## THE BROOKINGS INSTITUTION

Brookings Cafeteria Podcast: Why presidents fail

Friday, September 2, 2016

PARTICIPANTS:

Host:

**FRED DEWS** 

**BILL FINAN** 

## **Contributors:**

**ELAINE KAMARCK** 

Founding Director - Center for Effective Public Management Senior Fellow - Governance Studies The Brookings Institution

**AARON KLEIN** 

Fellow - Economic Studies, Center on Regulation and Markets Policy Director, Center on Regulation and Markets The Brookings Institution

STEPHEN HESS Senior Fellow Emeritus - Governance Studies The Brookings Institution DEWS: Welcome to The Brookings Cafeteria; a podcast about ideas and the experts who have them. I'm Fred Dews. April, 1980, Jimmy Carter overseas US military forces fail in their attempt to rescue American hostages held in Tehran. August and September, 2005, President Bush presides over the disastrous US government relief effort after Hurricane Katrina devastates the Gulf Coast. 2013, President Obama is blindsided by the botched rollout of the healthcare.gov website. These are just a few of the grand governmental failures that senior fellow Elaine Kamarck documents in her new book from The Brookings Institution Press titled, "Why presidents Fail and How They Can Succeed Again." She argues in the book that presidents today spend too much time talking and not enough time governing. We are in need not of another imperial or rhetorical presidency, she says, but a managerial one.

In this episode, Kamarck talks with my colleague Bill Finan about her book and why presidents need to talk less and govern more. Also, stay tuned to meet a new scholar who examines financial services in the economy. Plus you'll hear from Steve Hess on his time in the Eisenhower White House. Alright, here's Bill and Elaine.

FINAN: Thanks Fred and hello Elaine. Thank you for joining us today to talk about why presidents fail and how they can succeed again. We'll come back in a moment to succeeding but I wanted to first get to the failures but even before I get to that I want to ask you a background question to the issue. You mentioned that we've been through the imperial presidency, and we're looking to the rhetorical presidency; we now need, as you say, a managerial presidency. What is that and why is it important to the country and the presidency?

KAMARCK: Well thank you for having me on this podcast and thank you for talking about my newest book. The managerial - let's start with what the managerial presidency is not. It is not Jimmy Carter scheduling the tennis courts at the White House; it is not Lyndon Johnson sitting in situation room picking bombing targets in Vietnam; nor is it president Obama writing code for the websites. Okay, it's not actually management in the way we think of management in say an organization, or factory, or something like that. But the managerial presidency here means paying attention to the organizational capacity of the government the president runs. And that's for, to avoid or at least decrease the probability of two kinds of failures; the kinds of failures where the government blows up on the president, on a sort of unsuspecting president, and the kind of failure where a president has a new initiative and it flops because it isn't implemented properly. So it's, the managerial presidency is more away for the president to understand the executive branch that he or she is in charge of.

FINAN: With that background in mind then, let's talk about some of the failures that are at the core of the book. The first you mention is the one that occurred with President Jimmy Carter back in April of 19809, the failure in the desert. This was in some ways, as you said, the most spectacular failure. Can you tell us about it?

KAMARCK: Well, you know for those of you who weren't alive then or don't remember then, we had many Americans taken hostages in the embassy in Tehran and months of negotiations failed so finally President Carter had to move to a military option. Now, the problem with doing that is that the military option, which was by the way initially rejected by the military as too difficult, the military options settled upon, involved coordination between several branches of the military and it involved really

sophisticated special operations Anybody who had been looking at the capacity of the American military for the past, for the three or four decades before that would know that the big critique level that the American military was that it could not coordinate its actions between Army, Navy, Marines, and Air Force, and in fact presidents from Eisenhower on, had made this critique of the military. Similarly, the Special Operations Command was no command, it was degraded in the years before Carter became president. So basically what he did was he took a military that had many people had said does not have the capacity to do this and asked them to do an operation, which not surprisingly failed.

FINAN: And that was at a time too when, as you point out, the Special Operations component was nothing like the Special Operations component that got bin Laden under the Obama administration.

