REMAPPING DEBATE

Asking "Why" and "Why Not"

Shackling government employees to their desks

Original Reporting | By Timothy Noah | Government services, Politics

Sept. 25, 2013 — That government should be run more like a business has been a central tenet of Republican orthodoxy for more than a century. In 1910, Nelson W. Aldrich, a Republican senator from Rhode Island, declared that, if allowed to run the government "on a business basis," he could save the Republic \$300 million per year. (Aldrich, following his own advice, had built up a \$16 million fortune by using his office to protect the sugar and railroad trusts.) One hundred years later, Republican John Kasich said while running (successfully) for governor in Ohio, "You have to take a business-like attitude. You have to create priorities and you have to manage your operations." And in 2012, Senator Tom Coburn (R-Okla.) urged that government be brought "in line with private sector practices."

But when it comes down to cases, the GOP can be reluctant to translate this philosophy into practice.

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Previously, Remapping Debate has reported on Congress's unwillingness to allow the Postal Service to pursue prudent business practices. The latest example of this disjunction is an ongoing effort led by Coburn, Representative Darrel Issa (R-Ca.), and Representative Blake Farenthold (R-Tex.) to target, as an inherently wasteful indulgence, government travel to professional conferences. "There is no question that federal employees should have some travel and go to some conferences," Coburn recently told the The New York Times. "But most of it has nothing to do with their jobs. It's a perk."

Government conference-going, already pinched by budget constraints imposed by the sequester's automatic discretionary spending cuts, was further curtailed under last summer's "continuing resolution," which temporarily funds the government through the end of this month. The CR required agency inspectors general to review any government-sponsored conferences that cost in excess of \$100,000. In addition, a May 2013 memo from the White House budget office, drafted under pressure from congressional Republicans, instructed agencies to cut all travel spending by 30 percent. One associationindustry chief estimates that government travel has already fallen by <u>as much as</u> 90 percent. Yet, Sen. Coburn and his colleagues continue to press for even tighter restrictions such as requiring agencies to post online minutes, speeches, exhibits, and videos of all agency conferences. One such bill, introduced by Rep. Farenthold, passed the House in July. Similar <u>Senate legislation</u>, sponsored by Sen. Coburn, was introduced in late July and was referred to committee. (The most recent House-passed <u>CR</u> — the one that de-funds Obamacare — does not contain any language on conference travel.)

Granted, not all travel and conference spending by government (or private enterprise) is necessarily essential. Government conference travel attracted heightened scrutiny after the General Services Administration, which manages property for the federal government, threw itself a <u>lavish Las Vegas retreat</u> in 2010 that cost more than \$800,000 (and ultimately cost GSA Administrator Martha Johnson <u>her job</u>). Private-sector conferences can be costly, too, when conference organizers locate them in resort hotels in exotic locations or hire expensive celebrity speakers, effectively forcing taxpayers to subsidize the recreational expenses of business executives (such travel is deductible as a business expense).

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The business case for conference travel

An informal survey of private-sector conference travellers indicates that private businesspeople have a variety of substantive reasons for deeming conference travel essential.

Norbert Bell is a chemical engineer in Pasadena, California, for WorleyParsons, an Australia-based corporation. "There's two reasons we participate in government conferences," Bell told Remapping Debate. "One is to learn shared experiences regarding operational problems in chemical plants. And the other is, since I work for an engineering company...to promote our services." "Working in your own little bubble isn't healthy," said Jennifer Thibault. "If you aren't part of the conversation, you don't know what is new, exciting, or cutting edge."

Elaborating on the first point, Bell explained that WorleyParsons "is a very large global company, and they do refineries and energy projects and just about everything. I'm in a small department that deals only with sulfur recovery plants." These plants convert hydrogen sulfide, a byproduct in natural gas and petroleum refining, into elemental sulfur, a fairly specialized technical task. Bell finds that participation in conferences allows him to "learn shared experiences regarding operational problems in chemical plants…People always encounter operational problems and sometimes there are different solutions, which require some innovation and some experience."

