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A Moneyball approach to government

By JOHN BRIDGELAND and PETER ORSZAG | 10/18/13 05:07 AM EDT

Millions of Americans have felt the direct effects of the ongoing government shutdown, just the latest in a series of fiscal standoffs that have threatened our economic recovery and distracted leaders from the country's real challenges. Welcome to the new normal of our polarized political system.

With a last-minute deal to avert an unprecedented and potentially catastrophic default on U.S. debt, we have gotten beyond the latest stalemate – for now. But with leaders from both sides of the aisle perpetually miles apart on overall spending levels, and with no agreed-upon method for carving up the federal pie, failure seems forever on the horizon. The next budget drama has been merely delayed, not resolved.

Yet, just as Americans are increasingly tuning out the political squabbling in Washington, millions are tuning in to a battle of a different kind: the Major League Baseball playoffs. They watched as the Oakland As, the team that transformed baseball by focusing on data and statistics in a way never before seen in professional sports, once

again marched their way into the postseason. In 2002, Billy Beane, general manager of the As and creator of the “Moneyball” approach to baseball, found a way to get better results with fewer resources, building a team that successfully took on its big-budget competitors despite a substantial financial disadvantage.

(POLITICO's opinion and analysis)

Could Washington do the same? By applying the Moneyball approach to government funding, Congress and the administration could help government work better despite constrained spending levels. By taking a cue from Billy Beane and implementing a series of three key Moneyball tactics, policymakers can make better decisions, get better results and create more areas of bipartisan agreement – and even help avert future crises.

First, government needs to figure out what works. Beane’s successful approach was built on data and statistics — identifying those players who not only impressed with big swings, but also had a track record of successfully getting on base. We need a similar foundation for government programs. Right now, we know too little about the policy solutions that will improve outcomes, and we measure “success” by the numbers of people served or a handful of moving stories. Both President George W. Bush, and later President Barack Obama, took initial steps to gather more data and information about the impact of Federal investments. The Bush administration assessed approximately 1,000 programs for their effectiveness through the PART program. Obama built upon that effort and has prioritized budget requests that strengthen the use of evidence to improve education, train the workforce or reduce inequality. But rigorous evaluations of programs are still exceedingly rare, and Congress has not provided the resources – or the political will – to invest in building the kind of evidence that can be used to improve programs, make better funding choices and get better results. To fix this, the government should dedicate at least 1 percent of programmatic funding for evaluation, so we can begin to identify what works – and just as importantly, what doesn’t.

Second, once we know what works, government needs to shift dollars in that direction. When Beane looked at his small budget in 2002, he knew he had to spend his limited resources on the most effective players. The federal government, under any plausible path forward, will face increased fiscal constraints in the coming years. So it too needs to get the most for its dollars.

(PHOTOS: The government reopens)

One good, bipartisan example of where evidence has been used to invest in what works: a community-based health program called the Nurse-Family Partnership had developed rigorous evidence over 30 years about how targeted support to first-time, low-income

mothers can dramatically improve life-long outcomes for their children, yielding more than \$5 in return for every dollar invested in the program. Impressed by this evidence, the Bush administration, and then later the Obama administration, used what had been learned by the Nurse-Family Partnership program to improve the quality of federal early-childhood investments and, ultimately, increase support for this kind of high-impact early childhood intervention. To encourage more of these high-value programs, lawmakers from both parties should commit to allocating at least 5 percent of all budget dollars to programs that already have developed or are building a rigorous evidence base.

Finally, we need to stop funding what doesn't work. If sound evidence shows that a program is consistently failing to achieve measurable outcomes, we should repurpose that funding to what does work. Examples of where this has happened are surprisingly difficult to find – which is our point. But one is the bipartisan effort led by the late Sen. Ted Kennedy (D-Mass.) and Sen. Mike Enzi (R-Wyo.) in 2007 that is shifting dollars away from the poorest quality, lowest-performing Head Start providers to those more effectively serving young children.

These three steps alone won't heal the partisan divisions that are ripping our country apart, nor will they address all the important issues that have led to the revolving series of budget stalemates. But embracing Moneyball for Government would allow policymakers to make better decisions with the information they have and get more from limited government resources. Couldn't both sides agree on at least that?

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