential fact about capitalism. It is what capitalism consists in and what every capitalist concern has got to live in.” -- *Capitalism, Socialism and Democracy* (1942).

This is all well and good, so long as the costs of the destruction don’t overwhelm the benefits. So if your favorite bakery goes broke, no worries, you can get bread elsewhere. But if your kid’s for-profit school is shut down ([example](#)), your child could lose, or experience severe disruption to, a year of education.

Why not public administration?

Government failure! The above is all fine and dandy (i.e. markets fail, therefore we need government), but surely it’s not this simple? I came across a nice example of the widespread pessimism about the efficacy of public administration over the summer of 1999 in *Atlantic Progress*, the in-flight magazine of a small airline in Nova Scotia:

“There are still many beneficiaries of the free market who... mock the system that feeds them. Indeed, this has been a fashionable posture by intellectuals for much of this century. To the organized mind, the apparent chaos of the modern economy -- all that production, all that selling and buying -- can appear shallow and inelegant, stupid and cruel...”

"Still the government is the obvious choice as an institution to counter the restlessness and apparent mindlessness of free markets. After all, it has the ability to consult, to weigh the interests of different groups, and to plan for our collective future.

"Unfortunately, much government planning has turned out to be shortsighted and financially unworkable. Certainly, when it comes to investment, government has a marked tendency to back dying industries, to subsidize over production, and to encourage inefficiency... (Holt 1999: 11).

Holt may be over-stating things. After all, the rate of business, even personal [bankruptcy](#) (failure) is hardly a record to emulate. But his broader point is good: government as a response to market failure overlooks the reality that government can fail, too. Unfortunately, just as market failure led to people screaming for government to step in and 'fix' the problem, perceptions of government failure (for example see [data breaches](#) and [patients dying](#) at VA hospitals) currently are leading to people screaming for government to get out and let markets 'fix' the problem. Yet markets being unable to address the problem (for example see [data breaches](#), and [patients dying](#) in nonprofit and private hospitals) is why government stepped in to begin with.

Historical interlude: Just to be fair (given reference earlier in this lecture to the social contract theorists and their explanation for the natural development of government and the public sector), here are some classic statements *against* public sector activity:

Voltaire (1694-1778)

"In general, the art of government consists in taking as much money as possible from one part of the citizens to give it to another." *Miscellany*.

Karl Marx and Frederich Engels

"The executive of the modern State is but a committee for managing the common affairs of the whole bourgeoisie." *The Communist Manifesto* (1848).

John Stuart Mill

"The most cogent reason for restricting the interference of government is the great evil of adding unnecessarily to its powers." *On Liberty* (1859).

Friedrich Hayek

"If 'capitalism' means here a competitive system based on free disposal of private property, it is far more important to realize that only within this system is democracy possible. When it becomes dominated by a collectivist creed, democracy will inevitably destroy itself." *The Road to Serfdom* (1944).

Ronald Reagan

"In this present crisis, government is not the solution to our problem; government is the problem. From time to time we've been tempted to believe that society has become too complex to be managed by self-rule, that government by an elite group is superior to government for, by, and of the people. Well, if no one among us is capable of governing himself, then who among us has the capacity to govern someone else?" Inaugural address, January 20, 1981.

And finally, the classic statement of the case for market allocation of goods and services:

Adam Smith

“As every individual, therefore, endeavours as much as he can both to employ his capital in the support of domestic industry, and so to direct that industry that its produce may be of the greatest value; every individual necessarily labours to render the annual revenue of the society as great as he can. He generally, indeed, neither intends to promote the public interest, nor knows how much he is promoting it. By preferring the support of domestic to that of foreign industry, he intends only his own security; and by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention. Nor is it always the worse for the society that it was no part of it. By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it. I have never known much good done by those who affected to trade for the public good. It is an affectation, indeed, not very common among merchants, and very few words need be employed in dissuading them from it” [The Wealth of Nations](#) (1776, p. 479).

Causes of government failure:

Politics

- District representation -- representatives have narrow, rather than societal interests.
- Electoral cycles -- short term thinking, so politics and recessions.

Bureaucracy

- Lack of the incentive of the profit motive and the discipline of competition -- how do we measure good performance in government?
- Empire building – there is also evidence that public (and private) bureaucracies will ‘empire build’ ([an example](#), and [another](#)). All else equal the director of a large agency will have more prestige (and higher salary) than the director of a smaller one. So this may lead to unnecessary growth, or an incoherent range of duties (i.e. lack of synergies).

‘Capture’...

- ...by ‘special interests’, who distort policy to their own ends through ‘preference intensity’, or the phenomenon of ‘[concentrated benefits and diffused costs](#)’.
- ...by public bureaucracies and party operatives. Here, the ‘principal/agent’ market failure can be rewritten: when the people hired to manage public agencies put their own interests ahead of that of the people, government failure results.