KAMARCK: Absolutely, I mean the difference between the US military in 1980 and the US military in 2011 is night and day. Part of that was that after the crashes in the desert and the failure of that rescue mission, finally a bill called Goldwater Nichols was passed; the military, finally, was forced to reform; Special Operations was rebuilt from the ground up and so today there's a very different military than there was in 1980 and we could see it got- you had a complex inter- a branch operation with special ops getting bin Laden and you couldn't you couldn't have that in 1980.

FINAN: And then since, as you point out in the book too, that failure is a bipartisan endeavor will move on to the other failures you mentioned too, which occurred during president George W. Bush's administration and the ones you speak about or right about are 9/11, the Iraq War, the financial crisis, and then Hurricane

Katrina. Can you touch briefly on these failures and tell us what each was and what what they mean?

KAMARCK: Each, what what links all of those failures and what links frankly all the failures in the book is that there were things about the capacity of the government that were knowable. We, our tendency is to think of some of these presidential failures as acts of God; certainly a category five hurricane can do falls into that category, but the inept response was evident before the hurricane hit, okay, there was a deep degrading of FEMA when it got placed inside of DHS

FINAN: That's the Federal Emergency-

KAMARCK: Emergency Management Agency, yes. There were in in the case of 9/11 there were many blinking lights about terrorism, which the Bush Administration kept pushing aside because they had a different worldview. In the case of the financial crisis, there were many warnings from federal agencies that deal with banking that these banks had become over extended and they were taking on too much debt. In other words, in all of these cases it was- something was knowable about the failure. Now it doesn't mean that the failures could have been totally avoided, but the purpose of the book is to say how does a president reduce the probability of failure as opposed to eliminating it, which is of course impossible.

DEWS: Let's take a quick break here for another installment of coffee break; your chance to meet a new scholar at the Brookings Institution. Today, Aaron Klein, A fellow in economic studies and policy, director of the initiative on business and public policy, explains what inspired him to get involved in public policy and why a book about shipping containers is a must-read.

KLEIN: I grew up right here in the Washington DC metro area; I'm actually from Montgomery County, Maryland. I grew up my whole life inside the beltway, so they say in Washington, I in in suburban Maryland, I'm a proud Marylander.

I was inspired to become a Brookings scholar by an experience in my childhood; my mother and I grew up with my sister in Montgomery County Maryland as I said in a town, my mom lived in Bethesda that's pretty wealthy, and my sister went to a very wealthy public high school and I went to a, I starting in the seventh grade a, I was voluntarily bussed into a special magnet program in a poorer section of Montgomery County in a section that was minority-majority schools, minority white, very big diversity of income and at one point the county only had money to rebuild two schools, the one my sister went to that was nice and fancy to begin with, and the one I went to that was 60 years old, and dilapidated with asbestos in the walls, and holes in the roof, and the county chose to spend the money on the rich school and that struck me as a deep injustice.

I spent a couple years organizing in the community and successfully changed that and it brought to show me the power that people can have when they work with with the right substance, the right arguments to make a change to make the world a better place. That's when I decided I wanted to spend my career in public policy, spent the first part of my career working in the legislative branch in the US Senate and the executive branch. The privilege of serving the first term in the Obama administration as deputy assistant secretary for economic policy in the Treasury Department and I have a great opportunity to become a Brookings scholar and I was inspired to be a scholar in order to take the time to process what I had learned and what I had done in public

service. To think about how I can use my voice to continue to help influence public policy to help real people. I think the most important issue we're facing today for Americans is our nation's crumbling infrastructure.

We inherited a fantastic infrastructure system that our grandparents and parents paid for. In fact, they paid more than their fair share so they could give us something. America, in my opinion, for too long as paid less than its fair share and lived off of that inheritance and now we have a transit systems that are breaking down, airports that are not first-world, passenger rail systems that are a joke compared to where the rest of the world and our economic competitors are coming and we face a critical crossroads. We can either invest substantially to promote our country and make sure that our children have a better infrastructure system than we did or we continue to live off the prior generation and give our kids a large bill and a long commute.

So I focus a lot on financial services and the economy; banking and finances a means to an end, right, the end is the productive use of investment to grow our economy, right, we can either invest in in cutting-edge companies that make the world a better place, facebook and google, or we can invest in building each other houses and flipping them in condos in areas that nobody wants, predicated on unsustainable leverage.

