

POST-NEW PUBLIC MANAGEMENT UNDER THE OBAMA ADMINISTRATION: AN EARLY SNAPSHOT

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Most new presidential administrations come to Washington with an agenda on how to make the federal government work better. This paper examines what President Barack Obama has done within the context of public administration theory and trends. “New public management” was hailed as the answer to the ills of government almost twenty years ago. Some scholars claim that we are currently in a post-new public management age. Does the Obama administration’s management agenda fit these newer ideas? Is there a cohesive management agenda for the federal bureaucracy? Has there been a paradigm shift in federal public administration? Actions from the first two years and the 2012 budget proposal are detailed as well as the role of politics. Analysis of these actions suggests that President Obama’s pragmatic nature in federal government management does not represent a paradigm shift, but rather a transition period.

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INTRODUCTION

President Obama was voted into office after campaigning with a promise of change. Major policy initiatives of Obama's first two years in office have shed light on his management style. The actual changes Obama has implemented could constitute a paradigm shift in federal public management, or they could merely be reactions to the previous administration and the economic meltdown. This paper will discuss the Obama administration's management agenda within a public administration theoretical framework. It will review the impact of new public management and attempt to determine what framework currently exists in the federal bureaucracy, keeping in mind the politics of federal management as well. Recent political developments and Obama's pragmatic nature help explain the current status of federal public management, which appears to be in a transition period rather than a full paradigm shift.

BACKGROUND: PRESIDENTIAL MANAGEMENT AGENDAS

Many U.S. presidents over the past half-century have come into office with ideas on how to better manage the federal government. These presidential management agendas are usually focused on efficiency and accountability to taxpayers, two classic public administration ideals. Paul Light says American government has been "awash in tides of reform" for many decades now (Kettl 2007, 10). The "permanent bureaucracy" or career civil service has become accustomed to presidents trying to reinvent the system every four or eight years (Zeller 2009, 708). Many presidents expect to change government instantly, but they soon realize change comes slowly due to politics and bureaucratic inertia (Benowitz 2009, 13).

According to Donald Kettl, presidents of the last fifty years have taken different approaches to management reform (2009, 39). President Johnson sought reforms through the budgetary process, and President Nixon introduced management-by-objectives in the federal administration. Under President Carter, the Civil Service Reform Act of 1978 and zero-based budgeting were unveiled. President Reagan brought about deregulation and privatization, which brought on a major shift toward private sector reforms in government. President Bill Clinton pushed "Reinventing Government" led by Vice President Al Gore. President George W. Bush pushed privatization and contracting to new heights during his two terms.

Reforms of the two administrations prior to Obama's can help us understand where we stand today. Much fanfare was made about Gore's effort to reinvent government during the 1990s. Inspired by the book *Reinventing Government* by David Osborne and Ted Gaebler, the administration introduced private sector practices into the federal bureaucracy (Breul & Kamensky 2008, 45). In academic circles it was called new public management (NPM); however, the Clinton administration deemed it the National Performance Review or NPR (Breul & Kamensky 2008, 45). NPR aimed to create a customer-focused government, increase the use of technology, empower employees, cut red tape, increase performance measurement and create a focus on results (Breul & Kamensky 2008, 45-46). During the Clinton years government payrolls shrank and middle management was reduced by 18 percent (Zeller 2009, 708).

President George W. Bush was the country's first MBA president, so naturally he gravitated toward business practices in government (Zeller 2009, 708). His President's Management Agenda (PMA) had similar aims as NPR; however, it concentrated more on broad

ideas and implementation (Breul & Kamensky 2008, 45). The PMA's objectives included improving performance, increasing competition between public and private sectors for contracts, expanding the use of "e-government," implementing strategic management and improving financial performance (Breul & Kamensky 2008, 47). The administration found very little data on how domestic non-entitlement programs were meeting their goals, so the Program Assessment Rating Tool (PART) was created (O'Neill 2010). This program evaluation process sought to hold agencies accountable for their performance through a system of "report cards" (Radin 2009, 9).

