

If the Victors Get the Spoils, What Do Citizens Get?

As President Obama begins his second term, the daily news is filled with stories about the resignations of key officials in his administration and their replacements. While the quality of the President's administration will depend on the performance of his appointees, potential appointee competence is not the only thing that presidents consider when choosing their staffs. For nearly 200 years, jobs in the federal government have been used to repay those individuals who helped the president get elected. Perhaps the starkest examples of loyalty-based appointments come from the State Department where ambassadorships are commonly offered to campaign fundraisers. In his last term, for example, President Obama appointed 59 ambassadors who were not career Foreign Service Officers, 40 percent of whom were campaign bundlers. Two of these bundlers in particular, both of whom raised over \$500,000 for President Obama's first presidential campaign, and neither of whom had significant diplomatic experience before their appointments, had quite troubled tenures according to the State Department Inspector General. Prior to serving as an ambassador, one had

been a music industry executive and the other was a venture capitalist.¹ These, and other appointments, stand as classic examples of political patronage in action—giving government jobs to campaign workers to repay them for support, with relatively little regard for their qualifications.

President Obama is hardly the first president to make patronage appointments. Beginning in 1829, President Andrew Jackson replaced the prevailing policy of a stable and politically neutral government workforce with the practice of “rotation in office.” Under the new policy, Jackson used the president's powers of appointment and removal to fill the executive branch with loyalists who would implement the Administration's agenda. This system of patronage became known as the “spoils system” after Senator William L. Marcy of New York defended it by declaring, “...to the victor belong the spoils of the enemy.”² Over time, federal patronage became a way to reward party and campaign officials for their contributions to electoral success; and while subsequent civil service reforms limited the scope of

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political patronage, it has continued to be an important political resource. Current presidents have between 3,000 and 4,000 positions at their disposal to fill throughout the federal government, which suggests that citizens should be concerned about how patronage appointments affect government performance. If the victors get the spoils, what do citizens get?

In a research paper that was recently published in the *Journal of Public Administration Research and Theory* Nick Gallo, a former CSDI affiliate and Vanderbilt alumnus (BA '10), and David E. Lewis, the William R. Kenan, Jr. Professor of Political Science and CSDI Co-Director, provide an answer to this question: Citizens receive lower quality management of federal government programs because of patronage. In arriving at this conclusion, the authors conduct systematic analysis of Program

¹Farnam, T.W. “The Influence Industry: Obama gives administration jobs to some big fundraisers.” *The Washington Post* 03/07/2012. 01/07/2013. http://articles.washingtonpost.com/2012-03-07/politics/35447935_1_bundlers-obama-administration-steve-spinner

²Senator William Marcy, remarks in the Senate, January 25, 1832, *Register of Debates in Congress*, vol. 8, Part 1, column 1325. The Register can be accessed via the Library of Congress. <<http://memory.loc.gov/ammem/amlaw/lwrdr.html>>

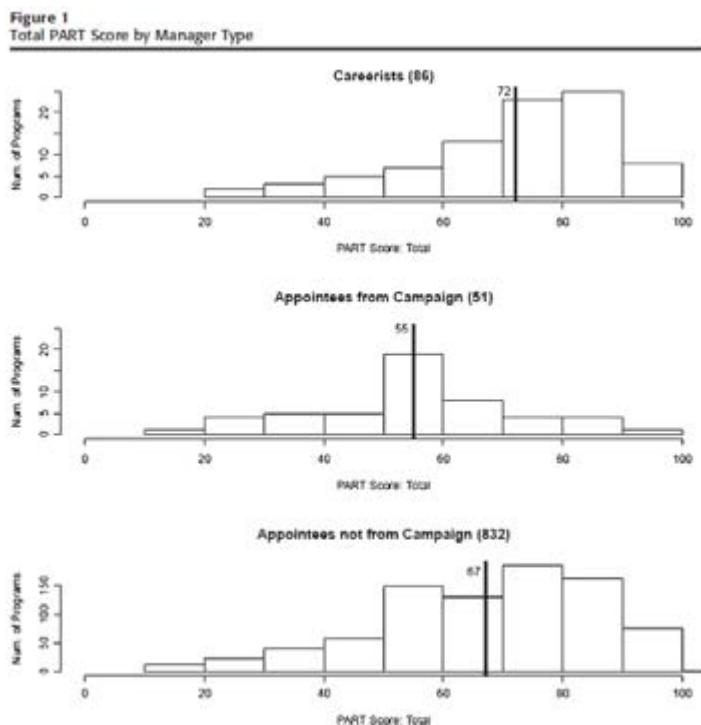
Assessment Rating Tool (PART) scores, a performance management scheme that was devised by the Office of Management and Budget (OMB) during the George W. Bush Administration. Budget examiners at the OMB worked with agency officials to grade almost all federal programs (98 percent) between 2002 and 2008. The authors identify which PART scores are most reliable using the 2007-08 *Survey on the Future of Government Service*, which was administered by Professor Lewis and two colleagues, Professor Anthony Bertelli of the University of Southern California, and Associate Professor David Nixon of the University of Hawaii. The survey asked the following question: “To what extent did the PART pick up real differences in program performance among programs in your agency?” Analysis of answers to this question allowed Gallo and Lewis to isolate those

programs for which PART scores were deemed to be a reliable measure of agency performance.

