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Government and Policy

Political Appointments in Israeli Local Government

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Table of Contents

Tables and Figures

Acknowledgments

Abstract

This paper analyzes the mechanism of political appointment. It investigates why elected representatives, in relying on political appointment to create responsive agencies, not only ultimately select agents who are more likely to shirk their duties, but create conditions under which they *facilitate* shirking by their appointees. In order to analyze the inefficient outcomes reached with appointees, this paper first examines the most common approaches to political appointment, according primarily to the British and US bureaucratic models. It also explores the way political appointments are made in Israel, concentrating on the gap that has developed over time between formal and informal practices. The second section of this paper offers explanations as to why politicians assume that they can control bureaucracies through political appointments, and why these appointments often fail to serve as an efficient control mechanism. The third section of this paper presents empirical findings on political appointments in Israeli cities. The fourth section concludes the paper.

A Note from the Head of
the School of Government and Policy

During the past decade, concerns have grown regarding appointments by political players of their allies to key administrative roles in the public sector. To what extent does the appointment of bureaucrats by top-level politicians compromise the integrity and professionalism of the Israeli public sector and undermine the culture of civil service?

The research presented here by Dr. Rotem Bresler-Gonen offers a theoretical and empirical analysis of political appointments in Israel's local government. Dr. Bresler-Gonen examines why and how politicians appoint their allies to key executive roles and, more importantly, whether by doing so politicians actually create more responsive bureaucratic agencies, as opposed to what is reflected in the negative public image of such practices.

In fact, this study reveals that the concern regarding such appointments is warranted. Most political appointees find it extremely difficult to carry out complex local managerial tasks, since they often do not have the expertise needed for carrying out their mission, and since they are preoccupied with their own political ambitions rather than with their bureaucratic obligations. As politicians tend to relax monitoring procedures over their appointed allies, they ultimately fail to notice when their own policies are not implemented.

This study is part of the School of Government's effort to promote research into ethics, corruption, politics and good governance.

Prof. Yossi Shain

1. Introduction: Approaches to Political Appointment

The existing literature offers a wide range of definitions and view points – often differing among countries and over time – as to what constitutes political appointment, and what should be considered an efficient appointment.[1] As this paper elaborates, the criteria under which politicians consider political nominees for executive roles are those that are intended to oblige appointees to comply with their appointers' demands. As a result, politicians searching for new administrators – preferably their political allies – often end up hiring nominees who are unsuitable for bureaucratic roles.

Weber's "ideal-type" bureaucracy provides the classic concept of the appointment process.[2] Based on Weber's ideas, the British civil service model broadly opposes political appointments, proclaiming that any nominee whose appointment is not solely based on considerations of *merit* is inadequate to serve in the public sector.[3] A career bureaucracy is a system with "regularized promotion", such that an official can expect to make a career in the civil service, potentially reaching the highest position within it.[4] However, the most widely accepted approach to political appointment is exhibited in the US system, where it is common for high-ranking executives to be replaced when a new administration takes office.[5] Under this system, political leaders not only make appointments based on the expertise of nominees, but also seek responsive candidates who will be willing to comply with their plans. To this end, leaders usually consider candidates who share their political views and ideology. Overall, the decision to appoint a potential candidate, based upon his or her responsiveness or competence, is dependent upon where he is to be located in government, and what goals the leaders seek to achieve by the appointment.[6]

Both the classic British and US approaches to political appointment have been moderated in recent decades, if not rigidly so.[7] Under the British system, both politicians and bureaucrats are involved in policymaking. Politicians, however, are reluctant to rely solely on their professional civil servants, since bureaucrats who serve long terms in office are likely to become too powerful and unresponsive to elected representatives. Therefore, in an attempt to create responsive bureaucratic agencies, countries such as Belgium, Germany, France, and Japan have adopted practices closely related to the British model. When appointing top executives, politicians in these countries tend to take into account not only the candidates' expertise, but also their ideological-political outlook.[8]

In the US system, political leaders have learned to appreciate the experience and expertise that administrators acquire over several consecutive terms. Thus, in recent decades, newly-elected US administrations have considerably increased the numbers of middle- and low-ranking bureaucrats, whom they keep in office.[9] Patricia Ingraham

found that only 3,000 of the three million civilians employed in the executive branch could be termed "political appointees". Over 500 of these appointees held positions within the "executive schedule"; they included cabinet secretaries and heads of major agencies. Slightly fewer than 700 of them were members of the Senior Executive Services (SES).[10] The 1978 Civil Service Reform Act limited the number of presidential appointments within the SES to 10 percent.[11]

Scholars such as Aberbach and Rockman have found that US administrations have moved closer to the classical Weberian form, in which political and bureaucratic roles are more clearly defined and separated.[12] Their findings suggest that, at the topmost level, administrators are increasingly kept out of powerful governmental circles, and are restricted to engaging in the technical and legal elements of decision making. However, it remains evident that US political leaders continue to emphasize considerations of ideology and partisanship when appointing top bureaucratic executives.[13]

The Israeli government, when formally established in 1948, sought to adopt the British civil service model. To this end, members of the Knesset (the Israeli Parliament) passed the Civil Service Act in 1959. Prior to this legislation on appointments, Supreme Court justice Zvi Berenzon chaired a government advisory committee that drew up a system of civil service appointments. In 1958, this committee submitted its recommendations, precluding civil servants from participating in political activities while serving in the public sector.[14] According to the committee, this limitation was meant to prevent civil servants from placing the interests of their political party above the interests of the public. Despite the committee's proposal, the Civil Service Act of 1959 restricted administrators only from involvement in managerial roles in political parties and service on high-ranking party committees. Other party involvement, such as membership, was allowed, because the government claimed that civil servants, like other citizens, could not be completely excluded from political activity.

Under current hiring legislation, Israeli governmental officials wishing to employ new workers are required to advertise public tenders for the requested roles.[15] For most civil service positions, these tenders are meant to ensure transparency, which will enable potentially qualified candidates to apply for public positions. In this way, the government sought to attract highly professional and experienced personnel to the public sector. However, the 1959 Civil Service Act allowed the Knesset to exempt certain bureaucratic roles from tendering, naming recruits to those roles "loyalty-based appointments".[16] This enables politicians to "tailor" roles to their trusted allies, without having to specify job requirements or open each position to competition. Within a decade of the passage of the Civil Service Act, over 40 types of administrative position – including those of political advisors, head administrators, the attorney general, the civil service commissioner, and directors of state-owned companies – had become exempt from the tender process.[17]

In practice, the exemption of these roles from the tender process has moved the Israeli public sector away from the British model, making the system more politicized. Consequently, political appointments reached high levels in the 1980s and 1990s. A factor that contributed to this was the upset of the government for the first time in 1977, when the rightist Likud Party won the national elections, ending the Labour-Avoda Party's 29-year domination of central and local government. The Likud Party was keen to insert its political allies into public administration, which until then had operated according to left-wing doctrine under appointees who, for the most part, had left-wing party affiliation. Political appointments continued to increase during a subsequent period of unification between the two largest political parties in Israel, in all administrative bodies, both central and local. The politicization of the bureaucracy was confined mainly to top administrative roles, although it is commonly perceived to pervade all ranks of the public sector.

