Preview Questions

1. To what morality tales do various stakeholders appeal in advancing their case for or against reforms in the Fire Department of New York (FDNY)?
2. What are some examples of stakeholders applying the rational actor model (RAM) in *The Fires*?
3. Where would the policy changes sought by O’Hagan fall on Lowi’s policy typology?
4. Where would the policy changes sought by Lindsay fall on Lowi’s policy typology?
5. What is an example of BHAGs (big, hairy, audacious goals)?
6. What is an example of incrementalism?
7. What is an example of policy in intention?
8. What is an example of policy in implementation?
9. What is an example of policy in experience?

Reading Summary

Chapter 1 - The War Years

* During the 1970s, building renovators often did not comply with requirements to obtain permits and report building modifications to the local government.
* The building department and the fire department did not have the time or manpower to inspect buildings or enforce building codes.
* Column-style construction was the primary cause of collapse.
  + Truss construction reduces the risk of collapse.
* During the 1970s, fires decimated many neighborhoods that were previously vibrant.
* Death from fires doubled to more than 300 annually but that number only included those who died immediately after the fire, not those who died in the hospital a few days laters.
* Firemen were dying at an unprecedented rate.
* Housing department had proposed a policy of planned shrinkage to close hospitals as well as fire, police, and subway stations in neighborhoods that had been affected by significant fire destruction.
* According to some, the city encouraged the fire destruction with all of the budget cuts.
  + “The city got rid of a million and a half undesirables.”
* Budget cuts cost more money than they saved.
  + Lost rest estate taxes
  + Temporary housing accommodations for fire victims
  + Lost businesses and jobs
  + Extra injuries, disabilities, and widows’ pensions
  + Overtime pay
* Other impacts of budget cuts
  + Delayed responses
  + Increase in fire-related deaths
  + Oppressive conditions for those who lived in the buildings that survived in their neighborhoods
* Unofficial policy
  + Reduced number of personnel on an engine
  + Denial of sick leave
  + Fewer fire companies dispatched to fires
  + Waiting until after shift change to dispatch engines to fires
* Potemkin village initiative cost the city the same amount as keeping open a year up to four of the fire stations that were closed.
* Municipal Assistance Corporation (MAC) was a state authority that managed the finances of the city and was run by investment bankers and unelected political power brokers.
  + Blamed minorities for driving the city into bankruptcy by using too many public services
* General explanation for the rash of fires is arson-for-profit
  + Insurance payouts
  + Welfare programs for fire victims
* Rot at the top morality tale
  + Liberal argument 🡪 greedy landlords, corrupt businesses, lax government agencies destroyed neighborhoods for profit
  + Conservative argument 🡪 well-intentioned welfare and public housing programs created perverse incentives for ghetto arson
* Arson was not the major cause of fire damage
  + Generally less than 1 percent of fires attributed to arson
  + About 7 percent of fires attributed to arson at the peak
  + Earlier wave of conventional fires in poor neighborhoods that were preventable
* **COMMENT**: Disagree with the framing of “paternalistic liberalism” as the cause of the fiscal crisis and fire department cuts because of government being controlled by educated elites and numbers-crunching technocrats.
  + Could argue that minimalistic conservatism caused the fiscal crisis and fire department cuts by emphasizing efficiency as the primary metric for gauging policy success, taking measures to eliminate what they believed was corrupt government, and cutting back on building regulations to spur the economy at the expense of safety.

