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Forum—In Honor of Larry D. Terry (1954-2006)

Sowing and Reaping at the Big Dig: The Legacies of Neomanagerialism

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Anyone who met and spoke with Larry Terry understood that this was a colleague who would leave a legacy. Those of us familiar with the operations of *Public Administration Review* before and during his tenure as book review editor and editor in chief know that his legacy was already firmly in place before his tragic death. What is most saddening are the legacies lost to all those who would have benefited from his emerging leadership in higher education.

Some legacies, of course, are not fully appreciated until years have passed. For those of us engaged in the study of public administration, the value of a person's contribution to the field often emerges from the seeds planted during the prime of an intellectual life, and in this regard as well Larry Terry will long be remembered.

Larry's keen insight into the nature and problematics of *neomanagerialism* in the public sector took a variety of published forms over the years, but were especially clear in two overlapping works published in 2005 and 2006. "The thinning of administrative institutions in the Hollow State" was published in the September 2005 issue of *Administration & Society*, and was issued again in slightly different form as "The thinning of administrative institutions" (2006) in a volume edited by David Rosenbloom and Howard McCurdy focusing on Dwight Waldo's *The Administrative State*. More than merely a critique of the decades-old push for deregulated and market-driven reform, these works provided a frame for understanding the long-term consequences and costs of the neomanagerialist misadventures.

For us, the relevance of Larry's argument became clear three weeks after his death when another tragedy took the life of Milena Del Valle,

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a Boston area resident killed by the collapse of a concrete ceiling tile as she and her spouse drove through a connector tunnel along the recently completed Big Dig project. That accident, still under investigation as we write this article, stands as a flash point in a historical arc that spans a little more than three decades. What we noticed at the time was that a similar historical arc was drawn in Larry Terry's analysis of neomanagerialism.

THE CASE OF THE BIG DIG

The Big Dig (formally the Central Artery/Tunnel Project) is a massive public works project conceived in the 1970s and initiated in the mid-1980s to transform the physical and aesthetic landscape of Boston.[1] Designed in part to deal with the traffic and congestion that had overwhelmed the city's complex road system, it was also intended to remove the scars of decades of ill-conceived transport policies that plagued the famous *Hub* city.

In July 2006 the project was entering its final phases, and for many the completion could not come soon enough. Having overcome community concerns and political opposition at the highest levels of government,[2] as well as numerous and unique engineering challenges, the various pieces of the Big Dig seemed to be coming together. It was time to harvest the long-anticipated benefits of what was arguably the most ambitious public works endeavor of the past century.

Of course, both time and scale took their tolls on the project, and few would offer up the implementation of the Big Dig as a model to be emulated. Delays and deviations from the original plan, turnovers in top management and contractors, tales of corruption and poor construction, complaints about disruptions and displacements—all were part of the historical record of a project that spanned three decades from conception and design to near completion.[3] What drew the most attention in recent years have been the massive cost overruns that drove the estimated costs from $2.5 billion in 1985 to $14.6 billion as of 2006. Rather than a point of pride, the Big Dig has become a focus for derision among the government-bashing media. But the July 10th accident drew an even more penetrating spotlight on the Big Dig—a light that pierced through the concrete ribbons of highways, tunnels and bridges and highlighted the neomanagerialist history of the Central Artery/Tunnel Project.

As with all major public works mega-projects, the Big Dig was more than a feat of civil engineering—it was a managerial endeavor ranking in significance with the most notable achievements of the modern pub-

lic sector. And as with all such endeavors, it was pursued under the influence of the dominant managerial philosophy of the day. In this instance, that philosophy was the neomanagerialist frame summarized so well in Larry Terry's work.

The Big Dig emerged during what can now be described as a perfect storm of negative public attitude towards government. The first change can be seen in the public's view of government employees. No longer the *trusted public workers* of previous eras, civil servants in the late 1970s and early 1980s were recast as vilified bureaucrats during the Carter and Reagan administrations. Second, the economic slowdown of the 1970s produced demands for lower taxes and a backlash against what was seen as government waste. Large infrastructure projects such as the Big Dig were no longer viewed with the awe and marvel of what government can do to transform the lives of communities and citizens. Instead, these projects became special interest, pork barrel gifts created with the sole purpose of separating citizens from their hard-earned dollars in taxes.