Using this data, the authors find that career managers perform better than appointees, and those appointees from the campaign perform the worst. These findings are summarized in Figure 1, which illustrates that careerists have an average score of 72, and the distribution is skewed toward higher scores. Appointees that do not come from the campaign have a slightly lower average score of 67, but their scores are also skewed toward the higher end. Both types stand in sharp contrast to appointees from the campaign, whose scores are concentrated around 55, with many fewer high scores. This pattern holds even after controlling for different agency and program characteristics, and focusing one’s attention only on those programs for which the PART

scores are determined to be most reliable. More specifically, if one analyzes the entire sample, Gallo and Lewis find that programs administered by appointees are estimated to receive PART scores about 5 points lower than other programs, and programs managed by appointees from the campaign or party are estimated to earn PART scores about 7 points lower than other appointees. If one analyzes only the programs for which the PART scores are deemed to be most reliable, Gallo and Lewis find that programs administered by appointees earn scores about 9 points lower than other programs and appointees from the campaign or party earn scores about 13 points lower than *other* appointees. This is a dramatic difference, considering that scores for patronage appointees are less than other appointees, and scores for both types of appointees are lower than career managers. The authors conclude that, on average, appointee management has systematic harmful effects for program performance, which is especially true when appointees are drawn from the campaign or party.

Having demonstrated that appointees perform generally less well than career managers, the next logical question to ask is: Why do patronage appointees receive lower scores than other appointees and career managers? In addressing this question, Gallo and Lewis suggest that systematic differences in backgrounds or qualifications are to blame for appointees’ poor relative performances, and they estimate



the specific relationship between manager qualifications and PART scores. Chief among their findings

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is that managerial tenure and political experience are important determinants of performance, in that managers who have held their positions longer at the time of analysis perform better, which indicates that experiential knowledge is useful. Political experience, especially previous experience in the White House, is associated with lower performance. Here it seems that political skills do not translate well into the managerial skills that are necessary to run a federal program. Taken together, these findings suggest that career managers perform the best because they tend to have more experience in the agencies that they manage, as well as longer managerial tenures than appointees; and patronage appointees’ political skills, while useful in other forums, are not especially helpful when running a federal agency.

So, what does all this mean for a concerned citizen? First, one

should take comfort in the fact that relatively few patronage appointees actually *manage* federal programs. As demonstrated in Figure 1, only 51 managers out of the 969 in the sample, or about 5 percent, were appointees from the campaign. Additionally, the authors note that presidents try to place patronage appointees in positions where they are qualified to perform their jobs, or at the very least, where they can cause relatively little harm. The ambassadors described above, for example, were arguably unqualified for the offices to which they were appointed, and they performed poorly; but it doesn’t seem that the difficulties that they experienced materially harmed President Obama’s agenda or American interests, broadly defined.

However, this does not mean that the current system cannot be improved. Gallo and Lewis suggest that reducing the number of political appointees may reduce the harmful effects of patronage appointments. They point out that the United States has significantly more political appointees than other developed democracies. (Recall that presidents have between 3,000 and 4,000 positions to fill.) Gallo and Lewis also observe that other research suggests that agencies perform best when there is the right mix of appointees and career professionals. Placing appointees and careerists on the same team allows them to leverage their different skill

sets to work productively together. So, the presence of appointees can actually be a good thing for government performance.

Nonetheless, Gallo and Lewis close by noting that the persistence of large numbers of positions at the program management level increases the chances that a patronage appointee will be named to manage a federal program. The president may reap political benefits for doing so, but Gallo and Lewis have shown that those benefits come at the cost of agency performance.

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The research summarized in this policy brief can be found in CSDI Working Paper 1-2010, “The Consequences of Presidential Patronage for Federal Agency Performance.” Nick Gallo and David E. Lewis. http://www.vanderbilt.edu/csd/research/CSDI_WP_01-2010.pdf.

A revised version of the manuscript was published in 2012 in the *Journal of Public Administration Research and Theory* (22(2): 219-243).

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