



Governing across the divide

Annual Meeting 2017

National Academy of Public Administration



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Foreword

In November 2017, the National Academy of Public Administration (the Academy) held its 50th Annual Meeting. The Academy is an independent, nonprofit, nonpartisan organization established in 1967 and granted a congressional charter in 1984 to assist government leaders in building more effective, efficient, accountable, and transparent organizations. The Academy has over 850 Fellows, including former cabinet officers, Members of Congress, governors, mayors, and state legislators as well as prominent scholars, business executives, and public administrators.

The 2017 meeting featured an all-star cast of keynote speakers and insightful discussions to address the topic of “Governing Across the Divide.” KPMG worked with the Academy to highlight key findings and takeaways from this meeting.

Consistent with the meeting’s theme, breakout sessions on specific topics included:

- Building human resource capacity in an intergovernmental system
- The use of artificial intelligence in government
- Social equity and emergency management responses
- The changing roles of states – Focuses on environmental and healthcare policies
- 2018 major tech trends and their impact on government and leadership
- International perspectives on public administration in the 21st century: Current and future challenges
- The future of citizenship and public service
- Disaster response: An intergovernmental challenge
- Governing infrastructure.

Other annual meeting activities included:

- The prestigious Elmer B. Staats Lecture was given by Timothy O. Horne, acting administrator of the U.S. General Services Administration.
- The prestigious James E. Webb Lecture was given by Katherine Gehl, an American business leader and policy activist and former president and CEO of a food manufacturing company, and Dr. Michael E. Porter, university professor at the Harvard Business School and recipient of 24 honorary doctorates.
- The 2017 George Graham Award for Exceptional Service to the Academy was presented to Academy Fellow Thomas H. Stanton for his decades-long contributions and dedication to the organization.
- A book event and reception on *The Puzzle of the American Economy: How Changing Demographics Will Affect Our Future and Influence on Politics* featured author and Academy Fellow Mark Pisano.



Terry Gerton
President and CEO
National Academy of Public Administration



Jeff Steinhoff
Managing Director
KPMG Government Institute





Plenary session: Welcome and opening remarks

Reginald Robinson, Chair, Academy Board of Directors; and Director and Professor,
School of Public Affairs and Administration, University of Kansas

Terry Gerton, President and CEO, National Academy of Public Administration

To begin this 50th anniversary meeting, Reggie Robinson, outgoing Chair of the Academy's Board, welcomed Fellows and attendees to the Academy's annual meeting, stressing that the Academy's goal during this anniversary year is to expand its role in addressing key issues, especially those related to governance, public administration, and public administration management. Robinson emphasized the Academy's intention to affect these issues in a positive way, building upon the unique expertise of "the Fellowship." He noted that the agenda for this meeting was designed to provide this opportunity.

Robinson thanked many people for organizing the annual meeting. He thanked members of the Board, especially Vice Chair Sallyanne Harper, for significant efforts in planning and arranging the meeting. He acknowledged the great contributions of Diane Disney who was thanked for pulling together the Silver Anniversary events and commemorations. Robinson noted the tireless work of Scott Fosler, who assembled the book *The First 50 Years*, which highlights notable events and people in the Academy's history. And, he expressed appreciation to Academy staff, especially Lisa Trahan, for her assistance.

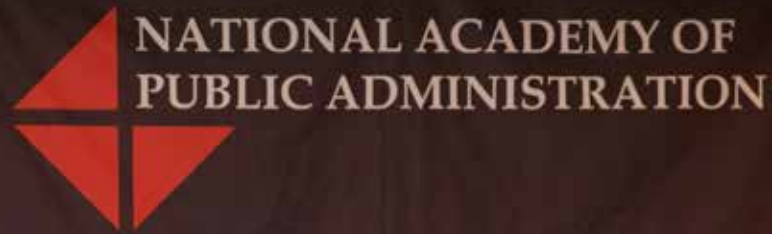
Terry Gerton, president and chief executive officer, briefly reviewed her first 10 months at the Academy, noting that she has had the opportunity to learn the value

and sample the expertise and commitment of Fellows around the country. She said this meeting provides an opportunity to look back at and appreciate the Academy's accomplishments and those who have made them possible, catch up with old friends and make new ones, and participate in meaningful and significant discussions with the most prominent practitioners in the field.

The focus of this year's meeting was "Governing Across the Divide," which built upon the Academy's cross-country sessions during 2017 that included presentations and gatherings of Academy Fellows and others at four major universities across the United States. Gerton encouraged Fellows to visit special displays during the meeting about the Academy's history and to record a brief testimonial about what they each value about the Academy.

Gerton expressed appreciation to the meeting sponsors, noting that these sponsorships make the annual meeting possible:

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- University of Nebraska at Omaha – Sponsor
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Building human resource capacity in an intergovernmental system

Sponsored by: Management Concepts

Moderator:

Debbie Eshelman, Managing Director of Human Capital and Talent Management, People & Performance Consulting, Management Concepts

Panelists:

Ronald Sanders, Director, School of Public Affairs, University of South Florida

Donald Kettl, Professor, School of Public Policy, University of Maryland

Anita Blair, Deputy Assistant Secretary of Defense, Civilian Personnel Policy, U.S. Department of Defense

Background

There is general agreement that current human capital management (HCM) systems within government need to be modernized and invigorated to meet needs of the 21st century. While progress has been made, all governments, including federal, state, local, and international, face significant human capital challenges.

This session discussed how HCM has changed over the years, lessons learned from those efforts, and what additional changes are needed to modernize and invigorate governments to meet the needs of the digital age while maintaining civil service principles.

Key insights and issues discussed

The panelists and individual participants discussed a number of important issues, providing personal insights:

- The federal government has over 2 million career civil service employees. Despite the impression often held by those outside of the government, the federal HCM system is not monolithic. There is a wide range of personnel and pay systems designed to meet the needs of individual agencies or to work across a group of agencies or types of employees.
- The federal government is essentially operating a fragmented nonsystem, wherein most agencies have found ways to develop and use flexibilities to break out of at least some of the constraints of the current civil service system. For example, federal agencies often have special hiring authorities and flexibilities that provide exceptions from the standard personnel rules. Included are demonstration projects and personnel authorities that make it easier to hire individuals with highly sought after skills, such as cyber security professionals. Agencies that have not taken the steps to find suitable alternatives to the standard processes generally find themselves to be at a disadvantage in competing for and retaining talented professionals.
- There are many examples of progressive and cutting-edge HCM initiatives throughout the federal government. One such example is the Navy Demonstration Project at China Lake, which was an early adopter of a pay-for-performance system. There are also many examples of systems and processes that are antiquated and do not support current needs as well.
- A challenge in the federal government is that some of the HCM systems are old; many were implemented 30 years ago. They show the strains of being highly regulatory and constrained in nature and are far from cutting edge. The proliferation of aged HCM systems creates a significant management challenge for human resource professionals. Federal HCM systems need to be reexamined to assure they meet the current demands of the 21st century and beyond.
- An essential component of federal workforce reform is defining how the merit system's principles fit and will be applied in the future. Other challenges include addressing the public perception of a cumbersome, unresponsive civil service system; the views of those serving in government who may be frustrated by the current system; and the fragmentation of federal systems.
- While the federal government was once an employer of choice, that is no longer the case. To address the most significant problems in the government, such as those identified on the Government Accountability Office's (GAO) High-Risk List, government must be able to attract and retain the most capable and innovative problem solvers. It must then provide them the freedom to attack problems, together with personal accountability for shortfalls and a system of rewards for positive results. Today, it could be argued, none of these elements are fully in play.
- Public perception of the civil service system is wide ranging. Some believe a permanent government exists that is unresponsive, expensive, and dangerous, and it must be unraveled. Government must grapple with this perception if civil service principles are to be preserved. Others may not have a fundamental knowledge and appreciation of the underlying merit principles and current challenges, but they equate shortfalls in government performance to a broken personnel system and want to start anew. Then there are those who understand and recognize the urgent need to modernize the system while preserving merit principles. And finally, some defend the status quo no matter what and aggressively resist any change.
- First, we must engage those who are unaware of underlying merit principles and reestablish their importance as the foundation for any modernization initiative. Second, we must be prepared to fundamentally change the status quo. These actions must work in tandem.

- Consistent with the discussion at this breakout session, a July 1, 2017 Academy Panel white paper, “No Time to Wait: Building a Public Service for the 21st Century,” sponsored by the Samuel Freeman Charitable Trust, offered a policy agenda to improve the federal government’s human capital system. Specifically, this Panel determined that, in essence, the current system is a nonsystem that does not meet the nation’s needs. The Panel found that some agencies have broken out of Title 5, which is the legislative foundation of the civil service system, and/or have received other flexibilities and authorities—but this has not been done strategically and has resulted in “have” and “have-not” agencies. The Panel concluded that the current system hinders the ability of federal agencies to recruit, develop, and retain top talent; hold leadership and employees accountable for results; and strike the right balance between career civil servants and contractors.
- The “No Time to Wait” white paper recommended a new system grounded in mission first, principles always, and accountability for both. As envisioned, the new system would provide individual agencies the flexibility to create HCM systems that meet the needs of their missions while ensuring that they complied with core merit system principles within a more collaborative data-driven system. As addressed during the breakout session, historically, merit principles were assumed to mean monolithic, one size fits all, or they are not civil service principles. In the “No Time to Wait” white paper, the Panel tried to show it is not “either, or,” but it is “both, and,” allowing greater personnel flexibility to manage what are arguably federal agencies’ most important mission assets—their people.







The use of artificial intelligence in government

Hosted by: The Standing Panel on Executive Organization and Management

Standing Panel Chair and Moderator:

John Kamensky, Associate Partner and Senior Fellow, IBM Center for the Business of Government

Panelists:

Robert Behn, Senior Lecturer in Public Policy, John F. Kennedy School of Government, Harvard University

Andras Szakal, Vice President and Chief Technology Officer, Federal Government, IBM

James Hendler, Director of the Rensselaer Institute for Data Exploration and Applications (IDEA), Rensselaer Polytechnic Institute

David Bray, Executive Director, People-Centered Internet

Background

Application of artificial intelligence (AI) capabilities is rapidly growing as science and technology continue to accelerate. Recognizing the powerful tools that AI provides, it is important to focus on how we can effectively adapt these tools in public administration. Equally important, it is critical to understand where AI may fall short or may not be fully mature in helping agencies govern more effectively and efficiently. There are current limits to how we might use AI to make policy and ethical decisions. Government wants to both adapt AI to serve citizens better, and at less cost, while understanding the downside risks in order to solve problems and not make situations worse.

Key insights presented and issues discussed

Panelists and individual participants discussed a number of important issues and offered some personal insights:

- AI is an umbrella of many different technologies, such as visualization technology, natural language processing, machine learning, and speech-to-text technology. Technological developments are accelerating with ever increasing data and storage capabilities. Taking AI out of the laboratory and giving it to engineers has an important impact, offering an opportunity to change the way agencies manage systems and operate government. The challenge is to gradually incorporate AI to help augment human decision making in public administration while understanding AI's current limitations.
- There are already many AI applications in government, with others being considered. For example, the use of AI has been proposed for immigration vetting.
- There are current limits on using AI in facial and character recognition. Part of the challenge is to consider that underlying data may be flawed. AI data will tell us things the machine "hears" a lot, but a machine cannot yet address novel situations. Furthermore, humans have cognitive bias; machines, not surprisingly, can also provide biased judgment and may have difficulty discerning and identifying what information is fake or false?
- With AI, government has an opportunity to rearchitect how public service is delivered, considering options from both a management and political standpoint. Government has to guard against using technology to just do the same things, faster—especially if there are better ways of achieving mission objectives. With rapid technology changes and the continuing explosion of data, the goal line is always moving. Government has to be anticipatory and agile and recognize the value of timely course correction as enabling technology expands.
- AI can provide information that helps government formulate sound decisions. Given challenges around data veracity, humans must be in the loop when using AI, because autonomous systems have their limits. Problems that public administration professionals address do not always have "correct" or "incorrect" problem diagnoses. Judgment comes from personal experience and knowledge. Innovation stemming from use of AI is welcome, but leading organizations also consider the human dimension as critical to decision making. Panelists emphasized that smart machines are still limited to what they have had exposure to and lack human intuition and empathy.
- Examples of panel suggestions on applying AI in public administration included (1) helping people find jobs, (2) personalizing educational opportunities to qualify for jobs, (3) streamlining how public service operates by mapping out what agency employees are working on every week in order to optimize staff deployment, and (4) carrying out a range of labor intensive backroom operations.
- There have been large investments in AI in the national intelligence and Department of Defense communities. Government needs to better translate and apply what is learned in those domains to public administration in general.