Chapter 2 - The Fireman and the Reformer

* John Lindsay seemed to view the government as the problem
  + Stringent ethics rules on Congress
  + Blocked bills that he believed infringed civil liberties
  + Supported President Johnson’s social agenda, which simply means he likely wasn’t a racist or very bigoted
* Civil Service Commission established in 1883 and began requiring tests for civil service jobs in 1894 to minimize the Tweed-style patronage
  + Essentially policy in implementation
  + Reduce the level of discretion of street-level bureaucrats
  + Institutional culture and the tradition of appointing the person with the highest civil service test score to the chief of department position enforced by the unions effectively nullified the fire commissioner’s official discretion of appointing one of the top three scorers.
* Tammany exemplified the branch approach to decision-making.
* Educated reformers favored the root approach to decision-making.
* Tammany-Reform rivalry had a cycle of about 15 to 20 years
* Reformers didn’t have the intelligence infrastructure of Tammany
  + Ward bosses, precinct captains, civil servants, street organizers
* Spread of management science accompanied the rise of Progressivism
* **COMMENT**: It’s not the Liberalism or Progressivism invariably leads to corruption and Conservatism and Libertarianism don’t; it’s that overly concentrated power, whether liberal, progressive, conservative, or libertarian tends to lead to corruption. Only the nature of the corruption changes.
* John Lindsay’s message was essentially the conservative framing of the “Rot at the Top” morality tale.
  + Government is the problem
    - insensitive to its failings
    - arrogant in its power
    - contemptuous of challenge
  + Lindsay was only “liberal” in his social views towards race and equality.

Chapter 3 - The Hangman’s Trap

* Fire commissioners appointed by the mayor and typically do NOT have firefighting experience
* Flawed organizational structure magnified the political rivalry between the fire commissioner and chief of department.
  + Staff chiefs officially reported to chief of department but were appointed by fire commissioner.
* According to former New York Senator Daniel Patrick Moynihan, fires are a leading indicator of a society’s health.
* “…in the calls for action following a crisis, those with a plan rise to prominence.”
* John O’Hagan implemented standard operating procedures for FDNY.
  + Essentially established System 1 Thinking for the institution.
  + Most fire chiefs didn’t have the mental capacity to rely on System 2 Thinking for every new fire crisis.
* “…competence saves more lives than creativity…”
* O’Hagan planted the seeds of power by creating an alliance network:
  + Indoctrinating and training young like-minded officers and positioning them throughout the department.
  + Establishing groups of engineers who could advise him and provide data to support his positions in disagreements over budgets and technical matters.
* O’Hagan’s vision for reforming the fire department was essentially a BHAG (big, hairy, audacious goal).
  + Produced improvements orders of magnitude in scale
  + **COMMENT**: It’s not that rationality is bad, it’s that over-reliance on rationality is bad. There’s an appropriate amount of water that is healthy for you but if you drink too much water it can kill you.
  + **COMMENT**: Even a flawed theory can be useful. Just because rationalism doesn’t explain human behavior perfectly doesn’t mean that it’s not useful. Newtonian physics is flawed but good enough for many applications. It’s a matter of defining the boundaries of what’s an appropriate application of a theory or model.

Chapter 4 - Of Whiz Kids and Think Tanks

* Charles “Tex” Thornton’s vision of making America a mighty global power was a BHAG.
* John von Neumann conceived of the Theory of Games (i.e., Game Theory) to explain the human behavior he realized peopled exhibited in their strategies to pursue their goals of maximizing winnings and minimizing losses.
* Operations research developed out of the methods developed by the Statistical Control Group (Stat Control) of the U.S. Army during World War II.
  + Operations research essentially was finding the most efficient way to use a weapon to achieve a predetermined objective.
* Edwin Paxson developed systems analysis by flipping the approach of operations research on its head.
  + Systems analysis essentially was determining the best weapons to use or develop (i.e., weapons systems) to achieve a predetermined objective.
* Albert Wohlstetter’s approach was to reformulate problems of economics, strategy, and tactics as mathematical proofs to evaluate them for logical consistency.
* The RAND method was systems analysis and game theory.
* Planning, programming, and budgeting system (PPBS) was conceived by RAND analyst Charlie Hitch.
* “Church of Rationality”
* The Great Society and War on Poverty were BHAGs.