The following tables present levels of political appointment in governmental offices in 1988 and 1990, and recruitment of appointees to local government for 1993-1995 and 1998-2000, based on reports of the State Audit Commission. Data on central government offices in and after 1990 were published in the final report of the commission, which decided not to repeat this extensive study. Other indications exist that political appointments continue to be prevalent. These include complaints to the state Civil Service Commission, the courts, and the attorney general, which voice the public's suspicions regarding unethical appointments.

Table 1.1: Political appointees in central government offices (1988, 1990)[18]

Office	Total number of employees in each office	Non-Party members	Likud	Avoda	Religious parties	Total number of political appointees	Percentage of political appointees
Industry and Commerce	100	27	66	7	0	73	73
Construction and Housing	70	22	43	5	0	48	69
Transportation	37	7	30	0	0	30	81
Infrastructure	88	22	15	50	1	66	75
Treasury	53	25	16	11	1	28	53
Tourism	36	4	29	3	0	32	89
Defence	59	21	14	24	0	38	64
Other	96	58	15	21	2	38	36
Total 15.12.1988	573	221	279	73	0	352	61
Total 1.11.1990	539	186	228	121	4	353	65

The State Audit Commission referred to 61% of all employees in government offices (in 1988) as political appointees, known to be involved in party partisanship. In 1990, 65% of employees were considered to be political appointees. The relatively large percentage of political executives from the Likud Party may be explained by the Likud Party's having been in government at the time. The smaller percentage of political appointees who were members of religious parties was due to their relatively small percentage in government during those years. This situation changed in 1995, when the Shas Party (representing religious Jews of Sephardi and oriental origin) became the third largest party in Israel. With this development, the reports of the courts began to indicate growth in the political appointment of representatives of religious parties.

Tables 1.2 and 1.3 exhibit the recruitment of employees who did not go through official appointment processes, such as tender committees; this indicates political considerations in the appointment process. In examining activities during 1993-1995, the State Audit Commission closely traced a small fraction of employees in an effort to demonstrate political considerations in the appointment process. However, it could not thoroughly examine each and every employee recruited during those years. The examination conducted on 1998-2000 provides more information about the actual political activities of nominees who assisted politicians prior to their appointment to local executive roles.

Table 1.2: Recruitment of executives (who were required to pass a tender) in six local governments (1993-1995)[19]

City	Total recruits (1993-1995)	Recruits by tender	Without tender (low- to medium-level administrators)	Without tender (top-ranked administrators)	Total recruits without tender	Percentage of recruits without tender
Tel Aviv-Jaffa	409	54	140	215	355	87
Bat-Yam	50	16	19	15	34	68
Givatayim	47	9	27	11	38	81
Holon	63	19	36	8	44	70
Nes-Ziona	62	8	39	15	54	87
Kiriat Ono	58	6	32	20	52	90
Total	689	112	293	284	577	84

The report of the State Audit Commission shows very large percentages of personnel recruitments that did not pass through a formal tender process. Overall, **84%** of all recruitments did not pass through the required tender committee process.

Table 1.3: Recruitment of executives (who were required to pass a tender) in 11 local governments (1998-2000)[20]

Local Government	Recruitments (1998-2000)	Recruitment by tender	Without tender	Political allies (all types of recruitment)	Percentage of political allies
Municipalities					
Beer-Sheva	59	9	50	25*	42
Herzelia	43	17	26	-	0
Tira	7	2	5	4	57
Lod	19	14	5	5	26
Natania	22	14	8	17	77
Petah Tikva	19	10	9	7	37
Kiriat Malachi	10	2	8	9	90
Tel Aviv-Jaffa	31	19	12	5	16
Local Councils					
Beit-Dagan	1	0	1	1	100
Modyeen	55	5	50	10**	18
Ramat Hasharon	39	6	33	3	8
Total	305	98	207	86	28

* 21 executives were appointed to work in the municipality, and four in external municipal corporations

** Nine executives were appointed to work in the municipality, and one in an external municipal corporation

   It is important to regard the figures regarding state and local political appointments as merely suggesting that appointments were made based on political considerations, but not necessarily proving that this was so. As this paper will elaborate, an appointee's being a political ally of his or her appointer is not sufficient indication of political appointment, since it does not reveal the extent to which the politician had placed emphasis on this association and disregarded other variables, such as the professional expertise of the nominee. The State Audit Commission's reports do not thoroughly review the appointment process of each public employee, as the commission lacked the resources to conduct interviews and trace career records. Rather, the commission only examined a few executives, and hence could only infer that a problem existed with the rest. However, it is most likely that the data presented on appointments for state and local executives do indicate that politicians had political considerations during the appointment process. One obvious clue to this is that so many appointments indeed bypassed the formal tender processes that were meant to enable qualified candidates to apply for public office. Ultimately, this is what enabled the politicians to secure jobs for the candidates they preferred.

Over the years, government audit and review bodies such as the judicial system, the State Audit Commission, and public enquiry committees have formally continued to fight to maintain the British approach to civil service. In 1989, a public enquiry committee set up by the civil service commissioner reiterated the Berenzon Committee's recommendations of 1958 prohibiting civil servants from engaging in political activities while in office. Among the restrictions proposed by the commissioner, civil servants would be forbidden to list themselves as members of a political party and would be prevented from campaigning on behalf of political leaders or voting for party lists. In 2001, the Knesset partially accepted these recommendations, passing legislation that prohibited top-ranked civil servants from voting in any internal political party elections.[21]

On one hand, then, certain restrictions against political involvement are placed on civil servants while, on the other, many types of bureaucratic role are exempt from the tender process. Consequently, judicial and audit bodies have had to decide what an "inadequate appointment" is, and how such appointments should be detected. A 1990 Supreme Court ruling stated that if an elected representative appoints someone to public office for reasons of political partisanship, the appointment should be reversed, as it breaches public confidence.[22]

Yitzchak Zamir, former attorney general and Supreme Court chief justice, argued that the concept of "political appointment" implies an appointment to a public position that would not occur if the person nominated were not a political figure.[23] On the other hand, such an appointment should not be overturned simply because an appointee is a member of the same party as the political leader, were it not for the importance the latter places in such membership.[24] In other words, politicians should, first and foremost, consider nominees based on their expertise and experience. However, appropriate nominees should not be excluded from the appointment process just because they also happen to share the appointer's political persuasion.