Social equity and emergency management responses

Hosted by: The Standing Panel on Social Equity in Governance

Standing Panel Chair and Moderator:

Blue Wooldridge, Professor, L. Douglas Wilder School of Government, Virginia Commonwealth University

Panelists:

DeeDee Bennett, Assistant Professor, School of Public Administration, University of Nebraska at Omaha

Beverly Cigler, Distinguished Professor Emerita of Public Policy and Administration, School of Public Affairs, Penn State Harrisburg

Mark Landahl, Lieutenant, Sheriff's Office, Frederick County, Maryland

Kathryn Larin, Director, Education, Workforce, and Income Security, GAO

Background

To assure equity in emergency response, it is important to focus on the intersection of natural hazard and the human-created environment. Some groups have social vulnerabilities that put them in greater peril in the case of disaster. There is no agreement on what to call the vulnerable populations. There is agreement that low income individuals, children, seniors, disabled individuals, certain ethnic minorities, travelers, and recent immigrants are among the vulnerable populations. Within the total vulnerable population, some groups, such as minorities, are less able than others to organize to get help. This panel discussed the disparity in emergency response to vulnerable populations.

Key insights and issues discussed

Panelists and individual participants discussed a number of important issues and offered some personal insights:

- The GAO evaluated how federal and state governments were able to mobilize to provide services to specific vulnerable populations, finding that low income individuals and families receiving public assistance, families with children, and disabled individuals were disproportionately affected by Hurricane Katrina.
- During Katrina, federally administered programs that already had disaster programs in place to assist individuals and families receiving benefits, such as Old Age, Survivors, and Disability Insurance (OASDI) and Supplementary Security Income (SSI), functioned well. However, state-administered federal programs, such as food stamps and unemployment insurance, struggled to ramp up and meet the demand. These programs, which lacked disaster plans, made limited use of flexible service delivery options, such as call centers for accessing assistance and online application services, and did not use debit cards to issue benefits.
- GAO made recommendations for improved planning, service delivery, and eligibility determinations. The Post-Katrina Emergency Management Reform Act of 2006 (PKEMRA) included provisions to address the challenges faced in serving individuals with disabilities and included provisions to appoint a disability coordinator and develop guidelines for accessibility to shelters. Governments at all levels have made important advances in disaster recovery since PKEMRA. However, full compliance has not yet been achieved.
- The expansive use of cell phones for access to the Internet, social media, and news creates an important outlet for emergency public communications, especially warnings and education campaigns. Public communications during an emergency must be credible, reliable, accurate, timely, clear, and consistent throughout all media and communications outlets. Cell phone and communications technology must be leveraged to create greater access, timeliness, and credibility.
- Successful public communications require that both individuals and government agencies keep up with the technology to maintain access to emergency communication and for providers and governments to deliver high-quality services. Further, policies, whether administrative or legislative, will need to incorporate rules for the inclusion of vulnerable populations that may not have the same degree of access to the latest communications technology.
- Research indicates that small businesses are disproportionately vulnerable to disasters. However, it has been difficult to research and provide comparative data on the impact of a disaster and recovery on this group because of conflicting definitions of terms such as small business and disaster. Local emergency planners and emergency managers can play an important role by: (1) providing lifeline and education services, and (2) leveraging public-private and community partnerships to support small businesses during a disaster and help them establish preparedness practices. Additionally, leading state and local governments should allocate resources for disaster mitigation strategies, such as land use regulation.



The changing role of states: Focuses on environmental and healthcare policies

Moderator and Panelist:

Jack Knott, Dean and the C. Erwin and Ione L. Piper Chair and Professor of the Sol Price School of Policy, University of Southern California

Panelists:

Sandra Archibald, Dean and Professor, Evans School of Public Policy & Governance, University of Washington

Gregory Devereaux, Managing Partner, Washington Partners

Mark Pisano, Professor of Practice of Public Administration, Price School of Public Policy, University of Southern California

Background

The Panel continued the discussion that began at the August 29th *Governing Across the Divide* event hosted in Sacramento by the University of Southern California. That event explored how states are addressing key issues, such as healthcare and environmental policy, in ways that harness innovation and leverage the optimal management solutions in delivering citizen services. Members of the Panel reconvened to further discuss the implications of changes in state government to residents as well as what it means in relation to federal policy and governance. The discussion started with the reminder that the United States was created by the states (and not the other way around) and that the founding fathers were very deliberate about how they established the roles and powers of the states.

Key insights presented and issues discussed

The panelists and individual participants discussed a number of important issues and offered some personal insights:

- As U.S. Supreme Court Justice Louis Brandeis stated, the states are “laboratories for democracy.” States’ capacity for innovation can heavily influence national policy. This innovation in turn can impact resistance movements, especially in times of political and partisan division. Examples include the environment, healthcare, marijuana legalization, and immigration.
- States are developing intergovernmental collaboration mechanisms in response to federal policy decisions. Many states have expanded Medicaid eligibility, and some are committed to continuing with the terms of the Paris Climate Accord and possibly developing agreements or partnerships with other nations to meet commonly agreed upon climate change goals.
- There is increased debate surrounding the roles of state and federal government. The question may not be about who should be responsible for certain issues, but whether government should be responsible to take actions at all. This “revolution toward devolution” often reflects a widening partisan divide.
- Policy and leadership can and should come from all levels of government. The mechanics by which citizens get information in the public sector are lagging behind how the consumer gets information (e.g., social media and electronic commerce). All government levels face the challenge of more effectively informing citizens and sharing timely information about the governance and performance of public entities.
- Issues surrounding unions and state pension costs drive discussions and decision making in a dramatic way. There is a sense that these factors can impact a shift towards more volunteer services in the future (e.g., fire and emergency services) as more constrained budget environments lead to a reduction of available services.
- The limit on state and local tax (SALT) deductibility, which was included in the tax reform legislation signed into law by President Trump on December 22, 2017, has created a great deal of concern for high-tax states, such as California and New York.
- Economic Development Districts (EDD) are a great example of what is working well within the states to raise revenue and finance needed improvements. These multijurisdictional entities, often composed of multiple counties, help lead locally based, regionally driven economic development that leverages public, private, and nonprofit sector collaboration focused on innovative solutions. East Otay Mesa, California, was cited as an example of using an EDD to incentivize the development of new revenue opportunities.
- There is a very different approach to addressing issues at the state and local levels than at the federal level. The focus for state and local government leadership is on responding to the more direct and immediate needs of citizens. Federal regulations affect the relationships that state and local leaders have with their constituents. Often these leaders are asked tough questions despite the fact that they did not set the regulations but need to implement them. Also, while other levels of government understand the rationale behind federal regulations, there is often frustration with not having the resources to implement them.



