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Saturday Evening Special Edition

Given our country's current condition and the hope generated by the thought of an upcoming Trump/Vance Administration, I pray that General Covault's message reaches President Trump and Vice President J D Vance to serve as a partial blueprint for fixing our run-amuck government. Your role in this process is crucial. Please pass this along to anyone who can put it in good hands. Your actions can make a difference.

JOB ONE FOR VICE PRESIDENT JD VANCE

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"We are fast approaching the stage of the ultimate inversion: the stage where the government is free to do anything it pleases, while the citizens may act only by permission; which is the stage of the darkest periods of human history, the stage of rule by brute force."

Ayn Rand. It strikes a nerve, doesn't it?

A colossal, sprawling, and uncontrollable federal government was never the vision or intent of the founding fathers. Organizations have a tendency to grow to a point of diminishing returns; they cease to be efficient and effective and/or no longer perform the functions for which they were created. At that point, a large organization will tend to look inward and become self-perpetuating rather than value-added. It's crucial that we steer our government back to its intended purpose, for the sake of efficiency and effectiveness.

Some or all of that could apply today to the Departments in the Executive Branch of the federal government. This results in two major problems that must be fixed.

Firstly, a bloated organization is a significant financial burden. A more effective and efficient Executive Branch, as proposed, will be significantly

smaller and less costly. Every 1% reduction in end strength translates to approximately a \$1.5 billion saving in annual salaries, along with billions more in long-term retirement pay and benefits. This potential for substantial savings should inspire hope for a more responsible and efficient government.

Secondly, and more importantly, the annual U.S. budget boils up out of this massive organization. Every government-funded program is maintained and sustained inside these bureaucracies. These programs are this organization's PRODUCT. General Motors's product is vehicles; the Executive Branch's product is taxpayer-supported programs. The question is, what is the value added by those programs? An in-depth review will undoubtedly find programs that have existed for decades, their original purpose no longer relevant, programs that sounded good at their inception but have failed in execution, programs to solve a problem that should have been the purview of state or local officials, programs initiated to solve a short-term problem but live on forever. The list is long. President Reagan summed up the problem with this statement, *"Government is like a baby, an alimentary canal with a big appetite at one end and no sense of responsibility at the other."*

NATIONAL DEBT:

Before we launch into how to fix spending, a word about national debt. The out-of-control spending and debt increase is a relatively new problem. The Obama/Biden administration swamped us with more debt than all of the 43 previous presidents combined. And now increasing debt annually has become the norm. The Congressional Budget Office has been telling us for several years that annual debt increases are *"not sustainable"*, aka there will be a day of reckoning, and it will be ugly.

It is difficult to get our minds around the almost \$35 trillion debt that is increasing by a mind-bending \$1 trillion every 100 days. If you had stood on a street corner

in 1960 handing out dollar bills, one dollar per second, you would have just about now finished giving away the first billion dollars. Your federal government spends a billion dollars about every 8 hours, 24/7. You would be on that street corner for 62,000 years to hand out the first \$1 trillion. If you were paying off the current debt at one dollar per second, it would take you over 2 million years. Unsustainable. We have to do something about spending, and we have to change the way we think about debt.

A frontal assault on the Executive Branch could result in the first major attempt to reduce annual federal spending by hundreds of billions of dollars, something the current Executive Branch and Congress are collectively incapable of doing.

THE REGULATION NATION:

The Obama/Biden administration led us down the path of becoming a “*regulation nation*” by using their bureaucracy to effectively bypass Congress with massive regulation oversight, which is often referred to as a “*stealth tax*.” In their sprint to the finish in 2016 nearly 4000 regulations made their way through the federal bureaucracy, costing billions of dollars per year and wreaking havoc on American businesses in particular

In 2017, a week after the inauguration, President Trump sent a message to Congress, the government bureaucracy, and the American people with his Executive Order, “*Reducing Regulation and Controlling Regulatory Costs*,” which required agencies to revoke two regulations for every new rule they wanted to issue.

On 20 January 2021, a few hours after being sworn in, President Biden canceled the Trump 2 for 1 Executive Order.

In 2020, the Trump administration's regulatory costs were about \$20 billion. In 2021, Biden's first year, the cost exploded to approximately \$200 billion.

In Trump's first year, 2017, the Federal Register finished at 61,308 pages, the lowest count since 1993 and a 36% drop from Obama's 95,894 pages in 2016, which was the highest in history.

REGULATIONS IMPACT:

Regulations are a tax on every American. The Competitive Enterprise Institute estimates that overall regulatory costs to the economy are at least \$2 trillion; about 8% of the gross domestic product. If you think of regulation costs as a tax, it would be larger than federal income tax. Or, if it was a country, U.S. regulation would be the world's eighth-largest economy.

