During this period of campaign promises to cut government, it is always useful to recall Alexander Hamilton’s warning about the dangers of a government ill executed. As he argued in *Federalist No. 70*: “A feeble execution is but another phrase for a bad execution; and a government ill executed, whatever it may be in theory must be in practice, a bad government.”

More than two hundred years later, however, the federal government seems plagued by bad execution. The failures are all too familiar: the tragic fire at Waco, taxpayer abuse by the Internal Revenue Service, security breaches at the nation’s nuclear laboratories, missing laptops at the Federal Bureau of Investigation, the Challenger and Columbia space shuttle disasters, breakdowns in policing everything from toys to cattle, the sluggish response to Hurricane Katrina, miscalculations about the war in Iraq, a cascade of fraudulent defense contracts, continued struggles to unite the nation’s intelligence services, backlogs at dozens of agencies, shortages of air traffic controllers and food inspectors, mistakes on the passenger screening lines, and negligent veterans care.

This is not to suggest that the federal government is a wasteland of failure. To the contrary, the federal government accomplishes the impossible everyday. Yet, if the
federal government is still far from being ill executed, it is not uniformly well executed, either.

Hamilton’s warning reflected more than his own experience with a government ill executed during the Revolutionary War. He also recognized that the new government would fail unless it could execute the laws. After all, the Constitution said almost nothing about the administrative state beyond giving the president a role, checked and balanced, in appointing and overseeing the officers of government. Otherwise, it was up to the president to decide how to “take care” that the laws would be faithfully executed. According to Hamilton, that required an energetic executive and the federal service to match. And he soon began setting precedents for both.

AN ENERGETIC FEDERAL SERVICE

Hamilton would be shocked by the decline of the energetic federal service he envisioned. Even as he helped George Washington create an inventory of great endeavors, Hamilton used his position as Secretary of the Treasury to set the administrative state in order.

In setting precedents for the rest of government, he pursued a tight chain of command from the top of his department to the bottom, placed experienced officers at key intersections in the hierarchy, recruited federal employees with the competence to do their jobs well, tried to establish a pipeline of future recruits, argued for steadiness in administration, and endorsed the need for transparency and competence as a guarantee of responsibility to the public.
Hamilton’s precedents were based on a set of implied attributes of an energetic federal service. As Leonard White argued in 1926, “The Federalists not only organized a continental system of administration, but impressed upon it high ideals of competence, impartiality, integrity and responsibility.”

Despite efforts to inject partisanship into the appointments process, White concluded that the first forty years of public administration at the national level “rested firmly on impressively high ideals.” Hamilton’s basic vision of an energetic federal service survived the Jefferson administration largely intact and still shapes the debate about reform to this day.

Hamilton and his supporters within the Federalist Party were hardly angels, of course, a point well made in detailed histories of the civil service. Nevertheless, Hamilton’s energetic federal service had at least seven characteristics that he believed were central to its success:

1. **Missions that matter.** As Hamilton argued in *Federalist No. 72,* government exists to pursue “extensive and arduous enterprise for the public benefit.” He did not see government as a passive instrument that would only react to threats, but as a force for strengthening the nation’s economic, political, and social infrastructure. Although government only grew slightly under the Federalists, the federal service was given a long list of great missions and responsibilities, including everything from building postal roads to restoring the nation’s beleaguered currency.

2. **Clarity of command.** Hamilton saw clear links between the executive and officers of government as essential for both effective administration and accountability to
the public, and believed that these officers should be subject to the president’s direct control, or “subservience.” In turn, the federal service would, by implication, also be subject to the direct control of the senior officers of government. The president would not only have the appointment power, albeit subject to Senate confirmation, but would supervise the day-to-day activities of the executive branch as part of what Hamilton defined as “execution in detail.” This concept was part of Hamilton’s belief in the science of management and produced an ever-growing chain of command.

3. Posts of Honor. Hamilton repeatedly referred to the officers of government as the extension of an energetic executive. He did not believe such officers would be perfect, but did believe that the president’s appointees would have the “moderation, firmness, and liberality with exactness” to assure a government well executed. Although George Washington did pay attention to the political loyalty in recruiting appointees, the primary focus was on persons with merit and expertise who would be drawn from the highest ranks of society. These appointees to what Benjamin Franklin called “posts of honor” were to be an integral part of the character of an administration, too.

