

Reinventing Govt -
Federal workforce



UNDER THE HOOD

A LOOK AT THE INNER WORKINGS OF GOVERNMENT

A Century of Government Growth

The Census Bureau's 1999 Statistical Abstract of the United States provides tables and figures that open a window on national changes in the 20th century. Here is a sampling of the report that reflects on the growth of the U.S. government.



The U.S. government had \$567 million in receipts in 1900. In 1999, the government took in \$1.7 trillion.

1900 \$567 million
1999 \$1.7 trillion



National defense and veteran expenditures were \$300 million in 1900 and \$307 billion in 1999.

1900 \$300 million
1999 \$307 billion



Social welfare expenditures under public programs were \$4 billion in 1929 and \$1.5 trillion in 1995, the oldest and newest figures available.

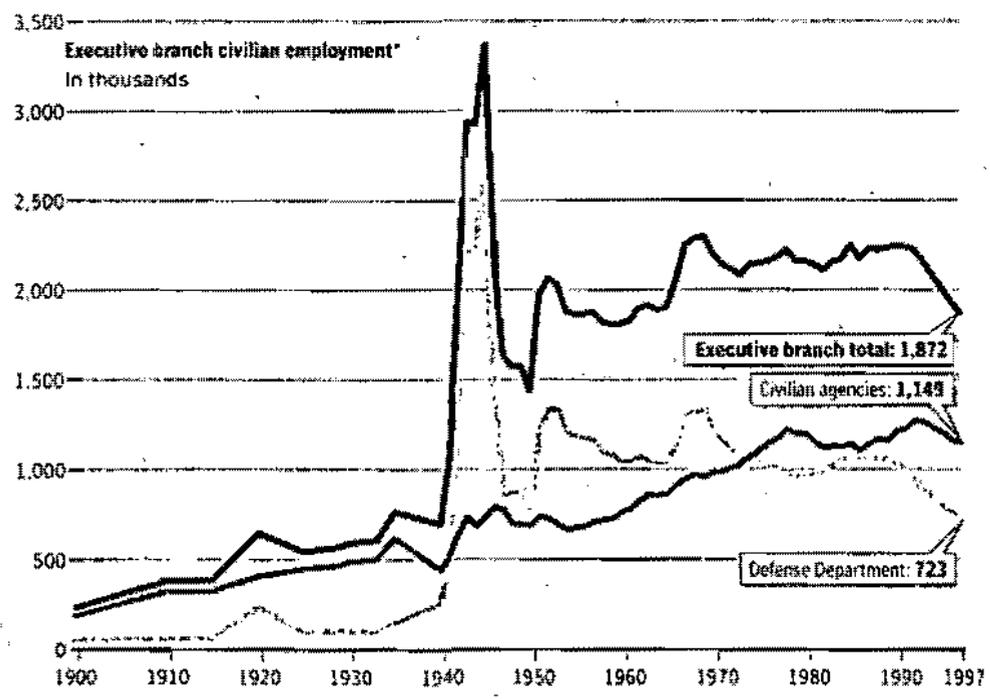
1929 \$4 billion
1995 \$1,505 billion



The largest budget deficit of the 20th century was \$290.4 billion in 1992; the \$9.5 billion surplus of 1999 was second only to the \$11.8 billion surplus of 1948.

1948 +\$11.8 billion
1992 -\$290.4 billion

Executive branch civilian employment has declined as more work is contracted out.



*Excludes Postal Service

THE WASHINGTON POST

FULL COURT PRESS

Joan Biskupic

Masters of the Hypothetical

Supreme Court justices are a staid, serious bunch. They've been educated at the top schools. They're logical, sharp-thinking, highbrow even. Yet hardly an oral argument goes by without one of them offering a hypothetical question to the lawyer at the lectern that is so kooky, so off-the-wall, so convoluted, that it makes jaws drop.

Justice Stephen G. Breyer, who lowers his eyeglasses on his nose when he speaks, is a master of the genre. His hypotheticals are laden with quirky details. In a dispute over whether the Food and Drug Administration can regulate cigarettes as drugs, he began asking about fictitious substances the FDA also might try to control.

"Suppose you got the thermal-glove effect—warm hands—through a pill," he said. "Somebody says, 'Take this pill, it will toughen your skin and bring blood to your hands. . . . They say, 'Take this pill, it's metabolized, it affects your brain, creates an addiction, and lo and behold, you've got warm hands if it gets cold in the winter. . . . Do you see what I mean?"

"I think I understand," said Richard Cooper, a lawyer for tobacco companies, ultimately answering that a substance can be regulated only if its manufacturer had been claiming some medical benefit—here, warm hands.