2018 major technology trends and their impact on government and leadership

Sponsored by: Ernst & Young

Hosted by: The Technology Leadership Standing Panel

Standing Panel Chair and Moderator:

Alan Shark, Executive Director, Public Technology Institute

Panelists:

Douglas Robinson, Executive Director, National Association of State Chief Information Officers (NASCIO)

Curtis Clark, Director, IBM Global Government



Background

This session was intended both as a discussion of technology trends and a meeting of the Technology Leadership Standing Panel. Before beginning the discussion, the Standing Panel Chair briefly outlined plans for a more active Standing Panel in the coming year, featuring webinars to help engage Fellows outside the Washington, DC area. He invited interested attendees to share their ideas for possible focus areas and activities.

Key insights presented and issues discussed

The two panelists and the moderator made presentations, offering global, state, and local perspectives. In addition, the panelists and individual participants discussed a number of important issues and offered some personal insights:

- Large-scale IT spending is observable not just at the federal level (\$90 billion for fiscal year 2017), but also at the state and local level (\$60 billion). In this context, the lack of IT leadership continuity at the federal level (average CIO tenure is 17 months) is troublesome.
- Many view AI a threat to humans, with recent dire predictions associated with machines achieving human consciousness. However, attention should also be given to more prosaic threats, such as social biases unwittingly built into algorithms and the tendency to defer to automated systems (e.g., unthinkingly following Google Maps' directions). One projection is that robots will take 50 percent of jobs by 2050 (see willrobotstakemyjob.com). At the same time, other jobs will be created, and people and technology will work together. But will jobs be created fast enough to keep pace with the population? And, what will be the implications for how we think about ourselves in such a highly automated future?
- Digital assistants are an application of AI and an example of the automation of tasks, but people don't generally make this connection when they talk to their devices. Increasingly AI/automation is being applied to higher-order tasks. For example, IBM's Watson can translate information from medical journals into guidance for doctors.
- Such rapid change suggests the need to plan ahead. Yet, a NASCIO survey of city/county CIOs finds that they spend only 5 percent of their time thinking beyond the near-term demands of the job. Survey results also indicate a very low level of investment in IT by many governments.
- From a global perspective, technology offers opportunities to improve governance and service delivery. This necessitates a strategic approach. There are systems and related issues to consider in strategies for driving innovation in digital services.

- Governments leading in the practice of digital services include the United Kingdom (UK), the European Union (EU), Germany, Denmark, Singapore, and Australia. For example, the UK is creating a digital services organization to drive application of technology across services. Denmark is using technology to build linkages across levels of government. The EU has a focus on open data and transparency, with all EU digital service strategies embedded in a collaborative framework.
- A leading practice is the strategic use of technology to drive change in the culture of government service delivery organizations to support collaboration.
- At the state level, from recent surveys of state CIOs, most notably the 2017 NASCIO Survey of State CIOs:
 - When asked which emerging IT areas are likely to be most impactful, the top choice for state CIOs at 43 percent was the Internet of Things (IoT), followed by artificial intelligence/machine learning at 29 percent.
 - The IoT offers great opportunities through integration, but this integration also means a proliferation of additional risks
 - Systematic attention is needed to the implications of the IoT and other emerging technologies in areas including acquisition, standards, security, privacy, and data management. Yet, the NASCIO survey results indicate that in most states there are no formal discussions of IoT applications, data collection and security, and in many states there is no discussion at all.
 - States are moving forward with a range of IoT applications (e.g., road sensor networks) and other technologies, such as unmanned aerial systems (e.g., surveying storm damage), but states are taking an ad hoc approach. They generally do not yet have policy frameworks to guide deployment across different use cases.
- A NASCIO survey of Route Fifty readers found different views at federal, state, and local levels about how disruptive highly automated vehicles are likely to be. Only 8 percent of federal respondents saw this technology as the most disruptive, while 29 percent of state respondents viewed it as the most disruptive. This is not seen as surprising given that states are where these issues are most immediate given their responsibility for highways.

- At the city and county level, the pervasiveness of IT suggests the need for a more expansive view of technology and the role of the CIO. This has implications for what we should look for in technology professionals going forward. For instance, technology professionals need to have the skills to effectively communicate issues to leadership and collaborate across traditional boundaries.
- The greatest proportion of city and county technology officials report that the IoT and artificial intelligence/machine learning are the emerging IT areas that will be most impactful, but by different margins than state CIOs. Eighty-five percent versus 43 percent chose IoT and 40 percent versus 29 percent chose artificial intelligence/machine learning.
- A much larger proportion of city and county CIOs (almost 30 percent versus 2 percent) reported that autonomous vehicles will be most impactful. Indeed, a failure to invest in the local infrastructure supporting the development of autonomous vehicles could lead to some communities being bypassed by the future transportation system.
- The rise of social media has enabled behavior that threatens informed public discourse. It favors those who are good at presenting information in this environment regardless of the soundness of the content or context. Society has yet to evolve the checks and balances that apply to other more established forms of media.
- Trends in social media are seen as exacerbating already low levels of public trust in government.
- Many governments now maintain social media accounts. However, they often do not appreciate the reputation risk associated with these accounts. More attention is needed to actively managing these accounts in order to maintain control of messaging.
- What are the pros and cons of appointed/elected versus career technology officials? For instance, reliance on career professionals in positions of technology leadership may help insulate decision making from politics. But appointed/elected leadership generally has greater access to power and influence to get things done and an incentive to act quickly, given a limited term of office.





International perspectives on public administration in the 21st century: Current and future challenges

Hosted by: The International Standing Panel and The Africa Working Group

Standing Panel Chairs and Moderators:
Armie Fields and Sylvester Murray

Panelists:

Zhou Jingxing, Minister-Counselor, Political Affairs, Embassy of the People's Republic of China

Eloy Oliveira, Executive Director, Instituto República, Brazil

Francisco Gaetani, President, Brazil's Escola Nacional De Administracao Publica



Background

The world is getting smaller with growing challenges in international affairs. With limited resources, governments across the globe are looking to build institutions that can enhance efficiency and effectiveness in meeting citizen needs.

Distinguished guests from Brazil and China, representing prominent institutions focusing on public administration, presented findings and challenges in their respective countries. The observations provided many valuable insights into the American context by way of comparison.