4. Vigor and expedition. Executive control involved more than clear direction from the top; it also involved a commitment to effective execution of the laws down the hierarchy. However, Hamilton did not believe that civic duty would supply the needed incentive for faithful execution of the laws. Instead, he argued that adequate compensation and the opportunity for promotion would do so. Yet, he also believed that pay, benefits, and security would produce the vigor and
expedition to execute the laws, which was his ultimate purpose in building an energetic federal service in the first place.

5. *A spirit of service.* Unlike Thomas Jefferson, who often talked about the duty of every citizen to answer the call to service no matter how low the salary or great the drudgery, Hamilton rarely, if ever mentioned future public servants in his writings. Nevertheless, he was a strong advocate of both a national military academy and a national university, which would have provided the training to fill the key posts of government. Given the general belief in a federal service of well-trained elites, and the role of education in producing them, there is at least some evidence that Hamilton cared about building institutions that would produce enough talent to fill the federal service of the future.

6. *Steadiness in administration.* Hamilton’s general belief in giving members of the federal service tenure in office was based on his notion that the chief executive should be allowed to serve long enough to pursue extensive and arduous enterprises to their completion. But he also wrote in *Federalist No. 72* that change rooted in the natural human desire to “reverse and undo what has been done by a predecessor, is very often considered by a successor as the best proof he can give of his own capacity and desert...” But such change cannot fail to “occasion a disgraceful and ruinous mutability in the administration of the government.” Although obviously linked to the duration of the presidential term, Hamilton’s concern appears to extend to the stability of the whole system of administration, and its change with each passing administration and Congress.
7. *Safety in the Executive.* Hamilton believed that a government well executed had to provide safety through transparency of results. Having defined safety in “the republican sense” as a due dependence on and responsibility to the people, Hamilton defined accountability as the public’s ability to detect, censure, and punish “national miscarriage or misfortune,” which would be infinitely easier to prevent under a single, not plural, executive. Acknowledging that there could be many actors who bear responsibility for failure, transparency would give the public the ability to discover just who to hold accountable, and in doing so, government would at least know who did what.11

As the federal government’s agenda has expanded over the decades, Hamilton’s energetic federal service eventually became the victim of his own vision. Its mission is far broader than its capability; its chains of command are complex and confused; its process for filling the senior offices of government has become a source of embarrassment and delay; its workforce is drawn more by pay, benefits, and security than the chance to make a difference; its future employees would not know how to find a federal job even if they wanted one; its reform agenda has become a destination for fads; and execution of the laws now involves a large and mostly hidden workforce that is barely conducive to assigning accountability for results.
AN INVENTORY OF EROSION

The depletion of the federal service can be seen in seven trends that emerge from this author’s current and past research. Although each of the trends has contributed to the crisis separately, they have combined to create a desperate moment in bureaucratic time in which the lack of action can only condemn government to greater frustration and failure.

An Ever-Expanding Mission
The threat to the federal service would not be relevant if government did not have such a large list of extensive and arduous enterprises. After all, the federal agenda includes many of the most difficult and important problems the nation faces. Americans may not agree on every mission, but the federal government is given little choice but to implement them all.

This is not to argue that the mission is expanding exponentially, however. Looking at the list of the 553 major laws enacted between 1944 and 2000, there has been a substantial slowdown in congressional and presidential action. Whereas the federal mission expanded dramatically during the 1960s and early 1970s, it has been slowing down ever since as Congress and presidents have pursued fewer major legislative initiatives. Starved by tax cuts, government simply has less room on its agenda. This has not prevented mission creep but it has created a downward curve in total growth.

Even a slowly expanding mission sets the stage for further erosion of an energetic federal service. The federal government can hardly be expected to convert its long list of
endeavors into achievements without the leadership and resources to do so. But those resources have been difficult to find in an era of aggressive efforts to honor promises to reduce federal spending and drive total federal employment ever downward.