The definition of political appointment that Zamir offered, together with the recommendations of public committees over the years allowing civil servants to engage in political activities, restrict the ability of oversight bodies to empirically detect political appointments. Since the law tolerates some degree of political involvement by civil servants, it is difficult to determine to what extent politicians regard a political alliance with a nominee as important to appointment. In 1991, a committee established to examine the appointment process in the public sector tried to simplify the detection of political appointments, and to remove political appointees from public institutions. This committee stated that if a nominee had a personal or political connection to the body that appointed him, his appointment should be regarded as political. In order to dismiss such a claim, the appointing body would have to prove that its nominee was the most competent person for the role, and better qualified than any other potential candidate.[25]

In sum, the Israeli government has officially tried to maintain a British-style structure in its public sector, while allowing ministers and mayors the freedom to politically appoint key executives to various offices. Empirical measurement of political appointments is limited, due to the difficulties of detection cited above. However, State Audit Commission reports and some studies conducted provide a strong indication that political appointments are a common phenomenon in Israel's public sector. Furthermore, most political appointees continue to engage in political activities while serving in public office.[26]

2. Motives for Political Appointment

Before discussing the efficiency of the mechanism of political appointments, let us classify three main motives behind political appointment.[27] The distinction among them illustrates what politicians seek to achieve with this mechanism, and the potential constraints involved. In addition, this classification may be used in constructing a method of identifying political appointees and explaining whether the aims of their appointment have been achieved.

The first motive for appointing a political agent is the *party-based appointment*. Here, the mechanism serves two main goals: (1) it allows political candidates to reward the supporters who assisted in their election, and (2) it ensures future assistance at re-election. Usually, rewards are granted to party activists who actively help a political candidate during his or her campaign. Once elected, politicians tend to award their associates by giving them a role in the public sector, such as the directorship of a public company, or a role in foreign affairs, such as a position at a consulate, embassy, or the United Nations. While in their new roles, appointees continue their political activities and continue to support their appointers.

The second motive is *public representation*. In this case, political appointments allow politicians to increase the representation of minority or special-interest groups in key executive bureaucratic roles. By promoting such candidates, politicians keep campaign promises to meet the needs of these groups. Furthermore, minority representatives serving in key roles help politicians to become better informed about the preferences of various sectors in society, as well as about their supporters and potential supporters.

While these two reasons for appointment should be acknowledged and studied, the current study concentrates on a third motive for political appointment: *policy control*. Through this type of appointment, elected representatives aim to create responsive bureaucratic agencies. Politicians appoint trusted allies to high-ranking managerial positions in the public sector, where they can carry out what the politicians require. Unlike party-based appointments, such appointments do not merely serve to reward the politicians' allies, but rather are intended to ensure implementation of the policies in which the political leaders are interested. Therefore, when policy control is the motive for the appointment, politicians are very much concerned with the performance of their appointees. This third motive is explored more fully in the next section.

2.1 Appointments for the purpose of policy control

A key question asked by this paper is how politicians use the mechanism of political appointment to create responsive bureaucratic agencies. The principal-agent model is a theoretical tool explaining the interaction between politicians and bureaucrats, focusing

on the problem of control that politicians face when dealing with bureaucratic agents. Public choice scholars argue that politicians appoint political figures to key bureaucratic roles in order to solve agency problems, i.e. the principal-agent problem.[28] Principal-agent models have two essential components: asymmetry of information and conflict of interests. Agents (i.e. bureaucrats) possess or acquire information that is either unavailable to principals (i.e. politicians) or costly for them to obtain. Agents have incentives to use this information strategically or keep it hidden, in order to promote their self-interest. For instance, a conflict of interests between an agent and a principal is likely to occur when the former seeks to maximize his or her bureau's budget, while the latter is trying to cut expenditures. Due to this conflict, agents are liable to conceal information regarding service delivery costs, while presenting inflated budget demands to their principals.[29]

Politicians usually anticipate manipulation by bureaucrats; it is rare for politicians to automatically assume that disinterested subordinates are advising them. A key question is whether they can create incentives to induce agents to act in their interest.[30] In an attempt to resolve conflicts with agencies, politicians rely on a variety of ex-ante, ongoing control, and ex-post mechanisms to motivate agents to comply.[31] They institute rules and procedures designed to limit uncooperative behaviour, such as those that lead administrative units to compete for resources and approval of programs.[32] Promising promotions or an increase in salary, or, conversely imposing sanctions, such as delayed promotion, are also employed by politicians to induce compliance. Yet another means of control employed by politicians is to form an oversight committee to examine an agency after the implementation of a policy, or to find alternative information channels to better evaluate agencies' outputs.[33]

Politicians hope that by making the activities of agencies more transparent, they will make it more difficult for the heads of the agencies to conceal information. However, the monitoring procedures needed to control agencies are costly; often, they are only partially successful in creating responsiveness.[34] Therefore, politicians are left to decide whether to devote a significant amount of their attention to monitoring agencies, or to accept the risk of non-compliance while concentrating on other tasks. Of course, the second alternative decreases a politician's ability to control agents.

Nevertheless, politicians are keen to create responsive agencies to implement their policies. Instead of continually monitoring their agencies so as to ensure compliance, however, they search for nominees to replace those whom they consider untrustworthy career executives. Using the appointment process, they tend to select candidates who share their political views and ideology. Politicians often assume that shared *policy* preferences are enough to induce political appointees to implement preferred policies.

2.2 Constraints of policy agreements

This study examines why, under certain conditions, the very policy agreements that are reached during the appointment process, between politicians and political nominees for administrative roles, can hinder the implementation of these same policies. It is argued that politicians often do not consider differing motivations for agents' uncooperative behaviour. Politicians may encounter uncooperative behaviour, such as shifting of policies and shirking, when interacting with both career and politically-appointed agents. *Shifting* describes an agent's actions to change a policy to fit his or her views, which conflict with those of the principal. *Shirking* describes an agent's attempts to conserve the effort needed to implement an agreed-upon policy, by maintaining the status quo. In other words, preserving the status quo is considered by the agent to be less costly or arduous than is changing policy – assuming that structural conditions make it possible to change the status quo (e.g., to contract out services, allow competition among contractors, allocate a budget).

Existing studies of the appointment process seldom address the problem of shirking. Most formal models of the appointment process emphasize the importance of the players' agreement about *policy preferences* as a key component to co-operation.[35] Scholars argue that the more skilfully politicians recognize the true policy preferences of nominees at the appointment stage, the more likely they will be to increase the responsiveness of agencies, once newly appointed agents are in office. Usually, when researchers discuss the problem of responsiveness, they refer to politicians' attempts to prevent a *shift* in policy by appointing agents who share their political views. This, however, does not necessarily solve the problem of control.