FIX IT AGAIN:

The federal government can be fixed, but it will take strong leadership, attention to detail, and, if done properly, at least six months of hard work. It needs to happen, and the sooner, the better. The American people are looking for someone to lead us away from growing governmental control, growing entitlements, and out-of-control government spending, aka uncontrolled taxation. The Trump/Vance team can do this.

Reducing the size, reach, budget, and influence of the sprawling Executive Branch should become a major issue in the remaining months of this presidential campaign. Here is what could be accomplished in three phases:

PHASE 1: Now through November 2024, make executive branch transformation a high-priority issue. Trump and Vance talk about it at every stop on the campaign trail. Use the above regulation nation statistics for emphasis.

Some of you reading this know and can communicate with candidates for House and Senate seats this year. Those of you who believe the following program is necessary, encourage your candidate to support Executive Branch transformation as a priority in their campaign.

PHASE 2: Nominate Executive Branch Leaders, November, 2024-January 2025. The President/Vice President-elect should concentrate their selection process on principals and their deputies who understand organizations, who have successfully led large complex organizations, and who will lead the effort to re-think their mission and to restructure their organization to most effectively and efficiently accomplish their mission.

PHASE 3: January 2025 through at least, June 2025 execute the transformation.

This will be a difficult process because we are talking about change, massive change. We must recognize that change is hard for any large organization, especially one as large as the Executive Branch. Fear of the unknown is a powerful human force, especially in a government with an entrenched, layered bureaucracy that is stiff, stifling, and, in many respects, self-serving.

Vice President Vance will provide hands-on leadership from start to finish with periodic in-progress reviews to the American people.

How does all this get accomplished? It is a long and tedious process, and even explaining it is a long and tedious read, but there are no viable shortcuts to rethinking, redesigning, and restructuring large organizations and making them all they can/should be.

FIRST, Vice President Vance should set up a senior Spending and Debt Reform Task Force consisting of the deputies of all the departments, agencies, and

commissions. They will be the change agents and become the junkyard dogs of Washington.

SECOND, define the end state and end date for the campaign. For example, the VP might say,

“Over the next six months, our task force will look inside every organizational element of the Executive Branch. We will assess their mission (is it relevant today), their structure (too many or too few people), layering (is it OK or dysfunctional), and whether the organization can integrate (communicate) vertically and horizontally efficiently and effectively on a day-to-day basis. Is the organization as a whole agile (able to deal with change as a matter of course) and is there overall value added for the government and especially for the American people?”

THIRD, organization charts. The process begins in every named organization by putting together a very detailed organization chart. That’s the visual for the task force, and it provides an immediate sense of the size, complexity, and layering. Big government is layer after layer after layer; some of which produce nothing; they exist just to oversee what is being produced at the layers below. Why the organization chart? Because it allows the task force to begin the analysis and restructure at the bottom of the organization. One cannot reorganize and restructure top-down; to be successful, it must be a bottom-up process.

Using the Department of Agriculture as an example, there are 65 different organizational elements that come under the headings of “departments, agencies, councils, institutes, programs, foundations, services, authorities, offices of, boards and facilities.” Inside them are departments, directorates, branches, sections, cells, and individual elements. Every one of those becomes a “box” in the organization chart. Each organizational box must list the name of the element, the number of employees, and the grade of the leader, GS 10, 12, or whatever.

Within the Department of Agriculture, for example, the deputy Secretary, part of the VP's senior task force, will form his/her own internal departmental task force. The Department Task Force's first action will be to send out an internal memo to the leaders of every "box" to submit in one week a no-more-than-two-page report to the Deputy Secretary. The report format should include, as a minimum:

First, a one or two-sentence mission statement that describes what it is that element collectively does; for example, "*responsible for writing, executing and enforcing Department Regulation 135, Beef Export Program, and reporting results quarterly to*" For this "box," the Department Task Force's assessment would begin by determining whether or not the Dept Reg 135 Beef Export Program is any longer needed. If so, could the mission be accomplished with fewer people? Could the same number of employees also be responsible for Dept Reg 246, Pork Export Program? Do we need the report quarterly? And most importantly, what is the value added to the overall Department of Agriculture mission.

There are probably tens of thousands of worthless reports written every year by an entrenched bureaucratic mass that lives on forever, sucking up tax dollars, stifling initiative, and being a roadblock to progress.

Secondly, the report should describe the grade structure of all the employees in the box. The Task Force's job is to determine if the grade structure is commensurate with the degree of complexity of the mission. Could two or more similar "boxes" be combined, perhaps scaled down and led by this same leader (a span of control issue)? Is the leader a "*working leader*" or just grading the papers of his/her subordinates and passing them up the chain?

Third, describe a typical work week; number of meetings, amount of travel, etc.

This can reveal a lot about an organizational element and its leader. Many meetings are just to fill up time, are a daily social coffee clutch, or make the person in charge feel like he/she is actually “*leading*.” Many meetings are a colossal waste of time. If employees have time to attend too many meetings, they probably are not very busy to begin with. A personal note: I once worked with a senior leader who was so anti-meeting that he would require everyone to remain standing for the entire session. Food for thought. Is travel critical to success, nice to have, or perhaps just to fill up the work week? Travel is very expensive.