Democrats and Republicans alike have joined the effort to starve government. Even with the kind of aggressive sorting discussed below, the federal government cannot protect its past achievements, let alone convert its most significant disappointments into successful endeavors, unless it provides the resources to succeed. Its mission simply cannot grow and starve at the same time.

**Still Thickening Government**

The federal government’s expanding mission is reflected in a steady thickening of its hierarchy. However, the thickening is not explained by the growing federal agenda alone. Congress and the president have added new layers across the federal hierarchy, including new 9/11 organizations such as the Department of Homeland Security.

The thickening of the federal government has created the tallest and widest executive hierarchy in modern history. According to my 2004 analysis of the federal phone book, this senior levels of the hierarchy contained sixty-four discrete executive titles and almost 2,600 titleholders, up from fifty-one titles and 2,400 titleholders in the final years of the Clinton administration. Although some of the growth reflects the war on terrorism, every department has added new titles to its inventory. Presidents may think the titles create greater leadership, but this author’s research suggests just the opposite—more leaders create more opportunity for delay and obfuscation.

Unfortunately, the thickening has resisted all efforts to contain it. The Reagan administration lost the battle of the bulge against middle-level supervisors, and the
Clinton administration appears to have created an entirely new industry in reclassifying supervisory titles into non-supervisory titles that are still part of the chain of command. Although the Clinton administration deserves credit for cutting the number of supervisors by at least a quarter, it also merits blame for increasing the number of senior layers at the same time. If breadth does not increase, depth will, and vice versa. Both of these trends reduce the clarity of command, while increasing the distance that information must move and the potential distortions associated with ever-lengthening reporting chains.

**Innocent Until Nominated**

In theory, the thickening at the top of the hierarchy should increase executive control of the lower levels of government. However, the presidential appointments process has become so slow and cumbersome that many layers remain unoccupied for months at the start of a new presidential administration, and continue unoccupied as appointees exit with regularity after eighteen to twenty-four months on the job.

The process itself imposes one delay after another, steadily increasing the amount of time needed to bring a new administration into office. Whereas the Kennedy administration was up and running within three months of inauguration day, the second Bush administration waited more than eight months on average to complete its long list of cabinet and sub-cabinet appointments. The delays have raised the importance of the de facto sub-cabinet composed of appointees who serve solely at the pleasure of the president without Senate confirmation.

According to my 2000 random-sample survey of Reagan-Clinton appointees and my 2001 survey of randomly-selected business, nonprofit, and university leaders, the appointments process has become the most significant barrier to service. Delays are
common, even among highly-qualified appointees, and complaints about the Senate and 
White House are high. Past appointees report that neither institution acts responsibly, 
while potential appointees worry that the process will embarrass and confuse them.

Although potential appointees worry more about the process than actual appointees 
would recommend, they also worry about living in Washington, D.C., and report 
significant concerns about the impact of presidential service on their future careers, 
especially their ability to return to their previous jobs. The result is a dwindling pool of 
potential appointees, many of whom may be motivated more by the chance to make 
future contacts and increase their earning power than the chance to serve an admired 
president.

A Workforce at Risk
The federal workforce may well be the most beleaguered workforce in America. Indeed, 
the federal service performs the impossible everyday in part because it lacks the 
resources to do anything else.

The evidence comes from my 2001 and 2002 random-sample surveys of federal 
employees, business, and nonprofit employees, the federal service is losing energy fast, 
imperiling Hamilton’s five attributes of vigor and expedition in executing the laws: (1) 
full dedication to the missions of government, (2) work that allows the full exercise of 
expertise, (3) the adequate provision of support, (4) rewards for a job well done and 
discipline for a job done poorly, and (5) respect of the public served.

On his first attribute of dedication to the missions of government, many federal 
employees are more motivated by pay, benefits, and security than the chance to 
accomplish something worthwhile. Compared to nonprofit employees, who emphasize
the chance to accomplish something worthwhile and the nature of the work, federal employees have taken Hamilton’s model seriously, putting compensation at the top of the list for coming to work each day.