In these studies, *policy preferences* are not defined and there is no examination of the motives of players when ranking their preferences. It is commonly assumed that the appointment process can create co-operative agencies, if politicians appoint agents who share their political views and ideology. Since studies discuss how the matching of policy preferences leads agents to respond to political demands, we are left to assume that players' choices of policy are based on their political views and ideology. However, it is important to recognize that appointees' choices of policy are not based solely on their political views. Efforts to implement policy also impose costs, and this affects agents' willingness to undertake these tasks. Therefore, appointed agents may not shift, but they may well shirk from implementing policies. It is essential to understand the differences between the motives of agents who shift policies and those that lead to shirking, when politically appointing an agent to a key executive role. As shifting and shirking of agents result from different motivations, overcoming them requires different incentives. Both political and career agents can potentially shift or shirk from their implementation commitments. With career agents, politicians attempt to counter

the possibility of conflicting interests by continually monitoring these agents, in order to ensure compliance. However, when they appoint associates who agree with their policies, politicians assume that most types of uncooperative behaviour can be resolved. Yet, agreement over policy is most likely to help in preventing shifting of policies only, not shirking. Unaware of additional motives for irresponsiveness and trusting in policy agreements at the appointment stage, politicians reduce monitoring costs, once their agents assume office. These relaxed conditions grant political agents higher discretion than career agents, increasing their freedom to reduce their own implementation costs and to shirk their duties.

2.3 Political appointees are more likely to shirk

Public Administration studies argue that political appointees are more likely than career agents to encounter conditions that facilitate shirking. Political nominees considered for executive roles are frequently unfamiliar with their designated administrative tasks and are more likely to encounter information problems (principal-agent problems) with their subordinates. Moreover, they may be less dedicated to their role, as they may devote considerable time to political activity. Furthermore, political executives who actively participate in unions are more often subjected to pressure to avoid implementing policies that the union rejects hence, shirk from their obligations. As a number of studies have found, *lack of skills* as a key element to explaining bureaucratic agents' tendency to shirk their responsibilities.[36] Political appointment studies have found that appointees lacking sufficient technical resources to implement policies, and who are thwarted by the civil servants within their agencies.[37] Newly appointed, uninformed or inexperienced political executives are most likely to face a principal-agent problem. Appointed executives, now themselves acting as principals, need to develop the skills that can prevent their subordinates from concealing information from them and ensure efficient implementation of policies.

Another crucial motive for shirking is *non-administrative activities.* Political appointees can be expected to engage in activities that promote their political, rather than their administrative, career. They will spend time interacting with interest groups and meeting their demands in an effort to strengthen their political power within and without their political party. Such political involvement may lead agents to shirk their administrative responsibilities, since the need to invest effort in these responsibilities reduces the time they have to devote to political activities. Another structural condition that can give agents an incentive to shirk their duties is *strong internal interest groups,* such as unions. Cronin suggested that political appointees are often unsuccessful in carrying out their political leaders' preferred policies, because they are "captured" by their agencies or, they "go off and marry the natives".[38] Some bureaucratic agencies in local

government, such as sanitation agencies, are known to employ a considerable number of union members, who wield political influence within the agency and the municipality. Political appointees who are concerned about jeopardizing their status are likely to shirk their responsibilities by avoiding programs opposed by the union. Many case studies demonstrate how strongly political appointees may be influenced by municipal unions.

2.4 Inefficient policy control

Figures 2.1 and 2.2 illustrate how politicians aim to advance their policies by appointing agents who share their views, but reach inefficient outcomes when their appointed agents shirk their duty. Figure 2.1 presents an interaction between a politician and his or her political appointee, who is also a political activist. Figure 2.2 presents an interaction with a political appointee, who has neither the skills nor the experience required to implement complex privatization reform.

Figure 2.1: Appointed political activists shirk their administrative obligations
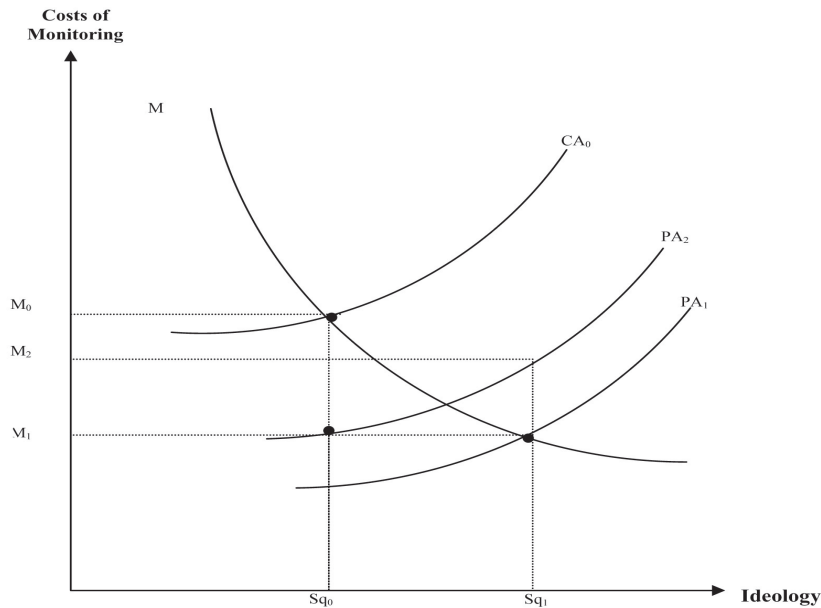
Figure 2.1 presents the players' views of ideology (e.g., the degree of privatization they are willing to adopt), and the costs of monitoring. The mayor's curve (M), represents the mayor's preference: the mayor assumes that the greater the number of services kept in-house, the more costly it will be to ensure efficient service delivery, due to the time that must be spent on monitoring performance and outcomes. Curve (CA) represents the preferences of the incumbent career head of the agency. The career agent mostly opposes privatization. In other words, he or she considers privatization damaging to the agency, potentially leading to a decrease in the budget allocated, a loss of prestige, or a

decrease of relative power in the organization. The curve (PA_1) represents how the mayor perceives his or her political appointee's view of privatization and the costs involved. The mayor correctly assumes that the appointee is a stronger supporter of privatization than the incumbent career agent. However, the mayor does not take into account the true effort (costs) that the appointee will need to invest to adopt privatization. These include costs associated with time subtracted from political activities, or costs related to conflict with unions that reject privatization. The curve (PA_2) represents the true effort (costs) that the political appointee is willing to endure when adopting the agreed-upon ideology. Wrongly assuming at the appointment stage that the appointee is located on the curve (PA_1), the mayor reduces monitoring costs from (M_0) to (M_1), hoping to move the agency from the present status quo (SQ_0) to greater privatization at (SQ_1). However, under the relaxed monitoring conditions provided by the mayor, the appointee (PA_2) avoids implementation and maintains the initial status quo (SQ_0).

In order for the mayor to motivate the political appointee to make an effort to reach desired privatization outcomes of (SQ_1), they need to invest in a higher level of monitoring: (M_2), and not (M_1). Note that (M_2) is still a lower level of monitoring than is (M_0), which is required to induce the career agent to privatize services. However, I argue that the politician will most likely *not* choose a monitoring level of (M_2), if he or she assumes that the appointee is at curve (PA_1). Furthermore, even if the politician chooses monitoring level (M_2), the savings in monitoring costs thus created should be compared with the costs of the appointment process itself, in order to estimate whether political appointments are an efficient means of controlling bureaucracy.

