



Reform's Changing Role

Peri E. Arnold

Public Administration Review, Vol. 55, No. 5 (Sep. - Oct., 1995), 407-417.

Stable URL:

<http://links.jstor.org/sici?sici=0033-3352%28199509%2F10%2955%3A5%3C407%3ARCR%3E2.0.CO%3B2-V>

Public Administration Review is currently published by American Society for Public Administration.

Your use of the JSTOR archive indicates your acceptance of JSTOR's Terms and Conditions of Use, available at <http://www.jstor.org/about/terms.html>. JSTOR's Terms and Conditions of Use provides, in part, that unless you have obtained prior permission, you may not download an entire issue of a journal or multiple copies of articles, and you may use content in the JSTOR archive only for your personal, non-commercial use.

Please contact the publisher regarding any further use of this work. Publisher contact information may be obtained at <http://www.jstor.org/journals/aspa.html>.

Each copy of any part of a JSTOR transmission must contain the same copyright notice that appears on the screen or printed page of such transmission.

JSTOR is an independent not-for-profit organization dedicated to creating and preserving a digital archive of scholarly journals. For more information regarding JSTOR, please contact support@jstor.org.

Reform's Changing Role

Peri E. Arnold, University of Notre Dame

Twentieth century comprehensive executive reorganization or reform has had dual purposes. The first is explicit, the repair of administration. The second is implicit and addresses political tensions regarding administration in a separation of powers system. In this article, Arnold asks, what is the political purpose of administrative reform envisioned within President Clinton's National Performance Review, and how does that purpose compare to those of predecessor initiatives? The approach here is to examine the Performance Review within the historical setting of predecessor efforts at comprehensive executive reorganization. Twentieth century reorganization is divided into three stages. Guided by the new apolitical theory of public administration, the first stage of executive reorganization focused on executive-centered state building after 1905. In its second stage, beginning in the 1960s, executive reorganization encouraged strengthened executive control of policy design, implementation, and assessment. In its third phase, after the mid-1970s, executive reorganization's role has changed dramatically. No longer focused on the long-term project of developing executive governance, reform gains a populist accent and becomes a means through which "outsider" presidents manage hostility to government. The National Performance Review is set into this third stage, its antigovernmental aspects considered, and the implications of the contemporary uses of reorganization discussed.

President Clinton initiated the National Performance Review in March 1993. Bill Clinton had campaigned promising change in government, and comprehensive executive reorganization would be part of that effort. Clinton claimed the National Performance Review would be "a historic step.... We intend to redesign, to reinvent, to reinvigorate the entire national government" (Clinton, 1993; 351).

Executive reorganization has a history, contrary to the president's claim for novelty in his initiative. There is a 90-year-old tradition of executive-centered administrative reform (Arnold, 1986). President Clinton is the 13th president in this century to initiate or embrace comprehensive reorganization or reform, using these terms interchangeably. Why did President Clinton initiate an effort to improve administration? Is he committed to reversing what Ronald C. Moe has described as the tendency of recent presidents to doubt "that a comprehensive *organizational strategy* is necessary for achieving their political or policy objectives..." (Moe, 1990; 129)? Does the National Performance Review address the nexus of managerial and political issues that have concerned executive reorganization historically? Some insight can be gained on this contemporary use of administrative reform by examining it in the historical context of past efforts at executive reorganization.

The tradition of commentary in public administration that addresses administrative reform tends to take this enterprise as a wholly explicit and rational activity. That is, we comprehend comprehensive reorganization and reform efforts in terms of their own publicly stated purposes. They are understood as organized, rational efforts to improve administration (DiIulio, Garvey, and Kettl, 1993; Rosenbloom, 1993).

What public administration commentary has characteristically missed is that comprehensive executive reorganization has always had two different purposes, pursued simultaneously. First, and most evident, executive reorganization engages in administrative repair—its explicit and rational activity. It is a means for the adjustment of complex bureaucratic systems. Administrative structures and processes require adaptation to changing policies and contexts. Recurrent comprehensive reorganization efforts addressed the implications of changing administrative circumstances for process and organization.

Second, and implicit, comprehensive reform in the United States engages also in what may be called regime-level politics (Arnold, 1988). It has been a means for fitting administration to the fundamental political contours of the American regime. Through its conceptualization of administration, the problems it addresses, its language, and its recommendations, every reorganization episode relates administration to political authority (March and Olsen, 1989; 69-94). Properly understood, executive reorganization is more than administrative improvement dutifully undertaken by presidents; presidents are not altruists. Rather, throughout this century, presidents have initiated comprehensive reorganization planning to cope with fundamental political issues entailed in the relationship of authority to administration in the American separation of powers regime.