Jennifer Thibault is creative manager at Reboot, a New York design firm. "As part of my role at Reboot, I manage our in-house design team," Thibault said in an email to Remapping Debate. "In-house design teams can often feel fairly sheltered from the greater design community. Attending [professional conferences] helps keep our team engaged with conversations and trends with other designers."

To Thibault, conference travel is an antidote to isolation. "Working in your own little bubble isn't healthy," she said. "If you aren't part of the conversation, you don't know what is new, exciting, or cutting edge. For example, in the design field the software and technology is almost constantly changing. Seeing how other designers both explore the new capabilities and work through the frustrations that come along with the changes allows for fresh inspiration, or, at least, a shoulder for commiseration."

Other business sectors

Clyde B. Wilson, Jr. is president and CEO of The Parking Network, a consulting firm based in Houston, Texas. "The parking industry is a fairly obscure business," he told Remapping Debate, adding (in jest), "It's a subject I know more about than I want to." The Parking Network, which Wilson started a decade and a half ago, sells its services nationally. That means "you need to get your name out there, and to get to know people you go to conventions."

Like Thibault, Wilson also sees conference travel as a way to learn about new technologies. Manufacturers of parking technologies don't necessarily come to Houston to show off their wares; if he wants to see what's new, he has to go to the annual convention of one of his industry's three professional associations.

"You start out as a young guy in the business," Wilson explained, "and it's a way to get to know the people in your business." A few years on, "There comes a point in time where you're expected to be there. *You're* the leader in the parking industry, and people expect you to be there. And you *want* to be there, because you want to remind people you're still *alive*."

Wilson doesn't generate much actual businesses at conferences, he says. But as a consultant, he needs to be able to know where to find information for his clients, and that requires establishing personal contact with the people to whom he can direct questions. "If not," he said, "I'm just another person in the world that they don't know and they don't give me their time."

Nina Marino is an attorney based in Beverly Hills, California. "I am strong advocate of conference travel," she told Remapping Debate via email. Marino is director of continuing legal education for the Criminal Justice Section of the American Bar Association, so she travels a lot. "Traveling to conferences gives me the opportunity to share the knowledge I have," she said, "and the opportunity to learn from others who have different backgrounds and different ideas." "Exposure to new environments stimulates creativity...You can only go so far in life sitting at your desk."

Applicable to government?

Not surprisingly, a <u>June 2013 report</u> by Rockport Analytics, a consulting firm hired by the United States Travel Association, concludes that "government travel for meetings and attendance at conferences is vital to making government more efficient in carrying out its mission, more responsive to citizens and more effective in partnering with the private sector." A bit more surprisingly, the report found that sending government employees to meetings and conferences actually cost 17 percent less, per day, than sending their private-sector counterparts, and that government-sponsored meetings cost 49 percent less, per attendee, than meetings sponsored by the private sector. At least in this instance, any dollar-and-cents efficiency imperative would command business to be more like the government, rather than vice versa. Ing people government employees to meetings and conferences actually cost 17 percent less, per day, than sending their private-sector counterparts, and that government-sponsored meetings cost 49 percent less, per day, than sending their private-sector counterparts, and that government-sponsored meetings cost 49 percent less, per day, than sending their private-sector counterparts, and that government-sponsored meetings cost 49 percent less, per attendee, than meetings sponsored by the private sector. At least in this instance, any dollar-and-cents efficiency imperative would command business to be more like the government, rather than vice versa.

Brookings Institution senior fellow Thomas E. Mann is a political scientist who's been observing Washington up close for more than four decades. The current war on government conference travel, he told Remapping Debate, is "kind of anti-intellectual, anti-research, anti-empiricism. It reflects a general disposition that we know everything we need to know." And the knowledge deficit isn't merely government's; the private sector, Mann notes, "is heavily dependent on government research and information for going about its work. This is a good produced by government that has many beneficiaries in the business community." Unfortunately, he said, "the bluntness of the cuts, both in the budget agreements and the sequester, means these activities of government are being squeezed."

