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The Combination Doesn't Work
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Notes

1. Our italics.
2. Sidney M. Wilhelm, *Who Needs the Negro?* (New York: Doubleday & Company, Inc., 1971), p. 2.

The Combination Doesn't Work

To the Editor:

The recent failure of the Urban Development Corporation in New York State, the biggest housing and development authority in the country, affords some interesting lessons to students and practitioners of public administration. Apart from the serious problems of inflation, recession, federal funding cutbacks, and other economic externalities, the leadership and structure of the organization, and the public policies that led to its creation, must be laid open to serious question. Whatever the outcome of the UDC crisis, the political and moral lessons of its creation and operations should not be lost for government, business, and the electorate.

Any time government is used to create an authority outside of its own framework, a Frankenstein may well result. The principle of public accountability which must govern the large-scale expenditure of public funds and credit may be violated only at the peril of both. The requirements of debt limitation geared to a tax base on the municipal level, expenditures related to revenues, however unbalanced, at any level of government, and the need to live somehow within one's present or even anticipated means, all serve as effective restraints on unwarranted investment.

The existence of governmental machinery, however creaky and inefficient its common characterization, provides an acceptable brake on vaulting ambitions both personal and organizational. Bureaucracy produces more than red tape. The right way to do something, according to the rules, will in the long run, and often in the short run as well, be at least as effective as making up one's own rules to suit the goal.

The democratic process is cumbersome and our mix of private and public enterprise is confusing. As a society, however, we must reject centralization of authority in the public arena as an alternative to the intricate and often painful processes of policy formation and implementation. The particular danger becomes acute when government, impatient with itself, goes into business. Even in the private sector we have begun to question the right of private decision makers in industry, finance, and labor to impact our lives. At least, in some measure and in some instances, the marketplace, where it is not controlled and manipulated, injects some responsiveness to larger needs. When governmental authority and resources are stacked behind an enterprise there is little hope for sobering influence. It may even fail with impunity. That this has been recently true of such "private" failures as railroad, aircraft, and airlines (and possibly soon of the auto industry) does not absolve UDC and its ilk. Indeed, the very insulation from loss should raise serious questions about our vaunted system of profit, which supposedly is the reward of risk.

Perhaps the most fundamental lesson is something we might begin to unlearn. For the better part of this century America has lived off its reputation for management expertise. The power shift from the holders of great wealth to the cadre of executives skilled and trained in the modern corporate enterprise has been celebrated, documented, and emulated throughout the industrialized world and perhaps envied by most of the rest. The heroes of this bloodless revolution, whether graduates of the business schools or self-driven climbers of the management ladders, have enjoyed an almost mystical aura of effectiveness, along with the material perquisites of success. Knowing a business became less important than knowing how to run a business, any business. The fashion in chief executives has been, where industry is not totally closed to outsiders, to seek those who "know how to get things done," on the management theory that those who are expert at doing big things can readily translate that expertise into other big things. And so we have the career executives who move, often to our applause, from business to government, the academy, the private institution and back and around, sometimes in multiple directions at the same time.

What these chief executives do, the way in which they dispense large sums of money, make fateful decisions, initiate grand undertakings, may nevertheless have less to do with the wisdom of an investment or a policy, the success or failure of an enterprise, than either the quality and utility of the product or the service bought or performed, or the external conditions which even it cannot control. Managers, even chief executives, must be

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constrained by the business they are in and the world in which they do business. Their ultimate *hubris* is in thinking and attempting to control either or both.

The transition in power from owner to manager was never complete in this or any other society. The authority commanded by superior resources remains superior to the authority based on a delegation of power to manage those resources. That lesson may be learned, at the very least by the principals in this debacle.

When the state has dealt with its "moral" and fiscal obligation, when UDC is supplanted by yet another private-public funding combine, when yet another brilliant executive asks for all the money and power to deal with our problems, will we remember that the combination just doesn't work?

Philip Finkelstein
Professor of Political Science
Brooklyn College
Director for the Center for Land Economics

A Tribute to a Managing Editor

To the Editor:

At the 1975 ASPA conference in Chicago, I, in company with Laverne Burchfield, was privileged to attend the meeting of the editorial board of the *Public Administration Review.* I should then have asked the opportunity to make the statement which follows and which should probably be addressed to the entire membership of ASPA.

PAR is the best professional journal I know of. It is one of very few which effectively links operational problems with theory, current issues with scholarship, administrators with academics. As an occasional writer. I would rather have my products published in PAR than anywhere else. Over the years, it has probably been the principal building and binding force in the development of the Society itself.

There have been no more outstanding editors-in-chief of PAR than its first one, Leonard D. White, and its present one, whose name surely requires no repetition in this letter. But in the many early and intervening years, from about 1943 to about 1957, the person who, more than anyone else, held PAR, and possibly ASPA itself, together was its managing editor, Laverne Burchfield. I doubt that many current members of ASPA know how much we owe to her for our survival, our growth, and our strength.

As a charter member of the Society and a former editor-in-chief of PAR, I herein express my deep appreciation to Laverne Burchfield for what she did for me and for all of us in those years when she strived so hard and so effectively for PAR and for ASPA.

Frederick C. Mosher
Doherty Professor
University of Virginia

Additional Data

To the Editor:

In the March/April 1975 issue of PAR, Mackelprang and Fritschler, reviewing NASPAA's 1974 survey of member institutions, note that the School of Public Administration at USC had failed to provide 1972-1973 degree data. That information was submitted in January 1974, after the requested due date, and is on file at NASPAA headquarters.

1972-1973

BA/Public Administration	36
MPA	391
DPA	5
PhD	21

John Nalbandian
Assistant Dean
School of Public Administration
University of Southern California

Macro-Level Manpower Needs

To the Editor:

Your article on the public personnel system surfaces a major issue ignored by the federal establishment—namely that allocating personnel resources for an organization should focus on the organizational objectives and how best it can organize itself to meet their objectives. Most personnel efforts are performed rote (e.g., or-

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