Chapter 5 - Enter the Poet

* The favor based tradition of the Democratic clubhouse was an example of the high degree of discretion enjoyed by street level bureaucrats (see p. 105).
  + Outsiders were shut out of decision making.
* Bureaucracy became more concerned with maintaining its own existence than providing public services to the community.
* Budget directors can turn their negative power of denying funding into policymaking authority.
  + Frederick Hayes extended that policymaking authority into setting goals and designing programs.
* Sometimes all you need is “brains, balls, and ignorance” (Frederick Hayes).
  + Experience could actually be a hindrance.
* The fire department provides a “social X-ray.”
* The mayor’s office (i.e., budget director for the fire department) and the chief of department for the FDNY formed an alliance to pursue the BHAG of transforming the local government from reactive troubleshooting to proactive problem aversion.

Chapter 6 - The Fire Next Door

* Guessing has always been an essential aspect of public policy.
* The assumption that New York City was a city in crisis was flawed.
  + New York was one of the safest cities in the country.
  + Fire rates in New York had been steady for years.
* We have to use storylines to make sense of the myriad of inputs we receive when evaluating complicated situations.
  + Susceptible to confirmation bias.
* John O’Hagan looked down at the ghetto fire companies because the nature of the fires they fought was different than those of high-rise fires, which were more to his liking.

Chapter 7 - How the Other Half Thinks

* New York was founded by a company, not a religious sect, for the sole reason of making money which infuses the city’s character.
* *How the Other Half Lives*, written by Jacob Riis in 1890, put the problem of slums on the agenda.
* Riis’ book had a great influence on U.S. Civil Service Commissioner Theodore Roosevelt.
* Roosevelt and Riis championed the implementation of the first serious regulatory policies for tenement housing.
* Poverty theories of the time
  + Most people ascribed to “Social Darwinism”, which is the idea that poverty is something the people bring upon themselves.
  + Riis popularized the idea that people’s surroundings affect their behavior and economic lot in life.
* Example of administrative evil
  + Roosevelt closed police department lodges and built a more humane lodging house that was intended to provide better living conditions for the poor and homeless but wasn’t sufficient to accommodate the number of people that needed assistance and thus left many people homeless or living in worse conditions than before.
  + Slum clearance policy eliminated tens of thousands of homes and replaced them with parks and other public institutions with the intention of eliminating the cause of economic struggle but resulted in a domestic refugee crisis because people had nowhere to live; moreover it eliminated many of the kinds of jobs that the poor and uneducated had access.
* The trappings of poverty are external factors that can prevent people from leveraging internal strengths to improve their condition.
  + Simply removing the external characteristics of poverty (e.g., slums) can allow some people to take advantage of their internal strengths.
  + This doesn’t always work because other external factors, such as racism, may also be preventing people from leveraging their internal strengths.
* The fire in March 1911 that resulted in the deaths of 146 girls working in the Triangle Shirtwaist company was a focusing event that led to regulatory policy that enacted building and fire codes, child labor restrictions, wage protections, and limited working hours.
* The branch approach was the dominant political paradigm for most American industrial cities.
  + The field of urban planning developed in opposition to this and favored a comprehensive root-approach to city planning.
* The root approach is necessary for certain kinds of projects but is extremely vulnerable to bad ideas.
  + Also, not responsive or adaptable to changing circumstances.
* Presidents Theodore Roosevelt and Woodrow Wilson championed scientific Progressivism (i.e., comprehensive planning) for federal policy making.
  + Robert Moses did the same at the local level in New York City.
    - Hiring and promotion systems
    - State parks
    - Limited access roads (the forerunner of highways)
  + Robert Moses held no regard for public opinion or the concerns of those affected by his projects.
  + Robert Moses was guided by a utilitarian ethos.
* Slum clearance policy was guided by a utilitarian ethos.
* The type of person necessary to push the bureaucracy out of its inertia doesn’t have an off switch and must be constrained by institutional power structure.
* Public works is the richest source of money and power in New York City.
  + Robert Moses master legal graft.
  + Legal graft is strategically locating public works projects or sourcing contracts to garner the support of key stakeholders (i.e., politicians) who can leverage them to secure votes or political power for themselves.
* F.I.R.E. 🡪 finance, insurance, and real estate industry
* Slum clearance came at a time when immigration was shifting from Italy and Ireland to Southern Blacks and Puerto Ricans and created significant barriers to these groups following the same path to social integration as their predecessors.
  + Resulted in alienation and hostility towards the system among these groups.
* Slum clearance policy isolated Blacks and Hispanics and spurred “White flight”.