Justice Sandra Day O'Connor, one of the most unyielding questioners, asked Solicitor General Seth Waxman whether the FDA could control horror movies "because so many people go to them to get scared and get the adrenaline pumping?"

"No one has ever seriously suggested that the FDA exercise regulatory jurisdiction over horror movies," Waxman responded.

"Well," interjected Chief Justice William H. Rehnquist, "30 years ago no one would have suggested they exercise jurisdiction over cigarettes."

See? There is a method to the hypothetical madness.

The justices say such questions help them figure out the consequences of a case, how their ruling could affect other situations down the line. Though Rehnquist personally offers more humdrum (some might say, understandable) hypothetical questions, he has little patience for the lawyer who tries to resist the excessive fare that comes from those to the right and left of him.

"That's not this case!" lawyers often will protest, only to be met by Rehnquist's stern look or admonishment to stop stonewalling.

Feisty Justice Antonin Scalia is known for his intricate scenarios that often come with a punch line. In a recent case testing whether police can stop and frisk a suspect simply because he ran at the sight of an officer, Cook County State's Attorney Richard Devine said merely walking away would not get a person in trouble; he must clearly be fleeing.

"Power walking. What about power walking?"

Scalia asked, "From an elderly and overweight police officer?"

Scalia is unmatched in his ability to conjure up a scene in a hypothetical question. In a 1998 case involving a sunken ship, he asked, "Suppose I drop a silver dollar down a grate, and I try to bring it up with a piece of gum on a stick and I can't do it, and I shrug my shoulders and walk off because I have not gotten it, and then somebody comes up and lifts up the grate and gets my silver dollar. Is that his



silver dollar?"

Justice John Paul Stevens often builds in references to his favorite pursuits or home town of Chicago. In a case involving benefits for descendants of the original residents of Hawaii, he said, "Supposing today we approach an island . . . [and] it's populated by . . . a thousand people who are just all farmers. Could we make an arrangement . . . that you can become a part of the United States and in exchange we give all of you and your descendants a tax exemption, say, or free baseball tickets to the World Series?"

Lawyer Carter Phillips, who has argued 28 cases before the justices, said the only way to handle a dramatic hypothetical from the bench is to "quickly think about how the question might fit your argument." His favorite is one he didn't have to personally field, a Stevens question in a 1988 case testing whether the National Collegiate Athletic Association could be sued for violating due process rights as a "state actor" after it pressured the University of Nevada-Las Vegas to suspend its basketball coach.

"Supposing," Stevens started out, "United Airlines tells O'Hare Airport in Chicago that we won't land here anymore, because we think your airport manager is doing a sloppy job of turning on the lights, or something like that, at night. . . . And O'Hare says, well, we can't operate without United, so we'll fire him. Would United become a state actor because they have enough economic power to insist on that kind of result?"

The lawyer at the lectern was speechless. But Scalia bailed him out, telling him just to say "no."

CHRISTOPHER P. DODD

1505 AMHERST DRIVE
PLANO, TEXAS 75075
(214) 424-3425

March 5, 1993

Mr. Bruce Reed
Deputy Assistant to the President
for Domestic Policy
The White House
1600 Pennsylvania Avenue, Rm. 216
Washington, D.C. 20500

Dear Mr. Reed:

I share the President's goal of reinventing government through a government-wide performance audit. I hope that this effort will result in historic changes to improve how the United States performs its broad responsibilities.

Over my career as an auditor, I have witnessed unconscionable government waste and inefficiency, even within the Inspector General community. I have often found that the causes of government waste were systemic. The federal government structure provides managers with strong incentives to maintain the status quo and spend every budgeted dollar allowed by Congress. Because of the need to address broad issues, I share your view that the Texas Performance Review model is the best one available for what needs to be done.

I am currently serving as Senior Audit Specialist for the RTC's Office of Inspector General. I also have extensive experience in performance auditing with the U.S. Department of Justice. I hold a Top Secret security clearance. I have trained throughout my career for just such an audit and I am very interested in participating. If I can be of assistance to you or your staff on this project, please contact me at 713-840-3838 or 214-443-2610.

Sincerely,



Christopher P. Dodd, CPA

Curtis A. Kockler, CPA
5100 FM 1960 W Ste 101
Houston, Tx 77069

Bruce Reed
Deputy Assistant to the President
for Domestic Policy
White House
1600 Pennsylvania Ave. Rm 216
Washington, D.C. 20500

Dear Mr. Reed,

I just learned about your role in the government-wide audit recently announced by President Clinton. I am convinced that the audit is needed and will cause historic and significant impact on the operations of the federal government. I understand that the audit will require a large staff and I want to be a part of this audit effort.