What I'm trying to do in the financial system in financial regulation is build a stronger safer system that more efficiently move savers and investors to entrepreneurs and productive use of capital. I spend another substantial portion of my time thinking about infrastructure policy, which is related to finance because roads and bridges, trains and airports are expensive and you have to figure out how to pay for them in a

sustainable manner and one that links the right incentive so we have the best system so mostly on infrastructure and financial regulatory policy.

So for listeners who are interested in the financial crisis, "The Big Short" is fantastic. If you saw the movie, it's great, but read the book. The book contains many more insights, a broader narrative of the financial crisis, and is very accessible. Michael Lewis I might brag, a fellow Princetonian, really just did a fantastic job of making the financial crisis understandable. The other book is a little more obscure; it's called "The Box." It's a history of the shipping container, which is something that we've all driven past on the side of the road a million times and never really thought how standardizing one simple box to move cargo globally, reshape the entire world's economic system and the globe's infrastructure system, and prior to this box you just put cargo and ships manually loaded, and the economic system and global trade and transportation was totally different.

DEWS: The Initiative on Business and Public Policy and the Hutchins Center on Fiscal and Monetary Policy are hosting a public forum on September 9<sup>th</sup> about how to speed up economic growth. And now back to Bill Finan's discussion with Elaine Kamarck.

FINAN: So one other failure that brings up to the current president is the failure of the <a href="healthcare.gov">healthcare.gov</a> website that you talk about. That was the website put together for people to sign up for Obamacare. What kind of failure, how would you, how would you describe that failure?

KAMARCK: Well, again, as with the Department of Defense in the Carter Administration, in the Obama administration as they took over the government, there

were literally decades of reports on the weaknesses of the centers for Medicare and Medicaid services, CMS as we call it, and for instance, for the 15 years that GAO had published a high-risk list of agencies that were in trouble, CMS had been on that list, okay, so it was, it was well known that this agency was struggling to do the mission it was already supposed to do

FINAN: Another one of those blinking lights.

KAMARCK: It was a blinking light, that's right. And then the Obama administration gave it this enormous new task of setting up these websites and surprise surprise, it wasn't very good at it.

FINAN: One one point that becomes very clear in the book is that the government is very big that we have, as you point out, there over 4 million workers, a budget over three trillion, and we need a president then, who treats it as, treats his work as a CEO in some ways and that's the kind of managerial president you're you're describing.

KAMARCK: That's right.

FINAN: What can the president then due to govern more effectively to be more like a CEO in government.

KAMARCK: Well the first thing a president has to do, is figure out what his executive branch is and develop a system in the White House for evaluating every piece of the executive branch along two dimensions. Dimension number one is what's in trouble, where's the trouble. It was it came as no surprise to people who followed the Veterans Administration that they had a big scandal in the middle of the Obama Administration; the only people surprised were the president and his folks. Veterans

Administration had been a problem child for some time, particularly the healthcare, a piece of it, so the first thing to do is look at the government and say what's going to blow up on us and what president's learn only too late is that when it blows up on you, on your watch, even though you may have nothing to do with it, even though the problems may have been have started decades before under different presidents, you get the blame; you're the one sitting in the seat, you get the blame. So the first thing the president can do is try to anticipate that. The second thing the president needs to do is spend time when- on their new initiatives figuring out the implementation piece. So it's all well and good to get a piece of legislation passed, it's all well and good to give a lot of speeches about something, but if it blows up on you, as the healthcare websites did, as the response to Hurricane Katrina did, none of your pretty words make any difference and the final thing I would say a president should do is talk less and govern more.

FINAN: To to bring an end to the rhetorical presidency-

KAMARCK: Yeah, yeah I mean you know this this is built on the work of somebody who wrote a famous book called going public and basically, the political scientists their show that over time, the presidents have traveled more and given more speeches and you know it's probably time for them to scale back and spend a little more time actually running the government or figuring out who's running the government and how it's being run. And you know, they really don't have to make 10 trips a week to different cities to do this, that, and the other thing. They really need to, I think, spend a little bit more time in the government.