Figure 2.2: Unprofessional political appointees shirk their administrative obligations
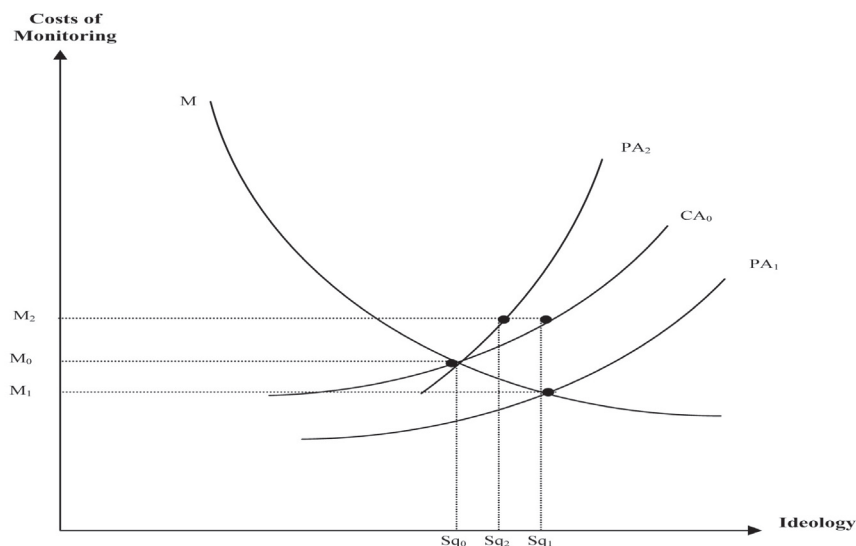
Figure 2.2 represents the interaction between politicians and their political appointees, when the latter shirk their duties because they lack the competence to implement a desired policy. As in Figure 2.1, the mayor's curve (M), represents his or her preferences regarding privatization and the cost of monitoring that it entails. The curve (CA) represents the preferences of the incumbent career head of the agency. The curve (PA_1) represents how the mayor perceives the views on privatization of his or her political appointee. The curve (PA_2) represents the true effort (costs) the political appointee will need to expend to adopt privatization. Here, adopting privatization is much more costly for the political appointee than in the first scenario (illustrated in Figure 2.1). The appointee shirks his or her responsibility when he or she does not have the skills, knowledge, or experience to implement such a complex reform. However, the mayor assumes interaction with (PA_1) and relaxes monitoring to (M_1), therefore obtaining inefficient results. Most importantly, even if the mayor does not reduce the monitoring level (M_0), the appointee continues to maintain the status quo. The appointee avoids privatizing services because he or she is unable to do so, and does not want to risk detection and possible replacement. Furthermore, if the politician chooses to increase monitoring (i.e. moving from M_0 to M_2) he or she is likely to achieve *better* results with a career agent than with the political appointee. With an (M_2) level of monitoring, it is most likely that the career agent, fearing sanctions, will move the agency away from the status quo (from SQ_0 to SQ_1). Conversely, the political appointee will move only slightly toward the less desirable outcome of (SQ_2), assuming he or she is capable of doing so at all.

Figures 2.1 and 2.2 demonstrate the conflict between politicians and political appointees. The case presented in Figure 2.1 supports the contention that, although the politician and the appointee agree about privatization, the appointee will be reluctant to invest time and effort in privatizing services, instead preferring to concentrate on his or her own political career. Unfortunately for the principal (the politician), relaxed monitoring conditions enable the appointee to pursue such a goal. According to this scenario, monitoring – primarily ongoing controls that check agency actions on a regular basis – plays an important role in motivating the agent to comply. If a lack of responsiveness is detected, the politician can ask the appointee to focus on administrative rather than political tasks – assuming the appointee has the expertise required to reform services. Ultimately, the appointee's cooperation with politicians will depend on his or her willingness to exchange an investment in political obligations for an investment in an administrative role.

However, the case presented in Figure 2.2 shows that creating a responsive agency is yet more complicated. According to this scenario, lack of compliance by a political agent is the result of an inability to reform services, rather than of opposition to reform or the distraction of political activities. In such cases, politicians can benefit from monitoring,

which may detect uncooperative behaviour and, if necessary, enable them to replace an inept appointee. However, on its own, monitoring cannot make the appointee efficient or cooperative, if that appointee lacks professionalism.

The interaction presented in Figure 2.2 is consistent with Huber and McCarty's argument that low bureaucratic capacity diminishes the ability of politicians to control bureaucracies. The more incompetent the bureaucrats, the less able they are to comply with a politician's demands. Consequently, a politician's attempts to influence the performance of such bureaucrats via legislation, or any ex-post mechanism, are often useless.[39] Huber and McCarty argue that politicians should not provide autonomy to *incompetent* bureaucrats, as this only leads to inefficient results. This study argues further that politicians should not provide autonomy to *competent* agents simply because they are considered allies who share the politicians' policy preferences. In addition to possibly lacking bureaucratic capabilities, appointees may have other incentives to shirk their responsibilities, such as the lure of political activity. Thus, more autonomy granted to competent agents means that they operate under conditions that allow shirk of duty.

3. Empirical Findings

More than a decade ago, most Israeli cities attempted a structural reform of service delivery, mainly by contracting out municipal services. Privatization was undertaken due to the financial constraints faced by most cities. Central government was reluctant to assist municipalities with budgetary transfers, and at the same time pressured local authorities to deal with financial constraints on their own. In this paper, we examine the theory of political appointments as reflected in three Israeli cities: T, H, and B. These three cities all attempted to contract out services at approximately the same time. The case studies concentrate on sanitation agencies for the political term of 1993-1998. The empirical study incorporated interviews. Empirical testing of the outcomes of privatization between 1992-1999 in 10 major cities revealed that T was the least successful in the implementation process, H was the most successful, and B achieved a moderate level of privatization.

In an effort to privatize services, the mayors of all three cities politically appointed sanitation managers, whom they believed would comply in advancing the reform. Between 1993-1998, four political and/or career sanitation managers were replaced in T, four were replaced in B, and two were replaced in H. Discovering whether or not a nominee passed the tender process did not provide sufficient information as to whether he or she could be considered a political appointment. Rather, the most useful method of analysis turned out to be interviews, particularly those conducted with people involved in the appointment process and with players who had for years interacted with the appointees: the appointees themselves, their managers and subordinates, and additional key players such as union leaders, council representatives, and members of city management. Review of relevant documents – including summaries and schedules of meetings, budget reports, and minutes of monthly council assemblies – helped to determine sequences of events and the outcomes achieved. This empirical enquiry enabled to gain insight into the nature of the political appointment mechanism and its consequences.

These three case studies demonstrate how, through some appointments, such as those made in H and T, city management was eventually able to detect shirking and motivate its allies to abandon their political activities. In the cases of B and T, primarily, "friendly" political appointees were forced to resign when city management discovered that they did not have the knowledge or ability to carry out their duties.