Four, what regulations and/or directives guide your work? After reviewing the answers to the other questions, it may become apparent that these regulations are no longer necessary. Another piece in getting the big organizational picture.

Five products. A list, in single sentences, of major accomplishments in the past 12 months. The task force will then determine if the accomplishments are in line with the mission or if they are just doing “*busy work*”.

Finally, a short statement of the value added to the Department of.....(agriculture): “*Without us, the Department would not/could not do the following.....*”

The Task Force review of the input is all about policy, practices, process, and grade structure commensurate with overall responsibility, span of control, layering, and value-added determination. When VP Vance randomly attends Departmental Task Force sessions, he will be grading their work and progress: are they tough enough, too tough, thorough enough, on the right track, or being overly protective

of the status quo? The VP will also be able to pick up strong points and pass them along to other Departments as best practices.

Once the task force has worked its way up from the bottom, looking at every element, their individual mission, and value-added, then and only then will they be capable of looking back and seeing how many subordinate elements are off track, irrelevant, unnecessary, or even counterproductive. They will then be capable of restructuring, re-aligning, re-tasking, and reorganizing the subordinate elements to create an organization that is more focused, aligned, responsive, innovative, agile, and rid of pockets of resistance.

What must be emphasized here is the importance of the bottom-up review process. As the task force works up from layer to layer on the organization chart, it will come to some conclusions about the value added at each level. Having reached the top of the organization chart, it is possible that the Vice President's senior task force could conclude that an entire department's continued existence should be questioned.

A prime example is the Department of Education. Education in America is a national disgrace and has not improved in spite of the hundreds of billions of tax dollars the department has expended since its inception 40 years ago.

This process may look tedious and time-consuming, and it is. But unless you begin at the bottom and include every element, you will never achieve an acceptable level of success.

CONCLUSIONS:

The task forces must be especially mindful of the phrase "*we provide oversight.*" That is a red flashing light that an organization does not, in and of itself, produce anything of value. They simply exist to grade papers, expand their

purview, inhibit progress, and expend tax dollars. As President Reagan reminded us, *“The most terrifying words in the English language are: I’m from the government, and I’m here to help.”*

During the process, it is important not to lose sight of the overall objectives. First, the objective is NOT to reach some specific lower number of federal employees. Second, the objective is to rid the government of “*boxes*” in the organization charts that have no “*value-added*”; they just exist because they have always been there. The end state is an organization that is leaner, more focused, more efficient, more effective, and more agile.

WHY DO ALL OF THIS WORK? THREE REASONS:

First, the most common attempts at downsizing, in my experience, used numerous times over the past decades, have been to declare a hiring freeze or order an across-the-board xx% personnel cut, neither of which make any sense nor achieve any positive results.

Secondly, what I have described above has never been done before. We have just allowed the Executive Branch to grow without ever undertaking a necessary and insightful pruning process.

When completed, many positions (perhaps tens of thousands of them) will be eliminated. It will then take a couple of years of shuffling the deck by the Office of Personnel Management to get folks reassigned or retired, but it is within the art of the possible and worth the effort.

The third reason we are doing all this work is that the U.S. budget is the sum of what all of the Executive Department’s agencies, councils, institutes, programs, foundations, services, authorities, offices of boards, and facilities need to accomplish their missions. If the task forces find that perhaps thousands of

Executive Branch “boxes “are unnecessary, it follows that perhaps tens of thousands of actions, programs, and policies can be eliminated because they are outdated, unnecessary, and/or redundant. Potentially, downsizing budget requirements can save billions of dollars.

There are also issues of the states' rights in all of this. As the federal government grows, a natural outcome is overreaching into areas that are better and more effectively handled at the local and state levels. Federal overreach tends to result in a one-size-fits-all approach to problem-solving, which is usually ineffective and inefficient.

President Reagan summed all of this effort up with three of his famous conclusions:

“Government does not solve problems; it subsidizes them.”

“Government is not the solution to our problems; government is the problem.”

“Government always finds a need for whatever money it gets.”

BOTTOM LINE:

Getting spending and, hence, debt under control will resonate with the American people a lot more than the tax-and-spend economic baseline of some administrations. This is a necessary, positive endeavor that needs to be embraced by both political parties.

This action could be the first step towards government operating with a balanced budget.

This action can solve the regulation nation problem.

This operation will not cost the taxpayers a cent, but it will save them billions.

This will also send a powerful message to Congress. Congress has become increasingly irresponsible about spending and debt. They need a wake-up call, and if enough politicians will campaign and win with this message, Congress will be obliged to listen and hopefully change.

*If you do not take an interest
in the affairs of your government,
then you are doomed to live under
the rule of fools.
Plato*