In retrospect PART faced difficulties because performance assessments were not used to make budgetary decisions and the administration underestimated the role of politics (Zeller 2009, 708). Even if a program was deemed wasteful and unnecessary, Congressional supporters would fight to keep it alive because of various vested interests (Zeller 2009, 708). Former Office of Management and Budget (OMB) official Robert Shea said, "You will never design a tool that will remove politics from the equation, and it's illegitimate to think you will" (Zeller 2009, 708).

The New Public Management arrives

New public management, first coined by Christopher Hood, primarily grew out of neo-liberal economic theory and public choice theory (Lynn 2006, 107; Christensen & Lægreid 2007, 4, 226). Other theories attributed to the development of NPM include principle-agent theory and new-institutionalism (Haque 2007, 180). Although no single theory encapsulates NPM, rationalism, competition, and efficiency are at the core of the reforms (Vabø 2009, 2, 4). Since its inception, NPM has been criticized by many public administration scholars who have argued that it is not a true theory and its theoretical underpinnings are incoherent (Vabø 2009, 6; Haque 2007, 179). NPM is typically characterized by its detractors as a form of managerialism and considered a management fad (Lynn 2006, 107).

According to Osborne and Gaebler, NPM consists of competition in service delivery, a shift to "steering" rather than "rowing" in government, customer focus, results orientation, performance measurement, privatization, empowering employees, and government earning its way (Osborne & Gaebler 1992). Most practical definitions of NPM include a business approach, performance measurement, outsourcing or privatization, a link between public demand and government supply, output control, use of a market system, and devolution (Lynn 2006, 107; Vabø 2009, 3). Theoretically, under public choice rationality, NPM assumes citizens are motivated by economic self-interest and government is primarily interested in power and expansion (Haque 2007, 180).

In the 1990s, NPM got a major boost by the Clinton administration (Lynn 2006, 110). A groundswell of support for government to behave more like business created the perfect storm for NPM to take hold. The rise of business managerialism and the governmental consultant industry contributed to NPM taking hold (Vabø 2009, 4, 8). In hindsight, the emergence of NPM seemed inevitable. According to Robert Gregory, since the 1960s, "...economic rather than sociological interpretations of political and bureaucratic behavior had been gathering momentum, in the form of public choice theory" (Christensen & Lægreid 2007, 226).

NPM successfully spread and improved government in several ways. The bureaucracy became more “customer-focused” and citizens’ input became valued (Vabø 2009, 18). For example, “one-stop shop” centers improved access to government social services for low-income citizens. Contracting allowed government services to be obtained for a lower cost through privatization. Through the use of data, government has become more results-oriented and performance-oriented than ever before (Vabø 2009, 18; Zeller 2009, 708). NPM’s emphasis on doing more with less has been beneficial to the interests of taxpayers. Most importantly, NPM fueled creative thinking on new ways to implement programs and conduct public policy.

In the field of public administration, there is no shortage of criticisms of NPM. Even since the mid-1990s, both academics and practitioners have observed numerous problems and paradoxes. Implementation of NPM practices caused unintended consequences; for example, because of efforts to reduce the size of government through privatization, federal agencies now have difficulty managing and holding contractors accountable (Hood & Peters 2004, 269). NPM practices, such as contracting, have also increased administrative work, transactional costs related to increased managerial time, and even actual monetary costs associated with managing contracts (Vabø 2009, 18). NPM reforms initially sought to give political leaders more control and enhance bureaucratic responsiveness while giving frontline managers more autonomy (Christensen & Laegreid 2007, 8, 239). Arguably, the paradox is that political leaders often have less control and responsiveness because of increased complexity (Christensen & Laegreid 2007, 8, 239). One example that sticks in the American public’s mind is the behavior of defense contractor Blackwater USA during the second Bush administration (Priest & Arkin 2010). From 2004 to 2006, the firm was involved in numerous scandals in Iraq, and founder Erik Prince was later questioned by the House Committee on Oversight and Government Reform (BBC News 2007). The perceived lack of control and accountability went against NPM doctrines. Perhaps political leaders sought to shirk responsibility through devolution, but blame still falls on their shoulders when things go wrong with NPM (Christensen & Laegreid 2007, 12). NPM was initially seen as an apolitical reform, but as time went on politics and even corruption seeped into the system (Hood & Peters 2004, 270). For example, in 2005, Congressman Randy “Duke” Cunningham was sent to prison over a bribery scandal involving defense contractor MZM (Priest & Arkin 2010).