Civil service inflexibility

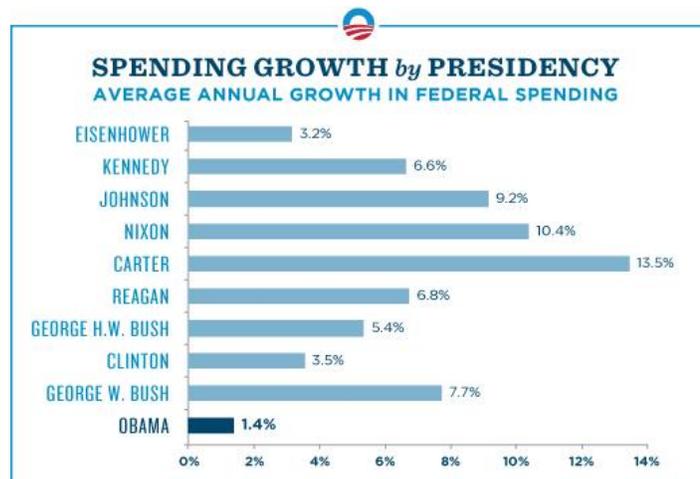
- Arrogance among policy elites -- they think they *know* what the people need, even if the people don't realize it.
 - From perhaps the 1930s through to the 1970s, too, faith in government had led to its inexorable growth, and eventually to its over-extension.

Complexity -- multi-layered issues with iffy science and conflicting wants. As Charles Lindblom and Edward Woodhouse put it:

"The tasks of public policy making are exceedingly difficult. Because the world is so complex, human understanding so limited, and organizational life so complicated and problem-ridden, it is reasonable to suppose that public policies will turn out to disappoint" (1993: 150).

- Goodsell (2003) refers to the problem as no-win situations and red tape:
 - "Corrections personnel are supposed to confine convicts securely and cheaply in close quarters and rehabilitate them into good citizens" (p. 60).
 - [Food and Drug Administration](#) "officials are told they must keep all dangerous drugs off the market yet not hold up the approval of new drugs" (p. 60).
 - [Immigration and Naturalization Service](#) computers awarded visas to attend flight schools to two of the mass murder hijackers of 11 Sep 2001, yet "The fact that Congress had for years refused to appropriate sufficient funds to update that computer system was forgotten in the uproar" (p. 60).

- 'Spin' (in [Biblical terms](#), referred to as bearing of false witness). A 'Politifact' article (Jacobson 2012) refers to a FB meme, originating on the President Obama's personal webpage. Though the 'Politifact' article is relatively balanced, inevitable judgment calls have to be made in deciding what to measure and how, and needless to say, those who put party ahead of country will bear false witness. Footnote 1 of the graphic above, for instance, notes that it analyzes the fiscal year that



began in the calendar year the President took office. So GW Bush's 7.7% annual spending growth is that from 1 Oct 2001 to 30 Sep 2009, so he gets dinged for spending in the first nine months of the Obama Presidency. Most folks think this is realistic, as a President (or Mayor, Governor or even CEO) can't be expected to change everything immediately, indeed, many analyses focus on budget/calendar years, so Clinton is held responsible for 1994 through 2001 ([example](#)). This would make the Bush years look even worse. On the other hand, if President GW Bush is only held accountable for January 2001 to December 2008, his record looks a bit less hideous, as the subsequent costs of his economic management are not credited to his administration.

But the broader point here is that complexity is made worse by those who the facts don't support, and so seek to confuse and distort.²

Intergovernmental relations (also related to complexity).

- Fiscal federalism: the feds raise more money than they spend, transferring much of this to state and local governments (or business firms or nonprofit organizations) for actual program implementation. Where's the need to economize at the local level?

² If you haven't seen this: Politifact's assessment of the honesty of statements made by the various 2016 Presidential candidates ([source](#)).

- This fiscal federalism be a good thing, in ensuring some sort of consistency (and a *leveling up* consistency) across the country ([example](#)).
- Yet again, no state or local government wants to end this structure, as it allows them to spend, yet avoid the pain of raising a lot of tax.
- The Feds like the present system, too, as those financial grants come with strings, allowing federal officials to overcome the US federal system and meddle at the state and local level, which is also done through....
- ...Mandates: the feds tell state and local governments what to do, sometimes as a condition for federal dollars, but often *without paying for it!*

Intersectoral relations

- US governments may spend a lot of money, but they don't *do* nearly as much stuff as they used to. Governments buy things (goods and services) from for-profit business firms, and from nonprofit organizations.
 - One of the earliest US government contracts: the [USS Constitution](#), built not by the US government, but by [Edmund Hartt's shipyard](#). Perhaps setting the stage for government defence contracts ever since, its initial contract of \$115,000 ballooned to \$302,700 on delivery ([source](#)).
- And so we have numerous actors:
 - 90,106 ([Census Bureau's 2012 Census of Governments](#)) US governments
 - 200+ interdependent [sovereign states and self-governing territories](#)
 - 23.3m non-farm business (*New York Times Almanac* 2000) in the US alone
 - MNCs, crossing national boundaries
 - A million or so NPOs in the US alone
 - Exporters and importers
 - 7,340,104,540 global consumers (as of 6:52:22 pm, July 25, [source](#)), occasionally selling and buying gnarly stuff that we as a society don't think we want to allow: child pornography, crack cocaine, etc.