"Exposure to new environments stimulates creativity...You can only go so far in life sitting at your desk." — Nina Marino "One of the reasons why productivity levels in denser urban areas are higher than in rural and more dispersed areas," Mann continued, "is because there's less social interaction, [there are fewer] opportunities for people who wouldn't ordinarily meet, to meet, to exchange information, to share ideas." Conferences serve the same function.

"The more Congress does to sort of diminish the opportunities for doing useful work, for learning new things, for seeing opportunities to innovate in the delivery of government services," Mann said, "the less likely government is to recruit the kind of people who can take full advantage of it. Dumbing down the public employee workforce is truly counterproductive."

One high-level government agency employee with extensive private-sector business experience told Remapping Debate that his agency, like a business, has customers whom it's expected to serve. "People do need to travel to talk to their customers," he said, "because their customers don't come to them." This employee, who requested anonymity lest he provoke a flurry of subpoenas from Republican partisans in Congress, continued: "Suppose you want to talk to everyone in a particular industry. You have to go where their conventions are. Most people do not hold their conventions in Washington, D.C."

Too much of a perk?

The cost findings in the Rockport Analytics report align with this government employee's experience. When he was travelling in private industry, he said, he frequently travelled first class. In contrast, he said, when you travel for the government "you travel tourist." In recent months, he said, he has twice been on a plane where he noticed a cabinet secretary — one of them, Treasury Secretary Jacob Lew — also travelling coach.

"Travelling for the government is not for fun," the government employee said. "*It's not a congressional junket.*" For instance, in a couple of weeks, "I am travelling to Florida to give a speech." The conference "is in a fancy resort hotel," and many of the attendees will be counting the hours during morning meetings until they can hit the golf course. But "I'm arriving late at night" the evening before, "and leaving after my speech."

Remapping Debate's attempts to reach Sen. Coburn and Rep. Issa via multiple emails and phone messages went unanswered. Rep. Farenthold, who did reply by phone, didn't dispute that conference travel is valued highly in both the private and public sectors. "What we're trying to do," he said, "is bring travel within reason. We're not trying to limit or end travel. We're just trying to make sure it's work-related and not a vacation."

But didn't last summer's CR limit government conference travel (by requiring inspectors general to investigate all conferences that cost more than \$100,000)?

"I don't know," Rep. Farenthold said. (His press aide, Meaghan Cronin, later confirmed that it had.)

Rep. Farenthold and Cronin told Remapping Debate that taxpayers last year spent \$340 million on 894 government-sponsored conferences. We asked Farenthold how much of that spending was wasteful.

Rep. Farenthold referred our question to Cronin, who said she couldn't quantify how much of the \$340 million was waste, but that, based on other examples of wasteful conference spending that have surfaced, "it's clear that examples of waste were not isolated to one agency or a particular conference." "The more Congress does to sort of diminish the opportunities for doing useful work, for learning new things, for seeing opportunities to innovate in the delivery of government services... the less likely government is to recruit the kind of people who can take full advantage of it." — Thomas E. Mann

The \$340 million cited by Rep. Farenthold and Cronin — money spent on *all* government conferences, wasteful and un-wasteful alike — represented less than 0.03 percent of all discretionary spending last year (and less than 0.01 percent of all federal spending). Mann points out that if Congress were sincerely interested in cutting waste, it would do better to investigate government contracting. "There's *real* money there," Mann said. (Bloomberg BusinessWeek <u>reported</u> that the federal government spent \$516 billion on contracts during fiscal year 2012.)

When pressed on the question of whether muscle and bone were being cut along with the fat, Rep. Farenthold said, "Nothing we've done has passed...My bill has not been signed into law."

But if his legislation were to pass? The bill's imposition of elaborate new disclosure requirements would surely limit agencies' willingness to participate in conferences. Rep. Farenthold did not explain how that could be consistent with running government more like a business.

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