In an effort to increase competition within government, NPM had the effect of creating quasi-markets in what was once a monopoly (Drechsler 2005, 2). Critics say these quasi-markets are not true to neo-liberalism because the citizen cannot choose another service provider (Drechsler 2005, 2). The military often uses a sole source provider when no other company can provide the needed product or service. If citizens had a difficult time understanding government before NPM, they are certainly lost in the post-NPM age (Hood & Peters 2004, 276).

Proponents of NPM have criticized the “one-size-fits-all” approach of traditional public administration, yet they often used this approach when dealing with federal programs and agencies (Hood & Peters 2004, 278). NPM principles have also proved to be no match for tackling so-called “wicked problems,” such as natural disasters like Hurricane Katrina (Christensen & Laegreid 2007, 13). Fragmentation and “siloization” continued to be a problem, even with NPM’s promised reforms (Christensen & Laegreid 2007, 233). Although NPM stresses a relaxation of hierarchy, agencies were not communicating efficiently during times of crisis. The September 11 attacks and Hurricane Katrina were two recent examples where

multiple federal agencies failed to communicate. In the aftermath of the September 11 attacks, it became well known that the CIA, FBI and other intelligence agencies failed to share information. During Katrina, FEMA was slow to respond and coordinate with state and local governments in Louisiana (Kettl 2009, 40).

Some NPM practices, such as performance management, proved to be disruptive, when greater efficiency was promised (Vabø 2009, 20). Inducing pay-for-performance in the public sector has always been troublesome in the past as public unions and some Congressional supporters remain resistant to it (Hood & Peters 2004, 274). Pay-for-performance and performance management have attempted to quantify things which are not as clear cut and quantifiable as in the private sector (Drechsler 2005, 1).

Another problem was introducing strategic planning in government, as the uncertainties of politics and legislation make the task extremely difficult (Hood & Peters 2004, 274). Multiple goals and means within government make strategic planning more complicated than in the private sector (Christensen & Laegreid 2007, 15).

The fundamental differences between government and business are at the root of NPM's deficiencies. Government has many more stakeholders and accountability issues than a typical corporation, and the fact that an administration has to work with the legislature on developing a budget makes government much more diffuse (O'Neill 2010). In business, the primary goal is profit maximization, while goals in government can vary depending on the agency and its many stakeholders. Many of the standard economic principles of NPM do not fit within government's framework very well. If NPM is correct in its neo-liberal principles of motivation by self interest and profit maximization, it would make for an untrustworthy group of public servants (Drechsler 2005, 1). However, defenders of public service argue most government workers possess a spirit of service (Drechsler 2005, 6). While agency heads may try to maximize their budgets, this is not the same as profit maximization. NPM's emphasis on fast and low-cost service is often at odds with traditional public sector principles of transparency and due process (Drechsler 2005, 2). The bureaucracy was not designed to act swiftly like private companies; in fact because of public accountability, it is deliberative and slow.