Chapter 8 - Red Lines and White Flight

* In the 1940s, a small pocket of poverty was noticed in the southern tip of the Bronx borough.
  + Puerto Rican families were taking advantage of the low rents and industrial jobs.
  + People started referring to the area as “South Bronx”.
* The challenges of integrating an impoverished immigrant population were exacerbated by racial prejudices because of their skin color, slum clearance, and highway construction.
* South Bronx wasn’t a true slum, it only had some of the external traits of slums
  + External traits of slums
    - High population density
    - Mix of factories and residents
    - No central planning
  + Non-slum characteristics
    - Vital working class neighborhood
    - Integrated Black and Puerto Rican
* Crime and vandalism in housing projects was worse than in the neighborhoods they replaced (i.e., example of administrative evil).
* Highway construction was more disruptive than slum clearance and housing projects (i.e., example of administrative evil).
* Residential Security Maps created by the Home Owners’ Loan Corporation (HOLC) were intended to provide banks with better mortgage lending guidelines but resulted in redlining discriminatory lending practices (i.e., example of administrative evil)
  + Similar practices across the country threw the real estate industry into disarray.
* New theory that posited neighborhoods were like biological organisms and had a life cycle led to the belief that some neighborhoods were fated to decline.
  + Self-fulfilling prophecy because banks would not lend in those areas thus the neighborhoods could not renew themselves and eventually they declined.

Chapter 9 - Of Riots and Airmail

* Bringing jobs to the ghetto became a public policy issue because regular market forces weren’t doing it.
* The fire service was the whitest of all the bureaucracies.
  + Firefighters took advantage of poor neighborhoods they were supposed to be serving.
  + Caused tension with neighborhoods that weren’t represented on the force.
  + Spurred false alarms that were an expression of dissatisfaction with the situation.
  + Played a role in attacks on firefighters which were a white authority figure.
* The idea that there was housing nobody wanted in the midst of a housing shortage didn’t compute with the policymakers.

Chapter 10 - O’Hagan’s Choice

* One challenge was measuring the fire department’s workload.
  + Issue in negotiating with the unions.
* Inter-department politics and O’Hagan’s penchant for numbers and the root approach to decision making led him to be a big supporter of NYC-RAND and the fire project.
  + O’Hagan was also preoccupied with a larger political battle which caused him to not spend the time he normally would have studying the problem of ghetto fires.
* Proposals for leveling workloads
  + Second sections of fire houses proposed by the unions
  + Tactical control units (TCUs) and adaptive response proposed by O’Hagan
* RAND analysts didn’t see the value in having additional resources that responded to false alarms.
  + Didn’t take into consideration the difference in response time for various types of fires, including false alarms.
* Fire service was structure to respond to the worst case scenario, not the typical scenario.
* Changing political dynamics led to the obsolescence of the Tammany model and made politicians less accountable to their constituents.
* Housing department was measured by how much housing it built, not how much it preserved.
  + More destruction meant more funds for building.

Chapter 11 - Going Along to Get Along

* Tragedy creates a fleeting opening for reform.
* John O’Hagan realized that power more necessary for achieving goals than test-taking ability or managerial skills.
  + He began seeking out political capital.
* John Lindsay wanted to use RAND to change government from reactive to proactive.
* Local law 5 was a fire-code for high-rise buildings.
* RAND began working on creating models to predict fire patterns.