FINAN: You end the book by looking at the primary system that we have and that we just experienced recently and you make this innovative and interesting point about the primary system, the party election system that- how has changed over time since 1976 to become more open, to have less party control over the selection of delegates and you said that that's taken away something that the old system provided and testing candidates, can you talk about that?

KAMARCK: In the old system, which certainly had its flaws, okay, in the old system you won the nomination by negotiating with other powerful people in your political party and so what the old system tested was the ability of a candidate to negotiate, cut deals, whatever you want to call it, but the ability of a candidate to operate in a system of shared power, which ultimately is what our democracy is. It tested also the candidates ability to speak and communicate but that wasn't nearly as important as the candidates ability to work with their peers in power. We got lucky with some presidents; President Roosevelt could do both, right, he was a master communicator but he was also a master dealmaker, manipulator, whatever you want to call it, he got the job done. The new system tests the ability to Communicate, okay, it tests the ability to to inspire people to make speeches, to do well on television, etcetera. There is no point in the system, however, where it tests whether or not someone can actually govern, and again, it's worked out for us sometimes, you know, we've gotten some, we've gotten some very good presidents. President Reagan, President Clinton both had the ability to communicate well and they had the background and the experience as governors to govern well, but we also have a situation where sometimes you could get someone who can only do one thing. So Donald Trump has shown us to

be very very good at communicating and and tapping into people's fears and hopes, but we have- a lot of people are nervous that he could not, in fact, govern. And so that's that's the, that's what we've lost with the new system.

FINAN: A rhetorical Candidacy leading to a rhetorical Presidency-

KAMARCK: Yeah [laughter]

FINAN: Elaine I want to thank you for talking to us today about your new book "Why Presidents Fail", and enjoyed the Conversation.

KAMARCK: Thank you very much; nice to talk to you.

DEWS: You can learn more about, and purchase, "Why Presidents Fail and How They Can Succeed Again" on our website brookings.edu. We will have a lot more interviews and segments and upcoming shows about politics and policy in the context of this year's presidential election so listen for those.

Finally today, a new installment of Steve Hess stories. Steve's a senior fellow emeritus at Brookings and worked in the White House staff during both the Eisenhower and Nixon administrations. This is the 10th edition of his recollections of his time in politics and policy making. Here he is remembering his days as a young staffer in the Eisenhower White House.

HESS: It was something special for- especially for a young man with some historical concerns going into the White House every day, that was special. When I was in the White House, the White House staff, under under Eisenhower, I was not actually in the White House, I was in the executive office building right next to the White House. If you look, it's back on the White House, we- so my office from- on the White House side, I could look down, I could see the president's helicopter taking off, I could see if

the president was having- had set up for a party on the South lawn, it was great and I would walk across that little executive street that's blocked off and my boss, Malcolm Moos' office was not in the West Wing but in the East Wing, so every day I would have to walk straight through the residence, the major White House, sometimes the weather was nice, I could do it on the outside, I can see, I can see Amy Eisenhower's rose garden, sometimes I can see the president practicing golf, I can see, as I pass the, what was the auditorium, I can see the cans of film that the president had been watching the night before, I made sure I looked to see what he had been watching, what the president likes. He liked westerns- he could, he could watch watch war movies but he was very upset if there were any mistakes in them, that sort of thing. Jim Haggerty, his press secretary, said his favorite movie was called *Angel in the Outfield*, an angel comes to the Brooklyn dodgers or something, but at any rate, that's how I went through the White House, that was exciting.

DEWS: Steve is also the author of "America's Political Dynasties: from Adams to Clinton." You can listen to more Steve Hess stories on our Soundcloud channel. And that's all for this edition of The Brookings Cafeteria.

My thanks to audio engineer and producer Mark Hoelscher and to producer Vanessa Sauter. Bill Finan does the book interviews, and design and web support comes from Jessica Pavone, Erica Abalahin, and Rebecca Viser. And a special thanks to Richard Fawal for podcast guidance and support. You can subscribe to The Brookings Cafeteria on iTunes and listen to it in all the usual places. Want to ask a scholar a question? Send an email to bcp@brookings.edu and I'll get an answer for you. Until next time; I'm Fred Dews.