Key insights presented and issues discussed

The panelists and individual participants discussed a number of important issues and offered some personal insights:

- Brazil is facing challenges to building a vibrant civil service at the local and state level. The entrance exam for candidates to join the civil service is very difficult. The other way to become a civil servant is through an appointment. Career progression is not premised on performance but rather years of service, and the differential between a starting and ending salary is minimal.
- In Brazil, as in other countries, it is difficult to dismiss civil servants. There is low turnover in high positions, reticence to confront poor performance, and difficulty in attracting individuals with the requisite knowledge, skills, and ability to the civil service.
- To address some of these challenges, Brazil has instituted some leading new initiatives:
 - Vektor Brasil is a newly established institute working with the civil service to provide a bridge for attracting the best and brightest. The program allows the most qualified applicants to receive an appointment to a government position. Last year, there were 14,000 applicants for 50 appointments.
 - To enhance succession planning, the city of Rio de Janeiro established a program to motivate high performance by selecting 100 civil servants into a special program that offers coaching in management skills and performance appraisal.
 - Efforts are underway to hire people in a different manner that might accelerate the process, which has not changed for 30 to 40 years.
- China has identified three areas for improvement: (1) transform government functions to be the core issue of institutional reforms, (2) establish a specified government system of responsibility and power, and (3) unify government by breaking down barriers between different departments.
- China recognizes the need to build cross-department cooperation, focusing on common problems to promote cogovernance.
- China has been working to communicate more effectively with other countries and nongovernmental organizations. China now has more than 800 million Internet users. With increasing risks, recognizing the need for global-level emergency crisis response is critical. Other challenges China faces include the cultural environment, information sharing, legal framework; capacity building, and establishing compatible incentives.



The future of citizenship and public service

Moderator and Panelist:

David Van Slyke, Dean and Louis A. Bantle Chair in Business-Government Policy, The Maxwell School of Citizenship and Public Affairs, Syracuse University

Panelists:

Tina Nabatchi, Associate Professor, Public Administration and International Affairs, Maxwell School of Citizenship and Public Affairs, Syracuse University

Sean O'Keefe, Howard G. and S. Louise Phanstiel Chair in Strategic Management and Leadership, The Maxwell School of Citizenship and Public Affairs, Syracuse University

Edie Goldenberg, Professor of Political Science and Public Policy, Gerald R. Ford School of Public Policy, University of Michigan

Background

Public service has been severely challenged by several long-term trends: (1) declining public trust in government, (2) political polarization, (3) difficulty in recruitment and preparation of a high-quality workforce for the future, (4) low morale, (5) continual negative press coverage (including high-profile failures, such as the VA hospitals and water quality in Flint, Michigan), (6) demands for greater transparency, and (7) general low public esteem. Many observers have described public service as being in a state of crisis. The participants discussed the current state of public service and citizenship and how they might be transformed to improve the public's opinion of public service and increase public engagement.

Key insights presented and issues discussed

The panelists and individual participants discussed a number of important issues and offered some personal insights:

- Governments currently underuse technology. For example, increasing the usage of advanced technology, such as AI, will enable governments to better compete with private industry and better meet citizen service delivery expectations.
- Public administrators must change the conversation about government work by better promoting the compelling aspects. Public service provides an opportunity to work in a mission-focused organization, address world-class challenges, and make a difference for the country and the well-being of citizens.
- Public engagement is critical. Technology tools could be used to make voting easier—particularly student voting for which voting rates are much lower than the general public. While getting more people involved in the voting process is very important, engagement and participation include more than voting. Direct ways of participating are more impactful when people engage and partisan boundaries can be reduced or, at least, better understood. The challenge for public service is determining how to motivate, develop, and train people to actively engage. Further public service must bring together parties with a range of views to find alternative positions. This kind of engagement is required to determine why and how to reconcile the various positions and to come up with solutions.
- Collaboration between the public and private sectors will help in rebuilding confidence in public service. For these collaborations to be effective, government must always ask and continually monitor whether collaboration is creating and sustaining public value. Who is the citizen or customer? What are their needs and expectations? Where do they see shortfalls? How does government best engage the public and leverage the private sector to improve performance and reduce reliance on government to provide services? Collaboration must result in outcomes that leverage resources to be more responsive to the public.
- Government struggles to attract and retain a younger workforce, which is increasingly interested in working for nonprofits or on specific projects rather than in government public service. While the government may benefit from renaming public service, it is also important that public service rebrand itself. Government must communicate what is good about public service and what it means to serve the public from within government.
- The government can change its public image by appreciably improving its operations and customer service. Technology tools can enable government to enhance performance and agility while reducing costs. It is what the public expects. Negative interactions or an inability to effectively and efficiently interact with government further diminishes the brand name and the ability to attract a highly qualified work force, including younger workers.
- There is a diminished understanding of, and value placed, on good citizenship. Key values of citizenship should be defined in public dialogue that does not view issues related to citizenship in terms of polarity. Each individual is a citizen of the world and of some community and, therefore, all have a responsibility to improve those communities. It is important to instill a sense of citizenship and what it means to the next generation.



Disaster response: An intergovernmental challenge

Hosted by: The Standing Panel on Intergovernmental Issues

Standing Panel Chair and Moderator:

Mark Pisano, Professor of Practice of Public Administration, Price School of Public Policy, University of Southern California

Panelists:

Beverly Cigler, Distinguished Professor Emerita in the School of Public Affairs at Penn State Harrisburg

Gregory Devereaux, Managing Partner, Worthington Partners

William Gregory Burel, Director, Division of Strategic National Stockpile, Centers for Disease Control and Prevention

Carl Stenberg, Distinguished Professor, School of Government, University of North Carolina at Chapel Hill

Barry Van Lare, Independent Consultant



Background

Before introducing the other panelists, Mark Pisano asked participants to consider how the many dimensions of disasters are affecting the intergovernmental system and the way it operates. Given the increasing number and severity of disasters, he asked how various governmental levels are responding to disasters and their short- and long-term implications.

The Standing Panel on the Intergovernmental System has been considering this issue in its deliberations. It was a significant part of the *Governing Across the Divide* sessions that the Academy conducted at four geographically diverse U.S. universities this year. Pisano noted that, despite significant agreement at those sessions about the urgency of intergovernmental collaboration in light of disaster-related needs, the Academy is at this time about the only organization that is pulling together the three levels of government—federal, state, and local—to plan for and address these intergovernmental challenges.

Over the past few years, the Panel has been focusing on how to put recommendations before Congress to redefine the nation's intergovernmental system for the 21st century. The Academy is now a member of the Advisory Council of a Congressional task force to help identify issues and testify during subsequent hearings to explore options. Session participants encouraged Pisano to continue efforts to work with Congress and to raise the visibility of intergovernmental issues by looking for ways to use the skills and resources offered by Fellows, wherever they are working.

Key insights presented and issues discussed

Panelists and individual participants discussed a number of important issues and offered some personal insights:

- The federal government often bears the primary fiscal responsibility for responding to natural disasters, while state and local governments are often best situated to mitigate the impact of major events. A panelist called this the “intergovernmental paradox of disaster response.” Research indicates that \$1 spent on mitigation saves \$4 of future disaster response funding. While Congress is considering the future of the National Flood Insurance Program, panelists suggested incentivizing improved collaboration and increased capacity and responsibility at the state and local levels. Mitigation efforts yield a healthy return on investments, including decreasing subsequent costs at all levels when a disaster occurs.

