



by Charles Peters

Since parsimony is becoming almost as fashionable among politicians today as patriotism was in the 1940s, a wave of budget-cutting seems likely at all levels of government. The results could be salutary, but might be disastrous. To avoid the latter possibility, it is essential to understand how the Clever Bureaucrat reacts to the threat of fiscal deprivation.

The very first thing C. B. does,

Charles Peters is editor-in-chief of The Washington Monthly.

when threatened with a budget reduction, is to translate it into specific bad news for congressmen powerful enough to restore his budget to its usual plenitude.

Thus Amtrak, recently threatened with a budget cut, immediately announced, according to Stephen Aug of *The Washington Star*, that it would be compelled to drop the following routes:

San Francisco-Bakersfield, running through Stockton, the home town of

Firemen First or How to Beat a Budget Cut



Rep. John J. McFall, chairman of the House Appropriations transportation subcommittee.

St. Louis-Laredo, running through Little Rock, Arkansas, the home of Senator John McClellan, chairman of the Senate Appropriations Committee.

Chicago-Seattle, running through the homes of Senator Mike Mansfield, Senate Majority Leader, and Senator Warren Magnuson, chairman of the Senate Commerce Committee.

And in a triumphant stroke that

netted four birds with one roadbed, Norfolk-Chicago, running through the home states of Senator Birch Bayh, chairman of the Senate Appropriations Transportation subcommittee, Senator Vance Hartke, chairman of the Commerce Surface Transportation Subcommittee, Rep. Harley Staggers, chairman of the House Commerce Committee, and Senator Robert Byrd, Senate Majority Whip.

The effectiveness of this device is suggested by a story that appeared in the *Charleston (West Virginia) Gazette*

a few days after Amtrak's announcement:

Continued
Rail Service
Byrd's Aim

"Senator Robert C. Byrd, D-WVa, has announced that he intends to make an effort today to assure continued rail passenger service for West Virginia.

"Byrd, a member of the Senate Appropriations Committee, said he will 'either introduce an amendment providing sufficient funds to continue the West Virginia route or try to get language adopted which would guarantee funding for the route for Amtrak.'"

In the Amtrak case, C.B.'s budget-cutting enemy was President Ford. Sometimes it is a frugal superior in his own department. C. B.'s initial response is much the same. If, for example, a Secretary of Defense from Massachusetts insists upon eliminating useless and outmoded bases, the Navy's C. B. will promptly respond with a list of recommended base-closings, led by the Boston Navy Yard.

Another Bay of Pigs

An irate constituency is, of course, a threat to all elected officials and to every other official who dreams of converting his appointive status into one blessed by the voting public. Even a small irritation can suffice. Thus, Mike Causey of *The Washington Post* tells of a National Park Service C. B. who, confronted with a budget cut, quickly restored congressmen to their senses by eliminating elevator service to the top of the Washington Monument. Every constituent whose children insisted on his walking all the way up was sure to place an outraged call to his congressman's office. Similarly, a Social Security Administration C. B. faced with a budget cut is certain to announce that the result will be substantial delays in the mailing of social security checks.

Whenever possible, a C. B. will

assert that the budget cut is certain to result in the loss of jobs. The threatened employees are sure to write emotional protests to their congressmen. And, as the National Rifle Association has proven, even a tiny minority, if sufficiently vigorous in its expression of opinion—vigorous meaning that they make clear they will vote against you if you fail to help them—can move a legislator to take the desired action in the absence of an equally energetic lobby on the other side.

C. B.'s concern about loss of others' jobs is a deeply personal one. He knows you can't be a commander unless you have troops to command.

Not long ago Jack Anderson discovered that the Navy, trying to adjust to less money than it had requested, was depriving the fleet of essential maintenance, while continuing to waste billions on useless supercarriers and transforming small Polaris submarines into giant Tridents. The reason of course is that the more big ships with big crews we have, the more admirals we need. Rank in the civil service is also determined in part by the number of employees one supervises. Thus a threat to reduce the number of one's employees is a threat not merely to one's ego but to one's income as well.

In its first flush of victory after the 1960 election, the Kennedy Administration embarked on two ill-fated missions. One was the Bay of Pigs. The other was an effort to fire 150 AID employees, all of whom wrote their congressman, as did their fathers, mothers, brothers, sisters, and in all probability their creditors and the creditors' relatives. The 150 were, of course, reinstated. If a Jimmy Carter or Ronald Reagan does become President, he might also ponder the lesson of Gail Parker, who found that to keep Bennington College afloat she would have to deprive teachers of tenure and rehire them each year on the basis of their merit and of what the college could afford. The threatened faculty stirred up such a storm

that the Board of Trustees, which had originally backed Gail Parker, deserted her and she had to resign.

