

POLITICS AND GOVERNMENT

A RUBE GOLDBERG GOVERNMENT

THE SOURCE: “Kludgeocracy in America” by Steven M. Teles, in *National Affairs*, Fall 2013.

EVERYBODY TALKS ABOUT THE SIZE OF government, but the real issue is its complexity. Steven Teles, a political scientist at Johns Hopkins University, argues that “with that complexity has

also come incoherence,” undermining the policy objectives of both liberals and conservatives—and, ultimately, democracy itself. Together, complexity and incoherence “often make it difficult for us to understand just what . . . government is doing, and among the practices it most frequently hides from view is the growing tendency of public policy to redistribute resources upward.”

Teles has a name for the problem: “kludgeocracy,” derived from the computer programming term “kludge,”



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Call it Kludge Day. American businesses and individuals spend six billion hours a year ensnarled in tax-related paperwork.

defined by *The Oxford English Dictionary* as “an ill-assorted collection of parts assembled to fulfill a particular purpose . . . a clumsy but temporarily effective solution.” (Users of Microsoft Windows, Teles quips, “will immediately grasp the concept.”)

“The most insidious feature of kludgeocracy is the hidden, indirect, and frequently corrupt distribution of its costs,” he says. Some of these costs fall on individuals, most painfully in the form of tax compliance requirements, which cost the economy \$163 billion each year and create a staggering six billion hours of paperwork for businesses and individuals. Or take the maze of incentivized-savings programs such as 401(k) plans, IRAs, and state-run 529 college savings plans. Unlike Social Security—a system of simple payroll deductions and pension payments—these programs force participants to pour their time and energy into managing their investments, something few are willing or able to do.

Kludgeocracy also ties the government in knots. Hurricane Katrina, for example, overwhelmed New Orleans’s flood protection system thanks in part to administrative tangles. Senator Susan Collins (R.–Maine) found that there was “confusion about the basic question of who is in charge of the levees,” which

left crucial inspections and maintenance undone. Federal aid to education is also a classic case of kludgeocracy. “Instead of just handing over big checks to school districts,” Teles says, “the federal government showers the states with dozens of small programs.” Each program breeds its own interest groups, creating powerful coalitions determined to keep the federal gravy flowing—even though that money has done little to improve the schools.

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Because it obscures who is getting what, complexity is ultimately “a significant threat to the quality of our democracy.” It allows special interests and the affluent to quietly “profit from the state’s largesse.” Corporate interests, for instance, benefit from innumerable tax loopholes, tax credits, and other forms of corporate welfare that are concealed in the nooks and crannies of government.

“That is why business invests so much money in politics,” Teles explains. “To keep issues *off* the agenda.”

Well-off households likewise reap massive stealth dividends. They derive almost all the benefits of the biggest products of kludgeocracy: tax-favored retirement and college savings programs and the “housing-welfare state” created by government-sponsored organizations such as Fannie Mae and the massive mortgage interest deduction on federal income taxes. Yet even most beneficiaries are unaware that they are receiving government benefits.

Both political parties are eager creators of kludgeocracy, Teles believes, though both pay a heavy price for it. Republicans like it because it conceals from citizens the fact that they are benefiting from public programs that might increase support for government action. That’s one reason why the GOP insisted that the Medicare prescription drug benefit created in 2003 be administered by the private sector. But such stratagems only conceal the true size of government. Democrats, fatigued by public opposition to additional spending programs, have resorted to kludgeocracy as a backdoor method of implementing new initiatives. But that

often feeds the public perception of government as corrupt and ineffective and deprives liberals of clear policy successes that would build momentum for active government. “The willingness of citizens to contribute to public goods rests on the perception that others are doing their share,” Teles writes.

“The complexity of government is not good for our politics,” he says. The vast, distributed machinery of the state makes it hard for citizens to know who’s at fault when something goes wrong. The result is a vague cynicism toward the state—“an attitude certain to undermine good citizenship.”

Teles is not optimistic about unkludging America. The sheer complexity of government has given rise to a “kludge industry” of lobbyists, consultants, and private contractors whose job it is to work the system and, often, recommend more of the same. Congress’s byzantine legislative process is full of “veto points,” each a kind of tollbooth that extracts its share of kludge as the price of passing a bill. But the fight against the incoherence and inefficiency of the American political system has to start somewhere, and there’s no better place than naming the enemy. ■