A post-New Public Management age

Public administration theorists have proclaimed for some years that we are in a post-NPM period. Critics of NPM say the reforms have run their course, and the problems they created are immense. Expectations of NPM were high because its proponents cultivated a highly idealistic view of business practices (Ricucci & Thompson 2008, 887). NPM critics believe the management reforms failed to achieve its original objectives of efficiency and effectiveness (Dunn & Miller 2007, 350). While one would assume NPM reforms were primarily aimed at management, Kettl contends that politicians pursued these reforms largely for political gains. He suggests that striving for efficiency and effectiveness are only means to an end in achieving ideological goals, such as government control or lowering taxes (Kettl 2005, 77).

Post-NPM proponents contend NPM failed because political reforms were not built in with management reforms. The reforms were overly focused on bureaucratic management to the detriment of political and socio-cultural factors important in American government (Dunn &

Miller 2007, 350). For example, congressional earmarks often run counter to any reform a president might pursue; therefore, problems like these must be addressed prior to introducing sweeping management agendas.

What exactly is post-NPM? Post-NPM is the latest framework for government administration and shares some similarities with NPM as it is based on economic theory and managerialism (Jun 2009, 165). It is much more difficult to define than NPM itself, but it can be summarized as a reaction to the reform movement (Jun 2009, 163). From all indications it is not major reform like NPM, but an effort to correct some of its unintended consequences through re-centralization and re-regulation (Jun 162, 2009 and Vabø 2009, 19). There have been efforts in recent years to strengthen control and capacity in governing as major crises have stressed the system (Jun 2009, 162). Post-NPM has been influenced by changes in government and external pressures from politics and the global economy (Christensen & Laegreid 2007, 1, 4). In response to NPM, post-NPM has sought to: cut down on fragmentation through structural changes, increase centralization, strengthen central political and administrative capacity, examine historical and cultural factors, introduce “joined-up government” initiatives, create clearer expectations for roles and re-regulate as needed (Jun 2009, 163).

There is some debate about whether these ideas represent democratic values and the deliberative nature of government (Jun 2009, 163). Re-centralization of the state could be the opposite of democratic values (Jun 2009, 164). However, some scholars agree both NPM and post-NPM neglect the role of participatory governance and especially politics (Jun 2009, 164). Often public administration academics forget the entrenched interests of the political parties, public unions, and lobbyists in Washington.

FIRST TWO YEARS OF THE OBAMA ADMINISTRATION

With the recent developments in administrative theory, is the Obama administration demonstrating a retrenchment from NPM practices or is NPM here to stay? It is quite possible that previous reforms are still at least partially with us and have been layered upon another (Lynn 2006, 107). In other words, there may be no going back for some NPM practices, such as the contracting out of services best performed by the private sector (Christensen and Laegreid 2007, 6). Obama’s pragmatic approach to policy and management reveal a more complex, less definitive answer.

The Obama administration did not make a grand unveiling of a new management agenda during its first two years of office. The two wars, the economic meltdown, and other events may have kept the administration preoccupied (Radin 2009, 8). Yet some see these crises as an opportunity for decisive policy action, rather than wasting time forcing change on the bureaucracy (Thrush & Lee 2010).

The administration has appeared to make a few major strides into post-NPM during the first two years, as indicated by some aspects of the 2011 budget. Obama has called for reeling in of the excessive spending on defense contractors (Harrow 2008). The National Security Personnel System (NSPS), unveiled under George W. Bush as a way to introduce pay-for-performance, has folded into the General Schedule under Obama’s watch. Congress passed *The Defense Authorization Act of 2010*, which effectively ended the NSPS (Thompson 2009, 18).

The administration seems to be increasing transparency by posting thousands of government documents online.

While Obama's fiscal year 2011 budget proclaimed, "the Administration is committed to revolutionizing how the Federal Government works on behalf of the American people," the changes have been subtle (Kamensky 2008, 3). Three initiatives outlined include setting specific performance goals for government programs, creating "dashboards" or online portals for citizen involvement and using cross-agency teams to solve problems (Kamensky 2008, 4; Orszag 2010). Recent initiatives included increasing the use of technology, determining responsible spending of American Recovery and Reinvestment Act funds, re-examining contracting, and increasing participatory democracy (Radin 2009, 6; Balutis 2009, 44).