As elaborated above, the mechanism of political appointment is supposed to solve the problem of control of bureaucratic agencies that politicians face. It has been argued that, when considering replacing career bureaucrats with political appointees, politicians inevitably choose appointees who are closely aligned with their ideological and political

views. Politicians misconstrue matching positions on policy, membership in the same party and past or present friendship as leading to responsiveness. However, while politicians try to stop the occurrence of shifting, they open up the door to the problem of shirking.

It has also been argued that shirking is most likely to occur when an appointed agent is unfamiliar with administrative tasks, or is politically obligated to an interest group, which may resent the reform the appointee is expected to adopt and hence pressure the appointee to avoid adopting it. Thus, politicians not only wind up appointing political agents who are more likely to shirk their duties. Moreover, the trust they presume they can place in their political allies leads them to relax the monitoring environment, and this in turn facilitates the shirking of duty.

Monitoring is meant to prevent appointees from pursuing their own political goals, and ensure instead that they devote their time to solving administrative problems. Once the shirking of responsibility has been detected, politicians can demand that their appointed agents amend their behaviour. However, this assumes that political activists have the expertise to amend their behaviour and increase efficiency, as well as the willingness to abandon, or at least reduce, the time they spend on political obligations. Clearly, monitoring is less effective when political appointees lack the knowledge and experience to reform services; in such cases, it can only be used to detect non-compliance. Monitoring cannot make up for lack of skills.

3.1 Shifts in policy

In all three cities, management replaced career bureaucrats with political appointees in order to stop policy shifts in agencies. In T and B, prior to 1993, incumbent heads of sanitation agencies were considered professional civil servants; they were very familiar with sanitation management. Nevertheless, in both of these cities, the mayors' attempts to reform services met with non-responsive sanitation agents. In T, the incumbent head of the sanitation agency was a "conserver" who was close to retirement age; he ignored management and shifts policy by recruiting workers and purchasing vehicles. Moreover, as a conserver, he avoided conflict with workers over wages and work schedules. In B, the incumbent sanitation manager openly rejected privatization, claiming that it would not succeed. For a while, he was able to block attempts by city management to privatize services while promoting his own plans for sanitation. Consequently, the new mayor, elected in 1993, who insisted on contracting-out services, required the incumbent sanitation manager to resign and searched for a political nominee as a replacement.

Also prior to 1993, the city management of H was unhappy with both the performance of its sanitation manager and the council member in charge of overseeing sanitation. A shift in policy occurred, due to a conflict of interests between the council member

and city management, each of which pushed the sanitation agency to advance different plans. In this situation, the sanitation manager was often criticized for his performance was pressured to comply with the contradictory demands of city management and the council member. In 1993, the newly-elected mayor expressed his intention to reform sanitation services. Realizing that a conflict of interests existed, he decided to make changes in personnel, and replaced the incumbent sanitation manager. A year later, he enacted a major organizational reform, which eliminated the service "portfolios" of council members.

3.2 Policy agreements at the appointment stage

In an attempt to avoid potential shifts in policy, politicians searched for political appointees and tried to reach an agreement with their new nominees regarding the reform of services during the appointment process. Empirical examination of the appointment process in T, H and B confirmed that most political appointees had reached an understanding with city management about policy at that stage. In T and B, all political appointees agreed during the appointment stage to the reform of services. In H, city management and its nominee both recognized that workers' performance was low, and that changes such as privatization were therefore needed. Although the nominee to head the sanitation expressed his lack of enthusiasm for any solution that would lead to loss of jobs, he clearly understood what city management expected of him – i.e. to contract out sanitation services. Furthermore, the mayor of H insisted on reaching an agreement with him, according to which he would promise to reform services in exchange for being granted the discretion to manage the sanitation agency as he saw fit.

3.3 The shirking of duty by political appointees

Although most of the political appointees in the cities studied agreed with city management at the appointment stage to revise services, these agreements did little to create responsive agencies. Once the appointees were in office, they did not significantly adhere to the agreements they had made. Although most of these political appointees did not shift policy, as their city management had intended, they did resort to shirking their responsibilities, for various reasons. It became evident that shirking occurred when the appointees lacked the knowledge and experience to handle the administrative management of their agencies. In addition, political obligations to interest groups or unions placed them under pressure to avoid making reforms that were undesirable to those interest groups and unions.

In T, the first political appointee tried not to jeopardize his relationship with union members, and therefore avoided reforming his agency. The second appointee soon found that he was too inexperienced to reform services without engendering a serious

conflict with workers. He therefore tried unsuccessfully to shift policy to expansion of the agency – rather than its reduction in size.

In H, the new head of sanitation, once appointed, was reluctant to take the steps necessary to contract out services. As a union leader, he was not ready to lose his political support. In B, the first appointee agreed to contract out services, and may even have had the skills to respond to city management; however, he chose to set different conditions for privatization, and demanded to know how and with whom contracts would be signed. He then left his post as head of the sanitation agency to manage one of the private contracting companies. The political appointee who replaced him in 1995, who was loyal to the union, shirked his responsibility to reform services.

3.4 Monitoring

Evaluation of these three cities' performance for nearly a decade also allowed an exploration of the importance of monitoring by management. For the purposes of this study, the level of monitoring was determined by registering the degree of ongoing inspection of bureaucratic units – such as the frequency of meetings with the heads of agencies, the progress achieved in implementing structured plans (in this case, detailed privatization programs), and oversight mechanisms such as periodic review of agencies (which were meant to ensure that agents followed plans correctly and on schedule). This examination revealed that whenever city management chose to grant the sanitation agencies discretion and to relax the monitoring of its political appointees, inefficiency resulted. Correspondingly, it became evident that whenever city management closely monitored the implementation stages of privatization, outcomes improved. This is not to say that city management can use monitoring to solve all agency problems and efficiently control activities in the city. However, when it does monitor its agencies, it increases its ability to detect non-responsive political agents. Once it has detected them, it can then either take steps to induce a change in their behaviour, or take steps to replace them.

In the case of T, city management trusted its political appointees and hence relaxed monitoring of the sanitation agency – something it had not done with former career agents, whom it had not trusted. The mayor of T offered agencies managed by his political appointees an "open door" for discussion, but did not require that they apprise him of their progress according to any formal timetable. As a result, these political appointees worked under conditions that allowed them to freely pursue alternative goals. In 1997, when city management realized that there had been no significant reform of sanitation services, it replaced the incumbent sanitation manager, and reverted to installing a careerist. Furthermore, management increased its monitoring, utilizing these methods: (1) it continued to offer a direct line of communication to the mayor's office, without the need to first consult middle-level managers; and (2) it appointed a deputy

city manager to assist and supervise the new appointee regarding the formulation of a detailed privatization program. This set the initial conditions necessary to advance the contracting-out of services.

In H, an organizational reform instituted in 1994 created conditions under which non-compliant behaviour became easier. As city council members were no longer permitted to approach administrative executives *directly* and criticize their work, the mayor's office became a buffer between elected and appointed (administrative) officials. At the same time, the mayor granted discretion to political appointees to manage their agencies as they saw fit. Consequently, sanitation managers were free from inspection and scrutiny by council representatives, and gained increased control over the provision of services. These relaxed monitoring procedures allowed agencies to maintain the status quo for several years without detection.

