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RAHN: Authority, responsibility and accountability

Federal bureaucrats should learn the basics from the private sector

By Richard W. Rahn

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Who is in charge of stopping the oil leak and the cleanup in the Gulf of Mexico - BP or the Obama administration? If you have a hard time answering the question, it probably is because the president has told us the "buck stops" with him and officials of his administration say they are "in charge." Yet the administration also tells us that BP has the responsibility for stopping the leak and for the cleanup - but the company's every action has to be approved by the government. If you have noticed a lot of ambiguity in the statements of the government officials, that is because they want to be able to position themselves to take credit for whatever success occurs (no matter who is responsible for the success) yet be able to blame others for failure (if even their own).

As every beginning management student learns, authority, responsibility and accountability are necessary for a properly functioning organization, and individuals need to be rewarded for good performance and punished for poor performance. One, among several, major reasons government agencies tend not to perform as well as private ones is because often there is little or no accountability. Those in favor of bigger government are using BP as an example of why the private sector cannot be trusted and why we must have more government. However, they conveniently overlook the fact that everything BP did was overseen and approved by the U.S. government and that the reason BP and the other big oil companies are off drilling in mile-deep water is because this same government will not allow them to drill in closer-in, shallower water or on much of the land where large quantities of oil are known to exist (e.g., the Arctic National Wildlife Refuge) and where accidents could be handled quickly and with little damage.

BP stockholders are being severely punished because of the failure of BP's management to prevent this crisis and you can bet many heads will roll at BP. Yet how many heads will roll in the U.S. government, which had the responsibility to make sure BP operated safely and that the beaches and marshes were protected? Louisiana Gov. Bobby Jindal had been asking the federal government for permission to build barrier sandbars to protect the marshes, but the Obama administration dithered for weeks in making a decision, and now the oil is in the marshes.

Those who want more government ignore the fact that the U.S. government, on a daily basis, seems unable to do the simplest tasks. For instance, how often have you had to wait in line 40 minutes to buy something at Wal-Mart or McDonald's? The answer is probably never, because you can choose to go somewhere else, and companies like Wal-Mart are acutely aware of this, so they work hard to minimize waiting times by developing elaborate statistical programs to determine how many employees they are likely to need to service the customers in a reasonably short time. They manage to do this even though they never know exactly how many customers they will have at a given time.

Now, contrast this with the Transportation Security Administration (TSA) and U.S. Customs and Border Protection (CBP). These two agencies know precisely the number of passengers who will be showing up, and when. Their task is simple compared to that of almost all retailers, but they cannot seem to manage it - because no one is held accountable for the failure to treat airline passengers in a civil manner and respect the fact that their time is valuable. A couple of weeks ago, I was leaving from Washington Dulles International Airport for

an overseas trip. The security line took more than 40 minutes, and some passengers were justifiably upset because they were afraid they might miss their flights. TSA had many unused scanners and - in the midst of the chaos - a number of the TSA personnel shut down their lines to take their break. No one at TSA would admit to being in charge or would take responsibility, yet they screamed at passengers as if the passengers were new recruits in basic training and engaged in inappropriate "pat-downs." I saw TSA personnel being rude and abusive. (Such behavior would not be tolerated by Wal-Mart management but is a daily occurrence at TSA.)

My trip led me to six countries - and in no case did I have to wait more than five minutes at any security line or immigration control - and the personnel were respectful of the travelers in all cases. If courtesy and efficiency can be managed by other countries and Wal-Mart, why not at TSA and CBP? The answer is that no one is held responsible and no one is fired for incompetent and bad behavior. Congress recently passed legislation limiting the amount of time a plane could sit on the ground with passengers - which is often weather- or air-traffic-control-related and partially outside the control of the airlines. But Congress does nothing about the time travelers must spend in TSA and CBP lines even though it has direct oversight responsibility - much like a company's board of directors.

The good news is that unlike most of the government, the U.S. military still has a chain of command in which individuals are held accountable for fulfilling their responsibilities. The bad news is that recent studies have shown that the federal civilian work force is overpaid in relation to its private-sector counterparts and not held accountable. If the members of Congress are too cowardly or irresponsible to demand accountability from the highly paid civil service, perhaps we voters should replace the Congress.

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