Comprehensive executive reorganization planning began early in this century with assumptions about administration that emboldened presidents to use reorganization to justify and strengthen executive governance. Does President Clinton seek through the National Performance Review the kind of managerial leverage over expanding government that Theodore Roosevelt, Franklin Roosevelt, Harry Truman, and Richard Nixon sought in reorganization?

This question about the National Performance Review ties administrative history to policy analysis. The aim here is to use executive reorganization's history to highlight changes in its contemporary uses. The analysis is developed in three stages. The first part recounts the way public administration theory helped legitimize executive power in the American separation of powers regime. Then in an overview of the history of reorganization, the changing relationship between reorganization and executive power is observed. Finally, the National Performance Review is compared to earlier comprehensive reorganization efforts.

The Progressive Understanding of Public Administration

Surprisingly, because of its utilitarian and apolitical self-presentation, American public administration theory and doctrines bridged a critical, political gap in the American regime at the opening of the 20th century. The Constitution's architecture of separation of powers made for balanced responsibilities but was inhospitable to the executive centralization natural to the large administrative state (Waldo, 1948; 104-129). Experience abroad taught that good administration required organizations

*The American theory of public administration was
a prescription for an administrative system
torn by separation of powers and partisan politics.*

of specialists, hierarchically arranged under unified, executive authority (Weber, 1964). Thus, competent administrative organization presumed a different arrangement of authority than seemed available within a separation of powers system.

The American theory of public administration was a prescription for an administrative system torn by separation of powers and partisan politics. Thus, it was explicitly a theory of administration and, implicitly, a theory of politics. Emerging in the Progressive era, a new conception of public administration finessed the problems of separation of powers and partisan politics. Executive reorganization through ad hoc commissions was born as a technique for implementing the new administrative theory.

Progressive era theorists of public administration differed in important ways from other critics of separation of powers of the time, such as Henry Jones Ford (1898) or Herbert Croly (1909). Rather than directly attacking the effect of separation of powers on American governance, administrative theorists finessed constitutional problems through a new conceptualization of administration. This tactic was strikingly successful. Even as Ford and Croly seem antique to us, much modern discourse about administration retains the framework invented by the Progressive public administrationists. Despite repeated attacks on its assumptions, the politics-administration dichotomy remains alive in conventional language about public administration (Moe, 1985).

The idea that public management was apart from politics opened space for the development of autonomous public administration within the American regime. During the Progressive era, three kinds of arguments distinguished public administration from politics. The first pertained to public service as necessarily distinct from politics for reasons of technical expertise as well as for the classic civil service concern with corruption. For example, Frank Goodnow argued that administration is largely "unconnected with politics because it embraces fields of semi-scientific, quasi-judicial, and quasi-business or commercial activity—work which has little if any influence on the expression of the true state will" (Goodnow, 1900; 86).

The second argument that advocated a distinct identity for administration addressed the introduction of foreign administrative practices into American government—cross-cultural transference. European training formed American social science (Herbst, 1965; Ross, 1991), and American scholars returned from European study with lessons about administration in the context of centralized systems. Were these lessons applicable to the decentralized American system? Defending the proposition that Americans could incorporate European administrative wisdom into their practice, Woodrow Wilson wrote:

We...have found but one rule of good administration for all governments alike. So far as administrative functions are concerned, all governments have a strong structural likeness; more than that, if they are to be uniformly useful and efficient, they *must* have a strong structural likeness (Wilson, 1887; 502).

Third, administration was characterized as properly beyond the separation of powers. It was argued that administration ought to be exempt from the logic of separation of powers because it effects decisions made within the separation of powers system. The claim was that the only way that administration could be true to a proper understanding of separation of powers was to be exempt from its influence. Administration's responsibility was the efficient implementation of public policy that was itself formed in the pull and tug among separate branches (Willoughby, 1919; 227-267).

The Progressive accomplishment of a notion of administration separate from politics gave to public administration a paradoxical power. On the one hand, administration was conceived as mere technique—expert, efficient, and predictable. On the other hand, an apolitical public administration had a capacity to finesse tensions across the separation of powers divide as American government expanded. As government took on new functional responsibilities, it required new capacities for analysis, management, and planning, and the executive was the natural locus for these capacities.

However, the expanded executive threatened the balance of power within the separation of powers regime. The resolution of that dilemma lay in an apolitical paradigm of public administration, framing an expanded executive as merely administrative, as technical supplement rather than an expansion of executive power *per se*. Consequently, administrative theory, and executive reorganization, enabled the justification of expanding presidential power under the rubric of administrative necessity.