I feel that my experience uniquely qualifies me to assist this effort. I am currently a Senior Audit Specialist with the Resolution Trust Corporation's Office of the Inspector General. Prior to this, I was with the Department of Justice's Office of the Inspector General. While there, I was given a Top Secret Security Clearance which is still in effect. I was involved in two audits similar to the proposed government-wide audit. These audits were short fused special requests of the Attorney General and required evaluating the operations of entire agencies. My experience has exposed me to a variety of audit environments but my expertise is in operational auditing such as that proposed by President Clinton.

Please keep me in mind for this audit and let me know what else you may need from me. You can reach me at the address above or by phone at work (713)840-3898 or home (713)440-9102.

Sincerely,



Curtis Kockler, CPA

March 11, 1993

The Honorable Albert Gore
Vice President of the United States
Washington, D.C. 20510-0001

Re: National Performance Review

Mr. Vice President:

Congratulations for embarking on the National Performance Review. Its importance cannot be overstated, for our government cannot successfully lead the way to a renewal of vigor and competitiveness in the American economy unless it can do so, in part, by example.

I am writing to you because I wish to become part of that example.

I would like to meet with the individuals coordinating your National Performance Review to discuss the contributions I would make and the changes I would fight for as part of that effort. Reinventing the way our government does business will require that we profoundly change the culture of our federal agencies and departments, and I am committed to seeing such changes bring a revolution in the performance of our federal government.

Certainly, the review will bring significant benefits from the straightforward elimination of budgetary waste, abuse and fraud. However, the real magic and power of what you will do will come from making what remains of these cuts perform at the levels presently being demanded of the most successful and future-oriented businesses in America.

My work in the private sector has prepared me well for an undertaking such as the National Performance Review. As a business attorney in the entertainment industry, I face management structures and practices more dysfunctional than the worst of what I would expect to find in some of our federal departments. And at age 29, I have the enthusiasm for a task of this magnitude.

I'm sure you have heard many comparisons between the workings of Washington and the workings of Hollywood. None however, make the comparison from a management and operations perspective. Few of the organizations found in either Washington or Hollywood embrace the characteristics I am about to describe. Such organizations typically provide case studies of rigid hierarchy, compartmentalizing, information hoarding and employee neglect.

The Honorable Albert Gore

March 11, 1993

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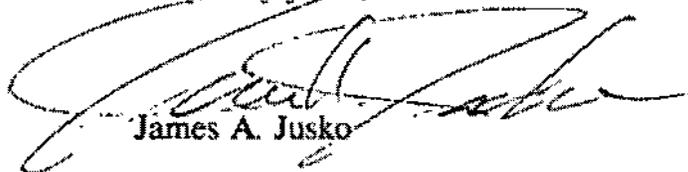
Specifically, I would work to remake the agencies and departments of the federal government so that they possess characteristics such as the following:

- greater autonomy, individual responsibility and involvement in decision making for personnel at all levels
- communication across all levels and departments of government organizations
- integrity in all dealings
- incentive pay emphasizing efficiency and innovation
- employee training and opportunity for advancement
- access to information for each employee
- an environment of commitment and enthusiasm
- less specialization; more multi-task people
- department and agency chiefs as concerned about leadership as they are about day-to-day management
- service-oriented personnel who are highly engaged, participating and motivated

Some may say that although a few cuts can be made here and there, the monolith of our federal bureaucracy is unchangeable. However, the past fifteen years have seen dramatic change in vast bureaucracies such as the U.S. military and in massive organizations such as AT&T. These changes can and must be made in the father of all great enterprises --- the departments, agencies and branches of the U.S. federal government. I would welcome the challenge of making it happen.

I have enclosed a very brief resume outlining my background and look forward to the possibility of meeting with you or your staff to discuss the commitments I am prepared to make to the National Performance Review.

Very truly yours,



James A. Jusko

cc: David Osborne
Bruce Reed

JAMES A. JUSKO

821 9th STREET #3 SANTA MONICA, CALIFORNIA 90403 TELIFAX (310) 395-7032

EXPERIENCE

- Entertainment Attorney, Los Angeles, California** 1990-Present
Negotiate U.S. and foreign entertainment industry transactions: literary rights options and acquisitions; writing, producing and acting agreements for television and motion pictures; theatrical, television and home video distribution, financing and co-production arrangements.
- Summer Olympics, Barcelona, Spain** 1992
Liaison between Sportsworld, Plc. (Olympic ticket distributor for the U.K., Canada and South Africa) and the Olympic worldwide sponsors and national Olympic organizing committees to coordinate reallocation of unsold or excess Olympic event tickets.
- Blake Dawson Waldron, Sydney, Australia -- Law Clerk, Media Department** 1987
Assisted in securing Australian trademark and copyright protection for numerous organizations including the Motion Picture Association of America.
- UCLA Department of Public Affairs, Los Angeles, California** 1984
Conducted tours for visiting guests and dignitaries. Assisted in coordinating press and public relations. Wrote press releases, letters and brochures concerning events and activities held at UCLA.
- Lorimar Productions, Culver City, California** 1984
Researched and wrote sales materials for Lorimar television programming based on television ratings and other market research from the nation's top twenty-five television markets.
- MTM Enterprises, Studio City, California** 1984
Assisted in the production of *HILL STREET BLUES* and *ST. ELSEWHERE*.
- Group W Broadcasting and Cable, Los Angeles, California** 1983
Director of numerous public access cable television programs.