In the "Restoring Responsibility" section of the 2011 Budget, Obama assailed the revolving door between appointees and private contractors, sought to eliminate unwanted programs, froze pay for appointees, strove to reduce improper payments, encouraged earmark accountability from Congress, and stressed management and implementation to agency heads (OMB 2010, 37-58). Like his predecessor Bush, Obama looks to OMB to lead the charge for governmental reform.

The position of chief performance officer was created to report directly to the President and serve as the number two person at OMB (Kamensky 2008, 1). Jeffrey Zients, a veteran of Fortune 500 companies was hired for this role. Zients has already encountered numerous problems: political appointees are not focused on management, contracting is time consuming, federal hiring is slow, and the government's computer infrastructure is outdated (Balutis 2009, 45). The administration's message about size of government has been clear; according to Zients, "this is not about a bigger government; it's about a better government" (O'Keefe 2010c, B03).

Early in the administration, former OMB director Peter Orszag issued numerous orders to agencies about managing contractors and procurement better (Orszag 2009a). The government's buying power and procurement practices are being reexamined in order to give agencies more bargaining power, particularly in IT purchasing (Harrow 2008; OMB 2011). Many agencies are reverting back to fixed-price contracts rather than the expensive cost-reimbursement approach (Reilly 2010). The administration also is ending "unjustified sole-source and cost-reimbursement contracts" after public consternation over no-bid contracts (OMB 2010, 38). There has been much discussion in Washington about what is an inherently governmental job function; that is, tasks best completed by a federal employee versus a contractor (Burman 2009, 28). In March 2010, OMB issued guidance on twenty federal positions considered inherently governmental according to the amended *Federal Activities Inventory Reform Act* (Carlstrom 2010d). According to Zients, "there are situations where the mix of federal workers and contractors is out of balance," (O'Keefe 2010c, B03). Such moves to "in-source" many positions have been lauded by public unions because they argue that some positions, such as tax collectors, should remain federal and not be contracted out (Davidson 2010).

This administration has shown willingness to engage with public unions much more than the previous administration (Balutis 2009, 45). Of course, some of Obama's biggest campaign supporters were public and private unions suggesting that he is obligated to this traditional Democratic base of support (Zeller 2009, 708). Obama may also recognize the strong

relationship between public unions and the “permanent government” while his predecessor did not (Ricucci & Thompson 2007, 886).

Performance management has also been discussed only in very general terms (Carlstrom 2009). However, Obama’s plan for teacher merit pay has drawn ire from teacher unions and his own Democratic base (Runnigen 2009). The Department of Education wants to link student achievement to teacher pay through evaluations (Runnigen 2009). Ironically Obama wants performance management for teachers, but not the federal civil service as demonstrated by allowing Congress to dissolve the NSPS.

The administration has not exempted defense and homeland security spending from changes. Secretary of Defense Robert Gates has announced that 17,500 positions will be in-sourced to meet the 2015 goal of 41,000 total re-federalized positions (Carlstrom 2010b). In addition to concerns of cost overruns, the heavy use of defense contractors has raised national security issues. About 70 percent of all federal procurement spending is defense-related; therefore, the administration has zeroed in on poor-performing programs (OMB 2010, 57). The Department of Homeland Security (DHS) has been criticized for its over-reliance on contractors. Currently, the department has approximately 200,000 contractors to its 188,000 federal employees (O’Keefe 2010b, B03). Senator Joe Lieberman has publicly asked, “who’s making critical decisions at the department?” (O’Keefe 2010b, B03).

Obama’s pragmatic approach lends to a management agenda that is not completely cohesive. He has made overtures for increased federal collective bargaining while simultaneously drawing fire from national teacher unions. Many internal tweaks have been made to the federal government, but not necessarily from a theoretical approach. Additionally, these changes are not well known beyond the Beltway.