A third change, closely related to the previous two, was a change in the managerial philosophy within government itself. Emerging in the 1980s as liberation management in the private sector (Peters, 1987; Peters & Waterman, 1982) and cutback management in the public sphere (Levine, 1980), it morphed globally into New Public Management and in the U.S. as reinventing government by the early 1990s (Hood, 1991; Osborne & Gaebler, 1992). It was this development that provided the focus for what Larry Terry described as neomanagerialism, a movement that came to incorporate a wide range of ideas drawn from both the empowerment of managers and an emphasis on marketization of public sector activity. This change in managerial philosophy is historically manifest in the story of the two men most closely associated with the planning and construction of the Big Dig.

THE TALE OF TWO SECRETARIES

While most large-scale public projects can claim many parents, in this section we focus on the project's *master planner* and *master builder.* Frederick Salvucci, the transportation secretary for the State of Massachusetts under Governor Michael Dukakis, is regarded as the master planner of the Big Dig, shepherding the projecting through various community and political battles during its early stages. James Kerasiotes, the master builder who held the same and related positions under Governor Weld and his successors, oversaw the project through most of the construction phases. The two are separated not only by the men

they worked for, but also by the differences in management philosophy under which they implemented the project, particularly as it relates to project oversight.

Salvucci was an advocate of an approach that he would later describe as *belt and suspenders*. With this method, when creating a large public works project, government would turn to the private sector to take advantage of the expertise of innovative companies and contractors, while at the time increasing its own internal expertise and capacity for providing proper guidance and oversight. It would also decrease the need for external experts to maintain the project after its completion (Salvucci, 2006, p. A17; Sennott, 1994b).

This stands in sharp contrast to the Kerasiotes philosophy which represents a model example for the neo-managerial approach critiqued by Terry. According to Kerasiotes, the issue was not one of oversight or the creation of greater internal expertise, but an issue of accountability. In an interview in 1994, he described his approach, framing it in the then-familiar language of "running government like a business."

> I would go out and I would hire someone to do something that I need to get done. Now, what level of oversight am I going to employ when I hire a contractor to build, say, my office space? Very little. All I want to know is, is my office going to be where I want it to be? Are the walls going to look like I want them to look? And am I going to be comfortable when I sit down in it. Other than that, I don't want to . . . know about it. (Sennott, 1994a, p. 43)

In the case of the Big Dig, Kerasiotes focused largely on the project's budget and schedule, leaving engineering decisions to the private project managers Bechtel and Parsons-Brinkerhoff (Levenson, 2006). While public-private partnerships are not at all rare on projects of this scale (in fact, Bechtel was initially hired on the project by Salvucci), the difference was that Bechtel was also being hired to oversee a large portion of its own design—essentially contracting out the oversight function. As early as 1994, the Boston media began to raise questions concerning the potential conflict of interest issues caused by this relationship (Sennott, 1994b). Interestingly, Kerasiotes did not share these concerns, but instead believed that the market would govern the behavior of private contractors who would use the project to generate future business and therefore would not want to damage their reputations by doing substandard work (Sennott, 1994a, p. 43).

In the end, both the master planner and the master builder received considerable criticism for their respective approaches. Under Salvucci's tenure the project was criticized for being behind schedule while the

cost of the project increased by approximately $2.6 billion. Although much of the increase in costs could be explained by inflation (Sennott & Palmer, 1994), others blamed an expensive mitigation process[4] for driving up the project's costs (Palmer, 1994). One could argue that a consequence of Salvucci's approach was that it placed an emphasis on consensus over costs.