The tenured employee can even go to court. A recent decision by the U. S. Court of Appeals for the District of Columbia held that a college that fires a tenured professor because too few students are taking his course to pay for it must find another job for the professor, even if it requires dismissing other more competent but untenured professors.

Firemen First

On the other hand, there are the teachers we don't want to fire—those in the public schools, for example, where teacher-pupil ratios of 1 to 40 are common. These are the ones C.B. always says he will have to fire when he is menaced with a budget cut. This tactic is based on the principle that the public will support C. B.'s valiant fight against the budget reduction only if essential services are endangered. Thus, C. B. always picks on teachers, policemen, firemen first. In the headquarters bureaucracies of the New York City and the Washington, D. C. school systems there are concentrated some of the most prodigious, do-nothing, time-servers of the modern era. No administrator threatens to fire them. If they are "the fat," and if he is to fight the budget cut, it would of course damage his cause to admit their existence. He must concentrate on threatening a loss of muscle.

Similarly, the Army, when faced with a budget cut, never points the finger at desk-bound lieutenant colonels. The victims are invariably combat troops. This is particularly unfortunate, since in government, as in human beings, fat tends to concentrate at the middle levels, where planning analysts and deputy assistant administrators spend their days attending meetings, writing memoranda, and reading newspapers.

Sometimes, however, the C.B. will be deliberately non-specific about the

jobs that might be cut. When the City Council of the District of Columbia recently proposed a \$67.2-million cut in the city's budget, Mayor Washington responded with an announcement that he would have to fire 4,000 city employees, but with no indication of exactly where the axe would fall. This tactic is designed to arouse all city employees who don't want to be among the 4,000—which of course means *all* city employees—to write the City Council protesting the outrageous cuts.

Another approach, which might be called "How Can You Guys Be Such Scrooges," was tried on the Council by Joseph Yeldell, the director of the city's Human Resources Administration, who proclaimed that yes, he knew exactly what the budget cut would do to his department, it would mean the cancellation of the foster parents program for 2,000 orphans.

But such appeals are guaranteed to work only during the Christmas season. The more reliable year-round tactic is to threaten the loss of essential services that affect almost all voters.

John Lindsay was a master of this technique. Confronted, for example, with a 1971-72 budget of only \$8.6 billion, he said he would have to fire 10,000 policemen, 2,500 firemen, 3,600 garbage workers, 12,000 hospital workers, and 10,800 teachers.

In the end, he didn't have to fire anyone. Abe Beame was not so lucky. He threatened to fire 67,000 similarly essential employees, and—when the bastards actually cut his budget—found that he really had to drop 35,000.

There's the rub. If we really cut the budget of the C. B. who has bluffed by saying that he will have to fire essential employees, he may—to preserve his credibility—actually have to fire them, instead of the middle-level newspaper-readers who are the real fat. We could end up with a government of planning analysts, friends of congressmen, and trains running to Bakersfield via Stockton. ■

The Texas Airline War

by George Hopkins

Adam Smith would have loved the Texas Airline War. Ever since Southwest Airlines, a sleek, aggressive unregulated carrier, entered the local air transport market, life has been miserable for the regulated fat-cat airlines and delightful for most Texas airline consumers.

In 1971, Southwest began serving the heavily traveled Dallas-Houston-San Antonio triangle with a small fleet of new red and gold Boeing 737s. Unlike its competitors, Braniff and Texas International, Southwest was flying *only* this intrastate route and was thus exempt from the Civil Aeronautics Board fare regulations which apply to interstate carriers like Braniff and TIA. The unregulated new entrant immediately began cutting prices—to as low as half of what the other two airlines were charging.

Southwest could offer such cheap

service for a number of reasons, which apply equally to other unregulated intrastate airlines, like Pacific Southwest in California. In the first place, the intrastates usually provide service only between cities where there is high traffic, and therefore high “load factors,” such as Dallas and Houston or San Francisco and Los Angeles. Profitable routes like these are awarded to interstate carriers, too, but for every profitable Dallas-to-Houston run which the CAB gives to Braniff, there is another route with lower density and lower profit that Braniff must agree to fly. Losses on the uneconomical routes are made up with high fares (approved by the CAB) on the big-city commuter runs. The whole system works tolerably well for the airlines—until an unregulated intrastate carrier (which doesn’t need to make up losses on CAB-mandated, uneconomical routes) enters the market.

Other factors favor the intrastates.

George Hopkins teaches history at Western Illinois University and writes often about aviation.

LICENSED TO UNZ.ORG

ELECTRONIC REPRODUCTION PROHIBITED