On his belief in work that allows the full exercise of expertise, federal employees reported that they do not always receive the kind of work that encourages innovation and high performance. At first glance, the quality of work looks reasonably attractive, especially among employees who said they are surrounded by peers who are committed to the mission, given the chance to do the things they do best, and encouraged to take risks and try new ways of doing things. But when compared with business and nonprofit employment, the quality of federal work suffers.

On his commitment to the adequate provision of support, federal employees were consistently dissatisfied with access to the tools they need, including training, technology, and enough employees to do the job. Nor did they rate their leadership and coworkers as competent as business and nonprofit employees. At least according to the 2001 and 2002 surveys, most federal employees rated their peers as not particularly competent and not getting better.

On his belief in rewards for a job well done and discipline for a job done poorly, most federal employees gave their organization’s disciplinary process failing marks and blamed this poor performance in part on their organization’s unwillingness to ask enough of all employees. Federal employees also gave their own organizations low ratings on basic tasks such as delivering programs and services, being fair, and spending money wisely.
Finally, on his expectation of public respect, ordinary citizens are not the only ones who have come to distrust government. Federal employees themselves showed little trust in their own organizations, in no small part because the federal government was so penurious with the basic resources they need to do their jobs well.

Ironically given the urgency of the war on terrorism, many of these indicators of vigor and execution actually decayed following the 9/11 attacks, in part because federal employees may have become less tolerant of bureaucracy and red tape. The most surprising problems came at the Department of Defense, where employees simultaneously reported an increased sense of mission, but more layers of needless management and less access to the training, technology, and enough employees to succeed. Faced with an urgent mission, they became increasingly angry with the bureaucracy around them, and surprisingly less likely to report high morale among their colleagues.

The Spirit of Service

All of these trends have contributed to declining interest in federal service among young Americans, who rightly wonder whether the federal government can deliver on its promises of extensive and arduous enterprise without sacrificing each new generation of talent. In a very real sense, the federal government’s reputation precedes it, whether on college campuses, in professional schools, or in the halls of government itself.

As my 2002 and 2003 random-sample surveys of college seniors surveys suggest, many college seniors would not want a federal job even if they knew how to get one, too many graduates of the nation’s top professional schools see government as a destination for pay, benefits, and security rather than challenging work, and too many Presidential
Management Fellows believe that government might be a good place to begin a career, but not to stay.

Having redefined the basic meaning of public service almost to the point of excluding government work, young Americans now view nonprofits as the destination of choice for making a difference and learning new skills. Asked to show them the work, the federal government too often shows young Americans the bureaucracy, including a hiring process that sends the instant message that life will be difficult at best once on the federal payroll.

These young Americans are all part of a new public service that is searching for meaningful work and the chance to accomplish something worthwhile wherever it might be in the multi-sector public service. This new public service is no longer only interested in government. Indeed, the federal government is running third as a destination of choice behind business and nonprofit organizations. Ready to pursue the chance to accomplish something worthwhile in any sector, this new public service is also quite willing to switch sectors in search of good work. It is also part of a seller’s labor market that has many opportunities to make a difference outside the federal government.

The Tides of Reform
The onslaught of reform over the decades has contributed to the federal government’s reputation for administrative inertia. Despite the congressional and presidential slowdown in passing major laws, the number of major management statutes has been increasing since the end of World War II, with a particularly rapid acceleration since Watergate. To the extent senior federal employees feel that Congress and the president
act in ways that damage performance, the rising tides of management reform are partly to blame.

The level of federal reform appears to parallel the frenzy of management improvement fads in business. But as the pace of federal management reform has increased over the past thirty years, so has the mix of reforms. As Congress has become more involved in making government work, federal employees have faced one competing reform after another, leading to confusion, wasted motion, and frustration in setting priorities with fads and fashions that are now out of favor.

The reform activity speaks to profound confusion over just how to make government work, in part because past reforms have been piecemeal at best. There has been no systematic effort to assess the administrative state since the early 1950s when former President Herbert Hoover led a major reform commission. Absent a basic template for measuring the performance of government, federal employees have been bathed in constant change, often toward contradictory goals. Although there is still some hope that government will learn how to measure its success, recent experience suggests that this too shall pass.