- Federal and state responses to terrorism and mass shootings are fragmented and do not have the structure and coordination now in place for natural disasters. During the active shooter situation in San Bernardino County, local systems and coordination with the FBI and other law enforcement worked well. At the same time, there was not an effective means of interface and coordination between the federal government and local authorities.
- Partnership roles are required among various levels of government and various sectors of society to address major healthcare disasters. Amassing necessary resources and getting them deployed when and where needed can be a significant challenge. If they arrive too late to be used or there is no one in place who is ready and capable of receiving and deploying them in time, the resources have little value. Types of resources needed would include people, money, and equipment. For example, response to an outbreak of an infectious disease, where urgent action and response might be needed, can be complicated by a medication that may have a very limited shelf life and may not be readily available where needed.
- Federal grant programs for emergency preparedness are a patchwork given the many agencies involved. Also, state and local resources and responses can vary greatly. Use of the private sector is often effective as a partial solution, but most often all sectors of the community must work together, including government, the private sector, and nonprofits.
- Several key questions provide issues for consideration in the intergovernmental community. Why are there few, if any, institutions conducting research and convening meetings on intergovernmental relations? Which functional areas are most important with respect to intergovernmental relations and associated issues? Are block grants “feasible” instruments for distributing federal funds to states for determining how to best use the funds, given that the funds are decreasing while the number and needs of recipients are increasing? With states increasingly imposing unfunded mandates and restrictions on local governments, should local governments be more independent of the state? What are the mechanisms for regional cooperation that can be used across the country to deal with problems that go beyond state boundaries?
- Intergovernmental relations pose both policy and administrative issues. Ideas raised by participants include:

- Optimizing the impact of the Speaker’s Task Force on Intergovernmental Affairs, a bipartisan group of Congressional lawmakers
 - Urging local leaders to more actively raise intergovernmental issues to their congressional representatives (including congressional staff members)
 - Developing hearing topics for Congressional action
 - Developing one-page summaries, supported by data and displays, that highlight disaster-related needs and leading practices
 - Seeking champions in Congress and state legislatures.
- Today’s highly partisan environment suggests the importance of focusing on options and solutions that will get people engaged to help address specific problems while establishing leading practices that can be replicated.
- Sustained attention and broad-based support are prerequisites for improved outcomes. As an independent nonpartisan and nonprofit organization chartered by Congress, the Academy has a unique ability to look at these issues and to facilitate discussions about them, seeking a range of viewpoints and potential options. Among the models discussed were biannual conferences pulling together representatives of different governmental levels and periodic confabs focusing on specific intergovernmental topics.





Governing infrastructure

Sponsored by: ICF International

Moderator:

William Shields, Jr., Executive Director, American Society for Public Administration

Panelists:

Tom Downs, Former Chairman, North American Board of Veolia Transportation

Mortimer Downey, III, Former Principal Director and First Vice Chair, Washington Metropolitan Area Transit Authority

Background

On October 30, 2017, the Academy sponsored a Governing Across the Divide event, *Prioritizing Governance for Resilient Critical Infrastructure*. This was a one-day event hosted by George Mason University, which addressed governance issues related to infrastructure supporting transportation, power, water, and communications. This session is intended to follow up on that event, with a focus on transportation infrastructure and greater emphasis on funding challenges.

The discussion was prefaced by a brief overview of the state of infrastructure in the United States drawing on information from the “2017 Infrastructure Report Card” issued by the American Society of Civil Engineers. The report card includes grades issued for different types of transportation infrastructure and selected statistics used to derive various grades. This overview was followed by a discussion that highlighted opportunities and challenges related to improving governance and securing funding needed to address transportation infrastructure shortfalls.

Key insights presented and issues discussed

The panelists and individual participants discussed a number of important issues and offered some personal insights:

- The Highway Trust Fund, which accounts for the nation’s largest investment source for highways and transit, depends on revenue from federal fuel excise taxes (gas tax). For years, gas tax revenues have fallen short of investment needs. The federal gas tax rate was last raised in 1993, with no indexation for inflation over the past almost 25 years. Inflation has appreciably reduced what these revenues can buy. The ever-improving energy efficiency of vehicles has also contributed to reduced gas tax revenues.
- A 2013, U.S. Department of Transportation (DOT) report estimated the cost to bring road infrastructure to a state of good repair to be as high as \$1.7 trillion over 20 years. In 2015, the DOT Inspector General identified transportation investment as a major management challenge. The Inspector General noted that only about \$50 billion was being made available annually from the Highway Trust Fund for improvements. That amount fell far short of DOT’s analysis that called for annual average capital investment of up to \$86 billion to maintain and up to \$146 billion to improve highway and bridge infrastructure
- While proposals over the years to raise the federal gas tax have not received little support, half the states have raised gas taxes in recent years, some appreciably, with little apparent public backlash.
- The gas tax will become an even less viable source of revenue for funding highways and transit with the anticipated shift to electric vehicles. Some have suggested experimenting with alternative revenue mechanisms, such as a tax based on vehicle miles driven. Also, it will be important to engage in long-term research about how to address the decline in the gas tax as a revenue source.
- In the last several years, the vast majority of referenda around the country to increase funding for transit have passed, most by significant margins. Successful transit funding referenda tend to be tied to specific projects.
- One difficulty in gaining support for investment in infrastructure projects is the inability to communicate the implications for the broader transportation network and the impact on people’s everyday lives. A case in point is the replacement of the Hudson River tunnels accessing Manhattan, which were compromised by salt water flooding during Hurricane Sandy.
- There is a lack of institutions that have the scope of authority to govern infrastructure investment at the level of regional transportation networks. For instance, there is no single institution capable of addressing infrastructure needs within the Northeastern Corridor that would be impacted by Hudson River tunnel closures. There is also no institution with the task of looking at investments as part of regional freight networks.
- In general, improved decision making on infrastructure investments can be supported by adoption of two generally recognized leading practices: depreciation accounting and asset management. However, in some cases, state and local governments have resisted their adoption. How can the use of such practices be incentivized? One suggestion is to make their adoption a condition for state and local capital bonds used to finance infrastructure. The bond industry and accounting standards boards were mentioned as possible champions for adoption. In addition, the federal government could spur adoption of these practices by making it a condition of receiving federal funds, along with effective oversight and enforcement.
- Potentially useful tools and flexibilities were put in place late in the last presidential administration (e.g., performance planning requirements added to federal funding mechanisms, modal choice flexibility for state and local governments, and streamlined permitting processes). It is not clear if or how these will be treated in the future.