In the days following the death of Del Valle, the Boston media focused a great deal of attention on the project's construction phase, including the parts of the project completed under Kerasiotes. Questions were raised about the State's *lax* oversight over its private partners (McNamara, 2006). One article suggested that expensive safety retests of parts of the project were *unlikely* given Kerasiotes's focus on keeping the project under budget (Allen & Estes, 2006). David Luberoff, executive director of Harvard University's Rappaport Institute for Greater Boston, pointed to the culture that emerged during the tax-resistant 1990s that focused more on project costs at the expense of the project's overall safety. As a result, Luberoff argues, project managers focused on making sure the Big Dig was built, quickly and cheaply, without giving questions of safety a similar level of attention (Luberoff, 2006, p. E9).

OVERLAPPING HISTORICAL ARCS

Megaprojects like the Big Dig span decades. From conception in the late 1970s to near completion 25 years later, its historical arc runs parallel to that of the regulative, normative and cognitive transformations of public sector management practices outlined brilliantly in Larry Terry's *thinning* articles. Just as the Big Dig has changed the face of Boston, neomanagerialism has changed the conduct of the public's business. For us it is clear that the overlapping of these two historical arcs is more than mere coincidence and that there is much to gain from examining the relationship between the two.

On the one hand, the Big Dig provides a model case study of the neomanagerial thinning described in Terry's analysis. The project was initiated under the professionally driven standards of Secretary Salvucci who, while more progressive in outlook than legendary public works leaders such as Robert Moses (Caro, 1974) or Andrew Tobin (Doig, 2001), adhered to a more traditional view of government's strong and direct role in managing and overseeing such massive undertakings. But political circumstance intervened, and the construction phase of the Big Dig was shepherded through by Kerasiotes, an adherent to the neomanagerial mantra that emerged during the 1980s and captured (and

transformed) public management philosophies in the 1990s. In that respect, the case of the Big Dig provides an ideal narrative for applying and assessing the value of Terry's insights.

On the other hand, as Luberoff's analysis implies, the neomanagerialist arc described by Terry might serve as an explanation for what went wrong with the Big Dig—and what might still go wrong in years to come. The intentional thinning of government capacities in the past is likely to produce more than immediate problems or short term tragic consequences. One of the signature characteristics of Salvucci's traditional approach to megaprojects was a long view assumed by those in charge. While it has been popular to critique the elitist and amoral decisions of the Moseses and Tobins of the past, they created managerial cultures that gave priority to the long-term financial and structural integrity of their monumental works. Under Kerasiotes' neomanagerial norms, these values were circumvented if not emasculated. The seeds of the neomanagerial legacy were sown deep into the public works soil, and they will be reaped by future generations who will pay the price in efforts to prevent or offset the potential damage.

CONCLUSION

The most enduring of intellectual legacies in public administration are those that help scholars and practitioners frame their understanding of our world, and by that measure we believe Larry Terry's legacy is already in place and ready for application. Larry would obviously be pleased to have his work used as the basis for helping us understand the Big Dig and similar cases.

But it is clear that he would value even more a legacy that generated positive lessons. Critical analysis is fine, he would say, but he would value even more the application of corrective actions drawn from his works. The thinning of administrative capacities might be the problem, but what about the solution? Here it is best to end with his final written comments on the subject:

> I have argued that the thinning of administration institutions is an issue that deserves our undivided attention. We must take corrective action to reverse this trend because thin institutions are weak institutions; weak institutions lack the capacity for good administration. And as I noted on several occasions, good administration is a necessary requirement for restoring the American people's trust and confidence in government. The analytical framework presented here is a modest attempt to shed some light on a vexing problem

that threatens the very core of our precious constitutional democracy. (Terry, 2005, pp. 439-440)

ENDNOTES

1. For an overview of the Big Dig project, see the background provided at http://www.masspike.com/bigdig/background/index.html.

2. President Reagan had personally lobbied against the Project, making a historic visit in 1987 to Congress seeking votes that would uphold his veto of the project's authorization.

3. In that respect, the Big Dig was just one among many problematic megaprojects, See Flyvbjerg, Bruzelius, & Rothengatter, 2003.

4. Salvucci had promised that there would be minimal disruption of Boston's businesses and residential life.

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