The 2012 Budget Proposal

The proposed 2012 Budget released in early 2011 shows the first signs of a coherent management agenda. In the January 25, 2011, State of the Union Address, President Obama promised a major reorganization and consolidation of federal agencies in an effort to reduce redundancies (Moore 2011). In a budget section called “Putting the Nation on a Sustainable Fiscal Path,” the administration vaguely outlines a plan to “merge, consolidate, and reorganize” the federal bureaucracy.

The new budget calls for a freezing of non-security discretionary funding for five years rather than the initial three year pledge (OMB 2011, 20). The Department of Defense seeks to save \$78 billion and approach zero real growth (OMB 2011, 22). In this budget, nineteen different program evaluations are proposed, including one to make federal workers more efficient (OMB 2011, 28-29). Similarly, agency heads must identify “High Priority Performance Goals” without additional funding or legislative action (OMB 2011, 29). New entities have also sprung up to address government performance such as the Performance Improvement Council and the President’s Accountable Government Initiative (OMB 2011, 20, 29). In a return to Clinton-era policy, the Government Performance and Results Modernization Act was enacted in 2010 (OMB 2011, 29).

Implications

Much of the first two years of management reform under the Obama administration was a reaction to the previous administration and its Presidential Management Agenda. This is especially true in the debate over contracting reform. The Obama administration created its initiatives bearing in mind the public relations nightmares caused by Halliburton and Blackwater USA. Some of the initiatives are campaign promises, such as the push for increased transparency as a reaction to the Bush administration's secrecy. Many of these changes, such as freezing federal worker pay and dissolving the NSPS could be viewed as political. Perhaps Obama has not had a grand unveiling of a management agenda because he knows it would be attacked by Congress (Kettl 2009, 40). Obama's incremental or stealth approach may very well be intentional in an effort to achieve desired results (Kettl 2009, 41-42). Nevertheless, political similarities are emerging: Clinton had pressure from the Republican Congress to reduce the size of government, just as the 2012 Budget contains many spending reductions and reorganization plans in reaction to the new Republican House majority. Comparisons of presidential management agendas must take into account the political environments of the time.

The reexamination of what is inherently governmental, increased in-sourcing, and the dissolution of NSPS has been applauded by public unions (Carlstrom 2010d). OPM has not only engaged public unions at the federal level, but more agencies and areas have become open for collective bargaining (Losey 2010c). Most recently the Transportation Security Administration announced it would allow collective bargaining for its screeners (Lipton 2011). However, Obama's relationship with teacher unions continues to sour due to his policy drive to improve student scores through teacher pay and tenure reform. The administration might be doing this to appease conservative critics, or it might be a reflection of Obama's commitment to improving education. Either way, this is much in line with Obama's pragmatic political and management style.

CONCLUSION

Every new president comes into office seeking to change how the government is run, especially presidents from the opposing party of their predecessor. There are instances of the Obama administration continuing NPM and even introducing new private sector practices. Zients' inclinations to streamline procurement and modernize the government's information technology resources are borrowed from the private sector. Obama's plan for teacher performance management is favored among conservatives. As a former community organizer, Obama has shown deference to working with faith-based and other non-profit organizations. Coupled with continued reliance on contracting, vestiges of NPM survive in the federal bureaucracy.

The administration's crusade to reform contracting is perhaps the most pronounced statement in reaction to the Bush administration and NPM. The NPM practice of competition between government and private contractors was pushed to the limit under the Bush administration. Many critics would argue there was contract abuse during the past decade, especially with the use of large, no-bid contracts. Contract reform also ties into Obama's theme of transparency as the public reaction to contractor excesses was significant. Once again, Obama is attacking this NPM principle as a reaction to a predecessor. This retrenchment of contracting

can be viewed as post-NPM because it is an attempt to reaffirm the government's authority. In a sense, Obama's administration is both reactive and entering post-NPM territory. The inherently governmental debate finds the federal government at a crossroads about an NPM practice which has gone too far.