EDUCATION

- Boalt Hall School of Law, University of California, Berkeley, Juris Doctor, 1989**
- University of California, Los Angeles, B.S., *magna cum laude*, Economics/Mathematics, 1986**
Phi Beta Kappa
Chairman, Chancellor's Advisory Committee on University Policy

PERSONAL

Foreign Travel - India, Nepal, China, Thailand, Malaysia, Indonesia, Australia, Spain, Italy and New Zealand -- an adventurous undertaking of constant negotiation, planning, laughter and conversation with individuals from varied and unfamiliar cultures.

United States Yacht Racing Union - Certified Sailing Instructor. Teach sailing and windsurfing at UCLA.

References - Gladly provided on request.



8 March 1993

Bruce Reed
Deputy Assistant to the President for Domestic Policy
The White House
Washington, D.C. 20500

Dear Mr. Reed:

I have read with considerable interest the concept of performance audits of departments and agencies of the Executive Branch.

I note that the approach apparently being taken is an "insider's" approach -- that is using employees of the departments and agencies to identify areas for improvement. This is a valuable approach, tapping the years of expertise often only available from career civil servants.

However, I would like to urge this Administration to supplement this approach by also using knowledgeable "outsiders." These I define as experienced people who are not currently government employees. In many years both as a senior government manager and in industry, I note the advantages of using a mix of insiders and outsiders. Outsiders generally provide the unconventional thinking. They are the ones that question roles and missions. They are the ones unencumbered by organizational loyalties or having to face one's peers back in the department.

Four of us, with long experience dealing with the federal government, would like to participate in the performance audits now beginning. We have performed such tasks before for senior government officials. We are

- Dr. Davis Bobrow, dean of the Graduate School of Public and International Affairs, University of Pittsburg and member of various government panels;
- Mr. William E. Kriegsman, president of Mesa Consulting Group and a former Atomic Energy Commissioner and member of government panels;
- Mr. Peter C. Oleson, president of Potomac Strategies & Analysis, Inc., former staff aide to secretary of defense Harold Brown and assistant director of the Defense Intelligence Agency; and

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Potomac Strategies & Analysis, Inc. • P. O. Box 132 • Clifton, Virginia 22024
Telephon/FAX: (703) 631-7474

- Mr. Laurence Storch, Esq., managing partner of Storch & Brenner and principal of Storch Engineers; member, DoD Advisory Panel on Government-Industry Relations and counsel to the Inman commission on diplomatic security.

Between us, we have the following experience in helping reorganize federal agencies:

- Reorganization of the operational and regulatory sides of the Atomic Energy Commission;
- Evaluation of the organization of the Directorate for Intelligence, CIA;
- Analysis of the roles, mission and organization of Los Alamos National Laboratory for its director;
- Evaluation of the organization of the National Security Agency for its director;
- Development of a multi-agency operational architecture for support to military forces in the commands;
- Organization of the Intelligence Community (EO 12036 negotiations) and codification of roles and missions
- Establishment of the National Oceanic and Atmospheric Administration in the Department of Commerce and the Diplomatic Security Service in the Department of State.

We would be pleased to discuss with you or any member of the staff in need of assistance approaches to the performance audits and how we might contribute.

Sincerely yours,



Peter C. Oleson
President

To Bruce

Date 3/15 Time 11:05

WHILE YOU WERE OUT

M: Steve Buckley

of Dept. of Energy

Phone 202-586-8697

Area Code Number Extension

TELEPHONED	<input checked="" type="checkbox"/> PLEASE CALL	<input checked="" type="checkbox"/>
CALLED TO SEE YOU	<input type="checkbox"/> WILL CALL AGAIN	<input type="checkbox"/>
WANTS TO SEE YOU	<input type="checkbox"/> URGENT	<input type="checkbox"/>

RETURNED YOUR CALL

Message

Reinventy Gov't -
is there a coordinating
committee?

Call 3/19

Operator

Fathy -
 Call both these
 guys & tell them I'll
 be glad to pass their
 names on to the VP.