So where does this leave us?

Among other things, this course will also make Goodsell's argument: that public administrators "*on the whole and in comparison to most countries and even the business sector in this country, perform surprisingly well.*" Think, for instance, of the following:

- Our current, unquestioned admiration for the armed forces: our socialized security system. Government is not all bad. Think, too, of what motivates Americans to join the military. How much does this differ from what motivates Americans to apply for jobs with the City of Jacksonville?
- [Jack Abramoff](#), [Kenneth Lay](#), [Bernard Ebbers](#), [Dennis Kozlowski](#), [Michael Milken](#), [Halliburton](#), [Charles Keating](#), [John Rigas](#), [Arthur Anderson](#), [Putnam Investments](#), [Bernie Madoff](#), etc.
- The mass murders of 11 September 2001. *Private* individuals hijacked planes and crashed them in to *privately* owned buildings. Those *private* sector workers ran *out of* those buildings to save themselves. *Public* sector workers (police and firefighters) ran *in to* save

those private sector workers, and some hundreds died as a result. Are government workers really so bad?

- The housing-bust induced economic contraction of 2008-9. *Private* individuals bought houses from *private* sellers in deals negotiated by *private* real estate agents with loans from *private* banks brokered by *private* mortgage brokers. These loans were then packaged and sold off ('securitized') by a range of agencies, among which was the Federal National Mortgage Association, colloquially known as 'Fannie Mae'. Fannie Mae had been a government sponsored enterprise, but was private-ized in 1968. These securitized mortgages were then bought by *private* investors and rated (highly) by *private* rating agencies. During this whole period government regulation was steadily cut back, with Alan Greenspan famously justifying this as follows:

"...assisted by the wave of deregulation since the mid-1970s, today's U.S. economy remains the most competitive large economy in the world, and American culture still exhibits much of the risk taking and taste for adventure of the country's earlier years. More than a century after Frederick Jackson Turner declared in 1893 that the frontier was closed, Americans reveled in stories of the exploits of the free-spirited cowboys who, following the Civil War, manned the cattle drives up the Chisholm Train from Texas to the rail depots of Kansas" (2007, p. 279).

Yet when the collapse of the housing bubble helped push the economy into the worst recession in 70 years, who got blamed? Not free-spirited financial cowboys, but government. Along with national defense, economic blame may be the most socialized part of American society.

Goodsell puts it like this:

"If, then, we (1) assume that progress is inevitable; (2) assign responsibility for progress to government; (3) expect insoluble problems to be solved; and (4) hand over the job of solving them to the bureaucrats -- what is the consequence? The consequence is that we set bureaucracy up for failure" (p. 59).

Let's think this through:

1. "we assume that progress is inevitable": pity the politician who does not deliver growth!
 - This assumption of progress has held for 200, maybe 300 years, since the [Industrial Revolution](#).
 - But note that this was preceded by maybe 6,000 - 30,000 years of more or less stagnation, and
 - it is possible (but by no means certain) that we've been building up huge problems that will eventually come home to roost. Progress may come to a shuddering halt, a new stone age (ice age?) may loom!
 - Note also that progress around the world has not been uniformly shared, so progress is not inherent in the human condition.
2. "assign responsibility for progress to government"
 - In a capitalist society, why? Shouldn't business make the money, with government just providing some basic services (Adam Smith's justice, defence and major infrastructure?) and hanging around to help the poor and such? In other words, why does government get blamed when the economy takes a dive? Doesn't business have some responsibility for this, especially given that the salary of the average corporate

- CEO is probably 20-30 times that of the average government agency head? Have we socialized economic blame?
- Similarly, why does government get blamed for corruption? It is almost always *private* individuals (and usually private firms) doing the corrupting.
3. “expect insoluble problems to be solved”
 - Yet is this reasonable? Why does Wal-Mart get applauded for selling us cheap junk from China; while government gets blamed for not saving US industries gutted by our buying cheap junk from China?
 4. “hand over the job of solving them to the bureaucrats -- what is the consequence?”
 - And, I’ll add, we cut pay for government employees and treat them with disrespect.

Too often decisions about whether, and how to provide public services get made on ideological (what we believe), rather than pragmatic (what the evidence shows) grounds. Knowing the relative strengths and weaknesses of government, market, and nonprofit provision of goods and services can help reduce the poor policy outcomes that result from the former decision-making process. As such, this is a major focus both of this course.

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II. Course and the instructor

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[The course](#)

[The instructor](#)

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