- Alternative financing approaches, such as value capture techniques and public-private partnerships (PPP), offer opportunities to help address current funding challenges. Value-capture approaches (e.g., tax increment financing) have been applied with some success in a number of situations, such as the extension of a subway line in New York City and partial financing of the Washington Metro Silver Line to Dulles International Airport. A PPP is being used to upgrade La Guardia airport. Often associated with a toll, PPPs are being used for state road construction, such as the extension of U.S. Route 95 in Virginia.
- While value capture techniques and the use of PPPs offer alternative approaches to financing new infrastructure, they are not a viable means of financing maintenance of existing infrastructure. However, PPPs for new highway and bridge construction may include maintenance in the contract terms.
- Part of an effective strategy for marshaling public support for infrastructure must include emotional appeals. Specifically, fear of loss can be a powerful motivator. Officials should clearly communicate the risks of failing to maintain or replace infrastructure (e.g., bridges).
- There are pros and cons of the current practice of financing of highways and transit through a dedicated trust fund versus financing out of general fund revenues. The trust fund is secure, but revenues are declining and do not come close to addressing total funding needs. Financing highways and transit out of general revenues poses a risk, but would have the advantage of making the competition for funds and the tradeoffs with other types of investments more visible to the public. The recent experience of the District of Columbia may offer insight on this issue given its increasing reliance on general revenues, especially as the proceeds from the Highway Trust Fund have declined.
- Geospatial technologies offer a powerful tool for visualizing opportunities for improving transportation networks. It is important to make government data available to the public and to tap external expertise to more fully realize these opportunities.





Elmer B. Staats Lecture

Sponsored by: University of Connecticut Department of Public Policy

Introducer:

Mary Davie, Assistant Commissioner, Information Technology Category, U.S. General Services Administration

Lecturer:

Tim Horne, Acting Administrator of the U.S. General Services Administration and Federal Transition Coordinator

Mary Davie welcomed everyone to this lecture that honors Elmer B. Staats, whose exemplary contribution is broadly recognized. A founding member of the Academy, Mr. Staats had a long and distinguished career capped by his service as comptroller general of the United States from 1966 to 1981. Ms. Davie introduced this year's lecturer, Tim Horne, the acting administrator of the General Services Administration (GSA) and Federal transition coordinator, who previously served as the regional commissioner of GSA's Rocky Mountain Public Building Service and coordinated the presidential transition for GSA.

Tim Horne's lecture focused on GSA's role in the presidential transition. This role has evolved greatly in aiding the transition. At first it was just providing building space to aid the incoming administration. GSA now has six primary roles.

1. *Provide support to eligible candidates.* This includes meeting with candidates prior to the election, providing the same information to candidates. GSA first focuses on infrastructure, or building space, so candidates and their transition teams are able to focus on transition planning.
2. *Provide support to the president-elect and vice president-elect.*
3. *Provide support to interagency transition.* This includes coordinating support activities, such as assembling briefing materials for the incoming administration.
4. *Provide support for the presidential inauguration.* This includes support to those participating, including food for the National Guard and other volunteers.
5. *Create a transition directory and provide appointment orientation.* GSA receives an appropriation to fund training for new appointees. They work with candidates before the election to determine their needs and establish the services GSA will provide, and then execute services at the time of transition.

6. *Provide support to the outgoing president and vice president.* GSA provides support for the first six months to the outgoing president and vice president. GSA coordinates their move from the White House and the vice president's residence. GSA also provides new office space.

As the acting Administrator, Horne was authorized to provide, upon request, services and facilities to the eligible candidates and the president-elect and vice president-elect. A senior career employee at GSA serves as the Federal Transition coordinator. Horne was dual-hatted in that role for the Trump transition and also served as the coordinator in earlier presidential transitions. He led the team charged with carrying out GSA's transition duties and authorities, which include:

- Coordinating transition planning across agencies
- Serving as cochair on the Agency Transition Directors Council
- Ensuring agencies comply with all statutory requirements relating to presidential transitions
- Serving as a member on the White House Transition Coordinating Council.

Horne concluded with lessons learned on leadership throughout his time at GSA. Every transition takes on its own personality and brings its own challenges, such as not having enough or timely information. Transition teams have highly competent people working on them. They are high performing and proactive, with a goal of helping the president- and vice president-elect hit the ground running. Horne emphasized that it is not about GSA, but about the candidates and the elected president and vice president. He called it is an amazing opportunity and a significant responsibility to support them.



James E. Webb Lecture

Sponsored by: KPMG LLP

Introduction:

Jeffrey Steinhoff, Managing Director, KPMG Government Institute and Federal Advisory, KPMG LLP

Lecturers:

Katherine Gehl, American Business Leader and Policy Activist

Michael Porter, Bishop William Lawrence University Professor, Harvard Business School

Jeff Steinhoff explained that the Webb Lecture Program honors James E. Webb, whose career was capped by his exemplary contributions as director of the Bureau of the Budget and Administrator of the National Aeronautics and Space Administration. A founding member of the Academy, Webb serves as a standard for those who want to improve and strengthen the capacities and performance of government. The lecture program is sponsored by the Academy's Fund for Excellence in Public Administration, through a generous grant from the Kerr Foundation.

Katherine Gehl is a pragmatic business leader, focused on a wide range of public policy issues, including competitiveness and the state of U.S. democracy through her work on breaking political gridlock through nonpartisan, political, and electoral reform and innovation. Previously, she was the president and CEO of a Wisconsin food manufacturing company and served as a member of the Board of Directors of the Overseas Private Investment Corporation, nominated in 2010 by President Obama.

Michael Porter, a Bishop William Lawrence University professor at the Harvard Business School, is an academic known for his theories on economics, social cause, and business strategy. He is an economist, researcher, author, advisor, speaker, and teacher. He has brought expert economic theory and strategy concepts to the most challenging problems facing governments, companies, economies, and societies around the world. The author of 19 books and more than 130 articles, he has been widely honored, including receiving 24 honorary doctorates.

Gehl and Porter presented the finding and conclusions from their September 2017 report "Why Competition in the Politics Industry is Failing America – A strategy for reinvigorating our democracy." The heart of their thesis is that the U.S. political system is no longer designed to serve the public interest: "our political system has become the major barrier to solving nearly every important challenge our nation needs to address." They called for a new approach, finding that "political problems are not due to a single cause, but rather to a failure of the nature of the political competition that has been created," which they view as a "systems problem."