Since by 1996 changes in the sanitation agency had not occurred as expected, the city management of H concluded that its sanitation agent was shirking his duties, and therefore pressured him to contract out services. Management began closely monitoring the performance of the sanitation department, demanding that structured privatization plans be drawn up. Second, the mayor decided to adopt a more formal approach toward his sanitation agent, despite their friendship. This change in attitude forced the appointed sanitation department manager to decide to either comply, or leave.

Contrary to the situation in T and H, in B the ongoing involvement of elected representatives, who pushed agencies to revise their services, established conditions under which the heads of agencies were constantly being monitored, and making it easy to detect uncooperative behaviour. This does not mean that management was able to prevent non-response in the sanitation agency. However, it did enable management to replace an uncooperative sanitation manager more promptly. This was especially evident when the second political appointee was managing the sanitation agency. Changes in B were also influenced by the appointment by central government of an external comptroller for the city. The involvement of council members in the work of the head of the sanitation agency, together with formal programs that were established by the external comptroller, created a situation in which the appointee could neither shift policy nor shirk his responsibility for long. Left with no options, the appointee chose to resign.

3.5 When agents cooperate

Two of the cities, T and H, illustrate that cooperation with management can be reached when appointees begin to view their position as a long-term bureaucratic career. In other words, they abandon their political ambitions and focus their attention on succeeding in public management. In the three cities reviewed, this proved to be true only when the

appointees were able to adjust to their bureaucratic and managerial tasks. Once they became motivated as "climbers" or "zealots", they dedicated themselves to adopting programs that could promote their future bureaucratic careers. Embracing reforms such as privatization meant gaining the support of management, earning financial rewards, and potentially winning a promotion within the municipality.

In the case of T, in 1997 management created a responsive agency when it appointed a new agent, a "climber", who immediately resigned from the union. This new agent was highly motivated to advance his career by successfully privatizing sanitation services. Moreover, he was familiar with the field of sanitation, as an experienced worker in the agency. His qualifications differed dramatically from those of previous political appointees, and he was able to skilfully avoid the confrontations with workers that had caused problems for previous sanitation appointees. He gained the trust of the agency's workers by introducing the term "gradual privatization", while working hard to ensure that redundant workers found other jobs.

In the case of H, the sanitation manager had to decide, after three years in office, whether to pursue a political career or invest in a bureaucratic one. He decided to consider his role as head of the sanitation agency as the start of a long-term career, thereby placing his bureaucratic interests above his political interests. He resigned from the union and took initial steps toward advancing privatization in his agency. Thus, the politically appointed head of an agency decided, as a "zealot", to reform services and pursue a bureaucratic career. The appointee stayed the incumbent head of the sanitation agency for more than a decade (1994-2007).

The case of B differs from the other cases, as both of the appointees in B were reluctant to abandon their political associations. Both appointees were forced to resign when they tried to avoid upsetting the interest groups that they believed would take care of their long-term interests in the city. Before the second appointee left, city management achieved partial privatization, with the external comptroller almost taking over the sanitation agency, forcing its manager and workers to cooperate.

Some of the findings of this empirical exploration seem to contradict one another. Political appointees replaced career bureaucrats because the latter shifted policies, while it was a bureaucratic agent who had chosen to develop his bureaucratic career interests, who ultimately facilitated the advance of privatization in all three of the cases studied. The explanation for this paradox lies in the assumption that, like political appointees, career executives adjust to conditions that either facilitate or hinder cooperation. Levels of monitoring and the extent of planning by management can influence the performance of career agents.

In addition, not all career bureaucrats are dedicated to their principals, just as not all political appointees lack dedication. For instance, in T, the incumbent sanitation

manager was replaced in 1993 for uncooperative behaviour, because he was acting as a "conserver". On the other hand, the new careerist appointed in 1997 was of the "climber" type – highly ambitious and keen to advance his career in the municipality, and therefore willing to respond to management's demands. The Head of Personnel in city B claimed: "In my experience, ambitious careerists feel less intimidated over losing a budget and confronting workers, do not consider privatization a threat, tend to consult more with external advisors, and do not associate personal rewards with the budget allocated to their agencies".[40]

4. Conclusions

This study has shown why the mechanism of political appointment often is not an efficient mechanism for overcoming principal-agent problems. Much of the literature on public policy and administration considers political appointments to be a useful tool for controlling bureaucracies and creating responsive agencies. Often, scholars assume that responsiveness is reached when politicians resolve a conflict of interests with bureaucratic agents by appointing political allies who are willing to cooperate with and reveal information to their principals. However, this paper explains why political appointments often do not solve agency problems, and can even obstruct the control of bureaucracies.

In order to evaluate the efficiency of political appointments, this paper first explored two basic types of uncooperative behaviour by administrative agents. A distinction was made *between shifting policy* and *shirking*. These uncooperative acts stem from different motivations; therefore, different incentives must be used to overcome them. Both political and career agents can potentially shift policy or shirk their commitment to implement a policy. With political nominees, reaching *policy agreement* at the appointment stage may prevent agents from shifting to alternative policies once in office. Nevertheless, solving the problem of shifting policy does not necessarily create a responsive agency. In fact, it has been argued that although politicians may be able to prevent a shift in policy by appointing a political ally, they increase the likelihood that the ally will shirk their duties.

Simply appointing a person who shares the appointer's ideological views does not necessarily reduce the need for monitoring. With career agents, politicians attempt to counter the possibility of uncooperative acts by continually monitoring their agencies to ensure compliance. However, politicians who make political appointments and trust the policy agreements they made with their appointees during the appointment stage assume that most of the conflicts with agencies have been resolved. Assuming there will be cooperation, they seek to reduce monitoring costs once their political allies enter office. These relaxed conditions grant political agents greater discretion than that granted to career agents, and increase their freedom to shirk their duties. The more politicians reach mutual understanding on policy with their nominees during the appointment process, the more prepared they are to relax monitoring. This in turn may increase the likelihood of shirking.

This paper highlights core ideas, presented in the public administration literature, as to why career agents tend to shift policy while political agents are more likely to shirk their duties. Career agents exhibit interests such as budget maximization, or a desire for a stable working environment, which often contradict politicians' demands

for extensive and controversial change. Political nominees for executive roles shirk their responsibilities when they find it difficult to implement policies. This often is the result of their lack of familiarity with administrative tasks, including how to interact with subordinates who may be hiding information from them. Moreover, their eagerness to invest time in political activities does not leave much time for bureaucratic tasks. For example, some of the empirical cases examined revealed that union membership could put appointees under pressure to avoid implementing policies that the union rejected.

