



Clinton assails outsourcing Presidential contender vows to bring greater accountability to government operations

BY **Matthew Weigelt**
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Presidential candidate Sen. Hillary Clinton (D-N.Y.) said she favors reducing the government's reliance on the private sector by cutting 500,000 government contracting jobs and creating more public-sector jobs. Her proposal could save as much as \$18 billion a year and would create a more accountable and competent workforce, she said in a speech April 13.

"Over the past six years, this administration has steadily outsourced critical government functions to private companies, adding more than 2.4 million private contractors to the federal payroll," Clinton said. "These contractors, it turns out, are often more expensive than doing the work in the government.... They're often less accountable and less competent."

Clinton made her comments in the wake of highly publicized federal contracting problems, including controversies associated with the Iraq war and Hurricane Katrina recovery. Increasingly, federal contracting issues, including the private sector's ability to lure experienced government workers, have become prominent topics of political debate.

But several industry officials were quick to dismiss Clinton's remarks about contracting job cuts as political rhetoric. Scott Lewis, president and chief executive officer of consulting firm PS Partnerships, said the government already has trouble finding enough qualified workers to meet its needs. Adding the burden of hiring more federal workers to replace contractors doesn't seem feasible, he said.

"As a contractor, I wouldn't be worrying," Lewis said. "Except for a few pockets of services, I just don't think it's going to happen in any way to really affect the general contracting community. It's just election talk."

Outsourcing proponents point to the government's aging workforce as another reason to downplay Clinton's remarks. The Office of Personnel Management has said about 60 percent of workers and 90 percent of federal executives will be eligible to retire in 10 years. If anything, the government will depend more on outsourcing in the coming years, industry experts say.

Clinton's proposal lacks any analytical or strategic basis, said Stan Soloway, president of the Professional Services Council, which represents companies that sell services to the federal government.

Clinton's remarks presume that the close partnership between the private and public sectors has lowered the quality of government, and that's untrue, Soloway said. "Senator Clinton's suggestion... is founded in some troubling mythology," he said. "I have never heard anyone pine for the 'good old days' of high-performing government."

Warren Suss, president of Suss Consulting, said making major cuts before figuring out how to perform the work currently done by contractors is inviting disaster.

However, it's significant that government contracting has emerged as an important topic in the national political campaign, he said. The incoming administration will face unprecedented pressures to reduce the growth of federal spending, he added.

"The real challenge is whether we resolve the issue in a way that yields improved efficiency and effectiveness in delivering government services and in carrying out critical government and military missions," Suss said.

Sen. Clinton proposes government reforms

In her bid to become president, Sen. Hillary Clinton (D-N.Y.) has begun talking about ways she would improve government if she is elected. In a recent campaign speech, she said she plans to:

- “Close the revolving door between government and lobbyists.”
- “Strengthen whistle-blower protections so we can root out corruption and cronyism.”
- “Appoint the most qualified, dedicated, public-minded people to serve in government.”

- “Stop outsourcing our government and put an end to the abuse of no-bid contracts.”
- “Open up our government’s balance sheets so you can see exactly where your tax dollars are going — and the results they’re getting.”
- “Make sure our government pays its bills and lives within its means again.”
- “Make government more user-friendly across the board — and that starts with bringing more government services online.”

— *Matthew Weigelt*