Chapter 12 - Quantifying the Unquantifiable

* Before RAND studies, the fire department used external measures of success
  + Number of fatalities or injuries
  + Amount of damaged property
* External measures could be skewed by catastrophic events and give a false impression
  + e.g., the Wonder Drug store fire on 23rd street
* RAND focused on internal measures of success.
* Internal measures are only useful if they correlate with external measures and desired outcomes.
* RAND chose to focus on the internal measure of response time but it was flawed.
* RAND studies had several flaws
  + Flawed assumption about response time
    - If a model can’t handle complexity, why bother.
    - Focus on average response time without consideration of the variability of response times.
  + Nonrandom, skewed sampling of fire companies to obtain response time data
  + Staff charged with collecting response time data didn’t comply with protocols or subverted the efforts.
  + Use of hazard categories changed the research objective from balancing fire coverage throughout the city to balancing coverage among neighborhoods deemed similar.
    - Response to political realities.
* Four common weaknesses of analysts when modeling complicated systems
  + Flawed assumptions
  + Faulty data
  + Asymmetric information between the modelers and those being modeled
  + Political influences on how models are used
    - Fraud, malfeasance, or wishful thinking based on ignorance
* The model may not accurately reflect the situation
  + - Solving the equation doesn’t necessarily solve the problem.
    - Not seeing the forest because of the trees.
* Because the approaches used in the RAND studies had never been done before there were no outside experts to review them.
* RAND dismissed technical criticisms of their studies.
* RAND didn’t worry about the effect of their studies because John O’Hagan was ultimately responsible for determining which fire companies to close.
  + RAND and John Lindsay assumed John O’Hagan was an impartial civil servant, which was not true.
  + O’Hagan was not above manipulating the research studies to his political advantage.
  + John Lindsay was preoccupied with national political ambitions.

Chapter 13 - A Disproportionate Share of the Economies

* The RAND models were used to counter claims that the fire house closings were racially motivated and prejudicial.
  + People assume that an analysis-based decision is unbiased regardless of the facts.
* O’Hagan began to more actively exert political influence in how the models were used.
* Technical innovations that were supposed to offset fire house closings didn’t work out:
  + Slippery water
  + Malfunctioning fire boxes
  + Voice capable fire call boxes
  + Serial wiring of fire call boxes

Chapter 14 - New Math

* New York was supposed to have a balanced budget but the law allowed it to borrow to balance the budget.
* The city began relying on accounting gimmicks to balance the budget (i.e., ethically questionable tactics):
  + Hiding debt on the accounting books
  + Overuse of municipal loans
* Many budget cutting measures cost more than they saved.
* Layoffs were implemented based on seniority.
  + The younger, more energetic and efficient staff were laid off first.

Chapter 15 - The Fiscal Crisis Kool-Aid Acid Test

* Soft power comes from reputation and alliances.
* John O’Hagan knew that the RAND models could be manipulated.
* Ethically questionable tactics were employed to save money
  + Denying sick leave
    - Led sick firefighters to game the system by exploiting elevated levels of carbon monoxide in their system after fighting a fire.
    - Resulted in higher employee costs.
* The reduced staff caused by the budget cuts resulted in more damaging fires.
* O’Hagan supported the mayor and the budget cuts because of political aspirations.
* Fire fatality statistics were manipulated.
* Arson was only a problem after a neighborhood had suffered conventional accidental fires.

Chapter 16 - Wauldbaum’s Revisted

* Most firefighters didn’t know how to fight fires in buildings with truss roofs.
* Lack of institutional knowledge was caused by John O’Hagan’s lack of interest and experience in fighting ghetto fires.
  + Only the firefighters in the Bronx knew any of the techniques for fighting ghetto fires.
  + The knowledge was never disseminated throughout the organization.

Conclusion

* Narrative is still the dominant form of human communication and persuasion.
* Numbers-based analysis has supplanted narrative in decision making.
* The intellectual justification for urban renewal was based on numbers.
* There was a backlash against the idea of a group of privileged elites making decisions for the masses.
* The technocracy thrived in quasi-government organizations and the private sector.
* Root approach to planning and decision making is experiencing a resurgence.
* In the 1980s, Mayor Ed Koch provided development money to local community groups and nonprofits to pursue solutions specifically tailored to individual communities.
* Ultimately, ordinary people were responsible for the rebirth and renewal of New York City.