**The True Size of Government**

The rising tides of reform speak to a general frustration with government’s ability to perform, but much of that performance is now dependent on a hidden workforce of contractors, grantees, and state and local employees who labor under federal mandates. Although this workforce is essential to implementing the federal mission, there is cause for concern about the costs embedded in continued outsourcing, especially given the lack of an experienced cadre of federal employees to oversee the activity.
There is no question that this hidden workforce is growing. Although the true size of government dropped sharply in the years following the end of the cold war, it began rising in the late 1990s and has been growing ever since. In 1999, for example, the true size of government had reached its lowest level in more than a decade, dropping to just 11 million civil servants, postal workers, military personnel, and contract- and grant-generated employees. Six years later in 2005, the true size of government had risen to 14.6 million, largely driven by the burgeoning war on terrorism and the Iraq War. Most of the increase did not come from the purchase of goods but from services such as computer programming, management assistant, and temporary labor.

The hidden workforce is only occasionally governed by performance-based contracts. But even if such contracts existed, the federal government would lack the capacity either to measure that performance or track actual expenditures. Having resisted every effort to get an accurate headcount of its employees, the federal government has little choice but to accept reassurances it is actually reaping the benefits of competition among private contractors and grantees, even though recent industry consolidations suggest that the federal government is increasingly dependent on suppliers who rarely compete at all.

It is impossible to claim that the hidden workforce of contractors and grantees is not doing its job either effectively or at reasonable cost, if only because such a claim would require more information and oversight than overworked federal procurement officers now have. Nevertheless, the increasing use of contractors, grantees, and state and local employees suggests a significant substitution of hidden workers for full-time federal employees. In turn, this substitution effect creates a series of illusions, including the
notion that the federal government can actually track its large and increasing number of mega-contracts and the labor they purchase. The hidden workforce may be mostly invisible to the public and press, but it exists nonetheless.

AN OPPORTUNITY FOR COMPREHENSIVE ACTION

Big problems demand big answers, which is why tinkering will no longer suffice. Although there may be benefits in taking on one problem at a time and building momentum toward government-wide action on many of the threats of further harm, incremental reform has stalled repeatedly in past Congresses.

Moreover, piecemeal reform merely reduces steadiness in administration, while denying the opportunity for trade-offs that might increase the odds of action. Better to address all the problems at once than add one reform to another year after year, and better to build legislative consensus when reforms can be shaped into trades between key stakeholders such as senior executive, contractors, and front-line employees.

Rather than focusing first on specific reforms such as cutting the number of presidential appointees, flattening the federal hierarchy, providing adequate resources for faithfully executing the laws, and making the hidden federal workforce more transparent, all of which have merit as part of a comprehensive package, the key question is how to generate enough attention to act.

The answer is an action-forcing event that produces the both the urgency and opportunity to act. The coming baby-boom retirements from the federal workforce actually provide both elements by giving Congress and the president the ability to
reenergize the federal service without inflicting great pain. Instead of viewing the exodus of baby-boomers as a crisis, Congress and the president should view it as an opportunity.

Viewed as a problem, the coming retirements constitute a serious threat to government’s ability to faithfully execute the laws. Institutional memory will decline as senior executives leave, turnover at the top and bottom of government will create gaps in service and accountability, and the thickening of government will tend to erode the chain of command.

Viewed as an opportunity, however, the coming retirements provide the opportunity to reshape federal careers, particularly if the vacancies are not automatically filled by the next federal employee in line. Evaluating each job as the occupant leaves would create the opportunity to thin the government hierarchy, shift resources downward to the front lines where government services are delivered, abandon needless reform, and renew the promise of meaningful work for talented Americans.

The retirement of the baby boomers could also produce a much more pliable government, including a new disciplinary system that involves an end to inflated annual performance ratings, room for at least some migration of inherently governmental contractor jobs back into government, and a restoration of the federal service’s reputation as an employer of choice for young Americans.