As in the British system, politicians have tended in recent decades to take into consideration the ideological-political interests, and not just the expertise, of candidates whom they wish to appoint as top executives.[41] In their latest book, Aberbach and Rockman assert that, in the American system, bureaucracy has become much more flexible and responsive than in past decades.[42] This is an interesting observation, given that the extent of political appointment has declined. At present, political and bureaucratic roles are much more defined and separated than they were in the past.[43] A considerably larger number of middle- and low-ranking bureaucrats are kept in office when a new government is elected, despite the Civil Service Reform Act of 1978, which gave the executive branch (the presidential administration) greater control over which top career executive should continue to serve, in which agency.[44]

This paper has tried to identify the main strengths and weaknesses of types of bureaucratic agents who interact with elected representatives and try to promote their policies. It has focused on political agents who are hired to limit agency problems. In the process of evaluating the mechanism and constraints of political appointment, this paper has tested core theoretical arguments presented in the literature. It casts considerable doubt on some of these arguments, indicating that politicians place too much emphasis on the ideological views of their allies and the policy agreements reached with them, in the process disregarding the other interests their allies seek to promote. Under this presumed notion of mutual trust, politicians create conditions that facilitate non-responsiveness. Appointing political allies might seem to mitigate potential shifts in policy by career bureaucrats, but, as this paper has shown, it can increase the likelihood that they will shirk their duties. Furthermore, politicians may assume that they can save on monitoring costs once they have appointed their political allies, but, as demonstrated in this paper, this may be a big mistake.

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Notes

[1] For example, see Nathan, 1983; Moe, 1985, 1989; Wood & Waternan, 1991, 1993; Aberbach & Rockman, 1994, 1997; Pfiffner, 1989; Peters, 1989; Zamir 1990; Dery 1993.

[2] Weber, 1978; Dowding, 1995:9-10.

[3] Wilson, 1887.

[4] Ridley, 1983:179.

[5] Aberbach & Rockman, 1994.

[6] Moe, 1989:245.

[7] For example, see Aberbach, Putnam & Rockman, 1981; Aberbach & Rockman, 1997.

[8] Dery, 1993:13.

[9] Page, 1992:35.

[10] Ingraham, 1987:426.

[11] Page, 1992:35.

[12] Aberbach & Rockman, 1997:335-336.

[13] Aberbach & Rockman, 1997:347.

[14] Berenzon Committee Report, 1958.

[15] Civil Service Act, 1959, section 19.

[16] Civil Service Act, 1959, sections 3, 4.

[17] Civil Service Act, 1959, sections 5, 6, 12, 21.

[18] State Audit Commission Report No. 41, 1991:612.

[19] State Audit Commission Report, 1998:2.

[20] State Audit Commission Report, 52a, 2001:284.

[21] See corrections 2001, section 3, participation in electoral body, in Civil Service Act, 1959.

[22] Supreme Court Ruling 4566/90: Dekel v. Minister of Finance.

[23] Zamir, 1990:21.

[24] Zamir, 1990:20.

[25] The Israeli Democracy Institute, Roundtable Forum, 26.11.1991.

[26] For example, see State Audit Commission Report Nos. 39, 41, 44, 52a, and the 1998 Audit Report on Personnel Recruitments and Political Appointments in Local Governments.

[27] For examples of motives, see Nathan, 1983; Moe, 1985, 1989; Wood & Waternan, 1991; Aberbach & Rockman, 1994; Page, 1992:36.

[28] For example, see McCubbins, Noll & Weingast, 1987, 1989; Peters, 1989; Gilligan, Marshall & Weingast, 1989; Calvert, McCubbins & Weingast, 1989:604; Miller, 1992; Hammond & Hill, 1993:29; Aberbach & Rockman, 1994; Hammond & Knott, 1996.

[29] Bendor, 1990:383-392; Kiewiet & McCubbins, 1991:25; Huber & Shipan 2002:19.

[30] Bendor, 1990:384.

[31] Epstein & O'Halloran, 1999:25; Huber, 2000:400.

[32] Hood, 1998:55.

[33] Bawn 1997:102-103; Bendor, 1990:385-386.

[34] Epstein & O'Halloran, 1999:47.

[35] Gilligan, Marshall & Weingast, 1989; McCubbins, Noll & Weingast, 1987, 1989:604; Peters, 1989; Hammond & Hill, 1993:29; Aberbach & Rockman, 1994; Hammond & Knott, 1996; Horn, 1995:72; Huber, Shipan & Pfahler, 2001:332-333.

[36] Moe, 1984; Smith & Polsby, 1981; Peters, 1989; Wilson, 1989.

[37] Hammond & Hill, 1993; Brehm & Gates 1990; Cronin, 1980; Heclo, 1977.

[38] Cronin, 1980.

[39] Huber & McCarty, 2004:24.

[40] R L, Deputy mayor of B, interview, 16.03.98.

[41] Dery, 1993:13.

[42] Aberbach & Rockman, 2000:132.

[43] Aberbach & Rockman, 1997:335-336.

[44] Aberbach & Rockman, 2000:132.

Appendix

Profiles of all sanitation managers in T, H, and B (1993-1998)

City	Agent	Type of appointee.[i]	Skills and experience[ii]	Policy agreement reached at the appointment stage	Level of monitoring[iii]	Outcomes
T	Agent A	C.E.	high	no	medium	shifting
	Agent B	P.A.	low	yes	low	shirking
	Agent C	P.A.	medium	yes	medium	0 shifting[iv]
	Agent D	C.E.	high	yes	high	cooperate
H	Agent E	C.E.	low	no	high	shifting
	Agent F	P.A.	medium	yes	low	shirking
	Agent F 1996 (incumbent)	C.E.[v]	high	yes[vi]	high	cooperate
B	Agent G	C.E.	high	no	high	shifting
	Agent H	P.A.	medium	yes	high	shifting
	Agent I	P.A.	medium	yes	high	shirking
	Comptroller S	C.E.	high	yes	high	cooperate

i.   C.E - Career Executive, P.A- Political Appointee

ii. Levels of skill and experience were determined primarily on the basis of interviews with key players, who provided information regarding players' professional and managerial skills, and experience in the municipality, or public or private sector.

iii. Level of monitoring was determined as follow:
     <u>High level:</u> frequent meetings with management and council members – at least twice a week, often even daily. Frequent review of reports and agency plans.
     <u>Medium level</u>: meetings are less frequent – once or twice a week; few requests for reports (an annual report, quarterly reports). Reports and plans are usually presented to management if or when the head of the agency initiates their presentation.
     <u>Low level</u>: infrequent meetings, no demand for reports, management does not include the head of the agency in meetings. A few unofficial, general talks instead of formal operational planning. For example: a verbal request from the mayor to "do something to clean up the city".

iv. "0" (zero) shifting means policy remains at the status quo because the agent has been unsuccessful in promoting the plans for the agency; it does not mean that he is

shirking his duties.

v. In the case of H, Agent F may be regarded as a career executive beginning in 1996, when he decided to resign from the union and develop his bureaucratic career.

vi. In 1996, after H city management detected shirking, it required Agent F to again agree to revise services, as a condition of his remaining the head of the agency. The policy agreement reached with city management, and the change in career plans for Agent F, can both be regarded as a new appointment process.