In the first two years, Obama's administration appeared to be a post-NPM bureaucracy. The economic crisis and health care reform agenda has re-centralized the state and increased administrative laws and regulations. Obama's campaign imagery and online transparency have promoted the public service ethos and citizen engagement. The attack on contracting has sought to bring more accountability back to the bureaucracy for a more representative democracy. The administration's extensive use of "czars" demonstrated a disregard for red tape and bureaucratic boundaries. Based on early policy actions, Obama is more concerned with the results rather than the process. After all, he has been a legislator for most of his political career, and being president is his first foray into the chief executive role (Savage 2010). Initially, he showed more interest in pushing through sweeping legislation and policy rather than restructuring the government.

So do the administration's reform efforts represent a paradigm shift? The uniqueness of the U.S. free market managerialism coupled with democratic values points to the negative. While the recentralization of the state is post-NPM, the presence of pluralism and federalism blurs the lines of this transformation. The administration's actions constitute more of a reaffirmation of the state as the ultimate solver of problems. The re-emergence of Clinton-era NPM themes in the 2012 budget signal the effect of political pressure for creating a management agenda. Perhaps the administration has taken two years to unveil a management agenda because it wanted to know the bureaucracy better first.

Kettl calls Obama's initiatives a "stealth management agenda" and a "quiet revolution" (2009, 41). The administration has made changes quietly for two reasons: 1) to sidestep Congressional interference; and 2) because they feel reform pronouncements are unnecessary. This different approach may bring Obama the intended results because he learned from the past two administrations what did and did not work. Also, much like his policy goals, Obama would rather accept half a solution than no solution at all (Kettl 2009, 41).

It is interesting to note that Obama advocates transparency, yet much of his management agenda has been conducted in a low-profile manner (Thompson 2009, 17). The secretive intelligence infrastructure created under Bush has not only been maintained, but it has grown in recent years (Priest & Arkin 2010). While strides have been made in some areas of government transparency, critics from the left maintain that Obama has not done enough.

An interesting juxtaposition has arisen in Obama's first two years: external pressures from the global economic meltdown led the administration to exert more governmental control over the financial industry and open the floodgates of federal spending in Keynesian fashion. Critics have argued the administration took this crisis as an opportunity to significantly expand the reach of government in the financial sector. Comparisons could also be made to the further centralization of presidential power by Bush after the September 11 attacks. As a reaction, conservatives brought the budget deficit to the forefront of public discussion.

Is this a new paradigm? Many expected Obama to bring about near-revolutionary change when he came into office in January 2009. In terms of the governmental management agenda, what we have seen so far is more evolutionary and reactionary in nature. Unfortunately, public

administration models often do not sufficiently encapsulate what is occurring. In addition, these models sometimes fail to grasp the larger picture of the world economy and the political environment. President Obama's motivations appear to be more political and pragmatic in nature than driven by any theory of administration. It is expected that politics and policy challenges will continue to occupy the president's attention much more than the internal workings of government. From the neo-liberal arc that began more than thirty years ago, it is evident there has not been a major paradigm shift (Savage 2010). The U.S. continues to value free market ideology in all sectors, and Obama's management changes have only taken place around the edges of government and the new proposals have yet to be implemented. NPM has not been completely scrapped and replaced with a new model, nor is it the major guiding force it has been in past administrations. In a sense, we are in a transition stage: no longer full-blown NPM, yet not completely post-NPM in nature. The administration seems to have one foot planted in post-NPM principles, while retaining and even returning to some NPM practices.

Obama is choosing the true pragmatist route: using a different model for each situation. This can either be viewed as using a more nuanced approach or as lacking of managerial direction. One must not forget the role of politics in presidential management agendas. Interestingly, recent elections have caused the bureaucracy and its management to take center stage for the President in his third year of office.

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