CONCLUSION

The nation has good reason to worry about the continued depletion of an energetic federal service. Global warming is working its will on the climate, a new generation of
terrorists is flexing its muscle in the Middle East, Medicare is straining under rising health costs, Social Security is bending as the baby boomers prepare for retirement, water wars are rising in the western states, energy independence is decades beyond reach, the nation’s infrastructure is rusting, many of its public schools are struggling, and many of its greatest achievements of the past sixty years are in jeopardy as an uncertain future bears down on government.

The question is whether the federal government can rise to the tasks ahead. It has never had a more complex agenda, but has never seemed so confused about its priorities. It has never had a greater need for agility, but has never seemed so thick with bureaucracy. It has never had a bigger budget, but has never been so short on the resources to do its job. It has never had a greater need for decisiveness, but has never seemed so dependent on its hidden workforce to execute decisions. It has never had greater cause for commitment, but has never faced so much reform. Although federal agencies such as the National Institutes of Health and Centers for Disease Control continue to perform at high levels, their laboratories are rusting and their workforces are aging ever closer to retirement.

This book is not designed to provide yet another excuse for attacking the federal service, however. It is about reversing the erosion in the capacity to produce a government well executed, whether by creating more flexible careers as the baby boomers leave, building a disciplinary process that actually remedies poor performance, giving federal employees the resources to do their jobs, eliminating layers of needless
management, focusing federal agencies and employees on clear priorities, abandoning missions that no longer make sense, or creating an appointments process that makes it easier for America’s most talented civic and corporate leaders to say “yes” to a post of honor.

Moreover, with nearly a million baby boomers about to retire from the federal service, the nation has a unique but brief opportunity for radical action to reshape the federal hierarchy, reduce layers of needless management, redistribute resources toward the front lines of government, address the increasing dependency on the hidden workforce of contractors and grantees, and restore student interest in federal careers.

The most powerful advocates for this kind of reform are not outside government, but inside. Federal employees know they do not have enough capacity to do their jobs, and are hungry for change. They also know the time for tinkering is long past. Improving the hiring process will not suffice if new recruits do not have the opportunity to grow; enhancing retention will not help if it produces more layers of management; providing new resources will not matter if they are spread too thin; and setting priorities will not generate clarity if appointees are not in office long enough to make the decisions stick.

There are many reasons to worry about these trends, all of which have worsened since I helped inventory the list as a senior consultant to the first National Commission on the Public Service chaired by former Federal Reserve Board chairman Paul A. Volcker in 1989.
The federal service can hardly become part of the new government imagined for the future if it is not prepared for the present. It cannot focus on problems rather than structures through “one-stop shopping,” as Donald F. Kettl recommends, if it does not have the resources to deliver its current agenda; it cannot focus on performance instead of process, as Steven Kelman encourages, if it does not have the talent to measure and discipline results; and it most certainly cannot produce stronger networks for delivering federal services, as Stephen Goldsmith suggests, if it cannot bring strength to its bargaining.\textsuperscript{13} Most importantly, it cannot faithfully implement the laws if it does not have the aptitude and tendency to do so.

At least for now, Americans have little interest in rebuilding the federal service, especially not given seemingly unending stories of fraud, waste, and abuse. They want the federal government to be involved in great endeavors such as protecting voting rights, reducing disease, and providing health care to low-income Americans, but also think government wastes the vast majority of the money it spends.\textsuperscript{14} They think the federal government mostly has the right priorities, but also think federal employees take their jobs for the pay, benefits, and security, not the chance to accomplish something worthwhile, make a difference, or help people. They want the federal government to maintain its programs to deal with important problems, but believe it deserves most of the criticism it receives.

In a very real sense, Americans are getting the government they deserve. They demand more, yet create a climate that encourages their leaders to exploit their distrust.
Although the current erosion of the federal service is not just the public’s fault, it reflects the tension between what Americans want and what they are willing to pay for.


3. Although scholars have long assumed that the administrative state did not fully emerge until the creation of the Interstate Commerce Commission in 1887, recent research suggests that the contours of the new administrative state were visible almost immediately after George Washington became president. See Jerry L. Mashaw, “Recovering American Administrative Law: Federal Foundations, 1787–1801,” *Yale Law Journal* 115 (2006), pp.1256–1344, for a summary of this view and a contrary view of the early development of the administrative state.