Gehl and Porter cited the following factors as contributing to competitive failure:

- The politics industry is "different from virtually all other industries in the economy because the participants, themselves control the rules of competition." They posited that: "The political system isn't broken. It's doing what it is designed to do."
- The U.S. political system is increasingly designed for the benefit of private, gain-seeking organizations.
- The primary concern of elected officials is how they are

perceived in partisan primaries rather than the actual interests of constituents.

- The duopoly competes by differentiating parties and dividing partisans and special interests. It thrives on ideology and advancing partisanship, not solutions.
- While 61 percent of Americans think a major third party is needed, there are barriers to entrance, and no major new party has been formed since 1854.

Gehl and Porter believe that, ultimately, this means:

- The incentive is not to solve problems.
- There is no accountability for results.
- There are no countervailing forces to restore healthy competition.

In their view, a strategy to transform the current political outcomes of the United States, requires changing the rules of the game. This includes reengineering the election process, reengineering the governing process, instituting practical steps to reform money in politics, and opening up near-term competition to jump start progress.

Their report concluded that, while historically, the U.S. political system has served as a foundation of the nation's success, today it stands in the way of progress for many of the most important issues. A new kind of political philanthropy must be embraced to restore the effectiveness of government, and this would have a huge impact on the success America achieves in addressing the issues it faces.

In the preface to their report, Gehl and Porter closed by saying: "This report is about politics, but it is not political. The problem is not Democrats or Republicans or the existence of parties *per se*. The problem is not individual politicians; most who seek and hold public office are genuinely seeking to make a positive contribution. The real problem is the nature of competition in the politics industry."



George Graham Award for Exceptional Service to the Academy

Presenter:

Anne Khademian, Chair, Academy Board of Directors

Award recipient:

Thomas Stanton

Named after the Academy's first executive director, the George Graham Award for Exceptional Service to the Academy was established to recognize Academy Fellows "who have made a sustained and extraordinary contribution toward the Academy becoming a stronger and more respected organization."

The 2017 George Graham Award for Exceptional Service to the Academy was awarded to Thomas Stanton.

— For over two decades, Tom Stanton has served the Academy with unswerving dedication, brilliant lectures, financial acumen, and true leadership.

— During Tom's two terms on the Academy Board, his deep understanding of financial details enabled him to clarify options for the rest of the Board and establish clear markers for future. His grasp of details and ability to communicate probable consequences of various paths led the way to the development of standards that have continued to benefit the organization.

— Three times he has served on the program committee for the annual meeting, working to identify themes and speakers to inform and enrich the Fellows. Since 2009, Tom has chaired the Enterprise Risk Management Group and in 2009, delivered the prestigious Elmer B. Staats Lecture.

— Tom served as the chair of the Standing Panel on Executive Organization and Management, where he developed it into the outstanding panel it is today by recruiting engaging speakers, leading lively and thoughtful discussions, and pursuing issues important to public policy and public administration.

— Tom has been a consistent participant in the panel process, willingly lending his depth of financial, managerial, and policy knowledge to a range of studies. He served as Panel Chair of the Academy's 2012–2013 congressionally mandated review of the Pension Benefit and Guaranty Corporation's governance structure.



Book event

The Puzzle of the American Economy: How Changing Demographics Will Affect Our Future and Influence Our Politics

Author:

Mark Pisano, Professor of Practice of Public Administration, Price School of Public Policy, University of Southern California

Discussants:

Scott Fosler, President, Audubon Naturalist Society, and Council Member, Town of Chevy Chase, Maryland

Timothy Clark, Editor at Large, Government Executive Media Group, Atlantic Media Co



In his book, Mark Pisano explains how sweeping demographic changes have impacted the effectiveness of recent monetary and fiscal policies and affected monetary growth. Pisano proposes actions to start to reverse the trends of low economic growth and widespread government deficits. For example, the author:

- Spotlights how serious economic problems in the United States result from demographic changes that many citizens do not yet recognize are occurring.
- Discusses how changing demography results from collective individual choice, a phenomenon that is occurring so rapidly and is having such a large impact that the nation has not yet been able to respond to this change.
- Suggests radically different ways of thinking and executing strategies to harness the power of collective individual choice and to address the driving force behind sweeping demographic changes.

Joined by discussants Scott Fosler and Tim Clark, Pisano highlighted a number of demographic changes that impact the United States and governments worldwide. For example:

- Fertility rates in many countries (such as, most European countries, China, and Japan) have declined below replacement levels.
- The decline in population growth has a significant impact on the global economy. The growing aging population earns less, consumes less, pays less in taxes, and requires more support through government pensions and healthcare. The working age population who are able to work is declining as a proportion of the total population. These people achieve their highest earning potential,

increase the nation's income, spend more money, consume more products and services, and pay more taxes to government. It is important to recognize the size and impact of the "demographic penalty."

- Over 90 percent of taxes collected are paid by individuals.
- Individual spending decisions, taken collectively, have major impacts on the economy.
- Due to the drop in the fertility rate, native-born citizens will be responsible for a smaller percent of the population growth. Projections suggest that there will be a large increase in the immigrant population.
- Individuals around the world want to migrate to the United States. An important impact of a large immigrant population on the economy and workforce is that it increases the labor supply. Changes in immigration laws and policies caused, and continue to cause, a reduction in the immigration rate. This could be especially problematic given that the United States currently has slow labor force growth.

Pisano's book proposes actions to start to reverse the trends of low economic growth. The author concludes that it is important to understand and take into account the impacts of demographic characteristics in the economic analysis and decision-making process at all levels of government.

About the National Academy of Public Administration

The Academy is an independent, nonprofit, and nonpartisan organization established in 1967 and chartered by Congress in 1984. It provides expert advice to government leaders in building more effective, efficient, accountable, and transparent organizations. To carry out this mission, the Academy draws on the knowledge and experience of its approximately 850 Fellows—including former cabinet officers, members of Congress, governors, mayors, and state legislators as well as career public administrators, scholars, and business executives. The Academy helps public institutions address their most critical governance and management challenges through in-depth studies and analyses, advisory services and technical assistance, Congressional testimony, forums and conferences, and stakeholder engagement.

For more information, visit www.napawash.org.

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The KPMG Government Institute was established to serve as a strategic resource for government at all levels and also for higher education and not-for-profit entities seeking to achieve high standards of accountability, transparency, and performance. The Institute is a forum for ideas, a place to share leading practices, and a source of thought leadership to help governments address difficult challenges such as effective performance management, regulatory compliance, and fully leveraging technology. For more information, visit www.kpmg.com/us/governmentinstitute.





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