Public Administration and the Stages of Reform

The Progressive agenda entailed both expanded governmental activity and expansion of government's administrative capacity. Herbert Croly (1909) argued, for example, that achieving security for all Americans would require expanded government and a new regard for the collective. Thus Progressivism's response to an increasingly industrial and urban society foresaw a positive, administrative state (Skowronek, 1982). The institution of the American regime most enhanced by that vision of national government was the presidency. By virtue of their expanding public leadership capacities, presidents would be the locus of policy leadership in the positive state, and, by virtue of their relationship to the executive branch, they would increasingly wield the new technical capacities of the administrative state. It became the first task of executive reorganization to justify and shape executive branch capacities to presidential management.

Throughout its 20th century history,
reorganization planning efforts have had
a superficial likeness.

A virtual revolution in American administrative reform took place after 1905. Earlier, congressional reform efforts sought out economies in expanding postbellum government (Kraines, 1958; White, 1958). Presidents now assumed the authority to improve administration, and in contrast to earlier efforts, they aimed to expand their power as managers. The medium for planning administrative reform also changed after 1905. Instead of the congressional select committee, the characteristic format for the enterprise was the presidentially initiated ad hoc committee or commission.

Throughout the 20th century, reorganization planning efforts have had a superficial likeness. They have been conducted by ad hoc committees, and their public rhetoric has had a language of efficiency and economy. However, the overall focus of the relationship of administration to governance has changed over time, as an expression of changes in presidential purposes in using comprehensive reorganization.

In its first stage, reorganization aimed to justify and articulate presidential organizational power in the administrative state. In the next stage, reorganization's focus incorporated efforts to expand the policy analytic capacities of presidential government. In its most recent manifestations, a new skepticism toward government administration has appeared in executive reorganization, expressing consumerist or populist concerns with government's size, cost, and performance. Have the focus and utility of executive reorganization planning finally shifted to other regime concerns beyond presidential power and capacity within the administrative state? A brief survey of each of these stages will illuminate the political implications of reorganization's changing roles.

Executive Reorganization and the Expanding State, 1905-1949

The first presidentially initiated reorganization planning effort was the Keep Commission, created by Theodore Roosevelt in 1905 (Kraines, 1970). It addressed a decentralized executive branch in which agencies were subject to control by Congress and party. The commission attempted to standardize and centralize administrative processes such as salary policy, clerical procedures, and purchasing, introducing order. Not willing to submit the details of administrative changes to Congress for enactment, President Roosevelt asked Congress to grant him "authority to concentrate related lines of work and reduce duplication by executive order...." (Roosevelt, 1907; 7485). However, Congress refused to delegate reorganization authority to the president.

President Taft followed Roosevelt's precedent. He created the President's Commission on Economy and Efficiency,

chaired by Frederick Cleveland, a leading scholar of administration (Arnold, 1986). Earlier congressional initiatives of administrative reform had atomized administration, focusing on details and never seeing a comprehensive whole—an administrative state or a president as manager. By contrast, the commission adopted a view of agencies organized comprehensively within the executive branch. Cleveland presented an overall organization plan of the executive branch agencies and said to President Taft, “One of the reasons why more notable results have not been obtained from previous investigations is due to the fact that these investigations have not concerned themselves with the problem of Government as a whole” (President’s Commission, n.d.; 3).

Thus the President’s Commission sought to place the president at the center of coherent and centrally managed administration. Agencies were confusions of different activities and purposes. The commission concluded: “Only by grouping services according to their character can substantial progress be made.... Until the head of a department is called upon to deal exclusively with matters falling in but one or a very few distinct fields, effective...control is impossible” (President’s Commission, n.d.; 3).

The commission also recommended an executive budget, giving the president responsibility for managing the executive branch’s appropriation requests to Congress. To support the president, the commission proposed a budget agency that would comprise the first presidential staff organization.

The search for expanded executive capacity motivated comprehensive administrative reform through mid-century. In that long period of government expansion, until the beginning of the Cold War, executive reorganization aimed at expanded executive efficacy while, at the same time, depoliticizing that phenomenon. Through reorganization planning’s lens, increased presidential control was a tool of administration and not a weapon for institutional, programmatic, or partisan advantage.

Franklin Roosevelt’s use of executive reorganization illustrates its power for framing discourse about presidential power. At the end of his first term, Roosevelt was beset with problems. The Supreme Court overruled New Deal legislation and congressional resistance was increasing. New Deal government was chaotic, full of activity but incoherent. In what some scholars have called a “third New Deal,” Roosevelt turned to administrative management as a means for empowering while also depoliticizing his presidency (Milkis, 1993; Skowronek, 1994).

Roosevelt initiated the Brownlow Committee as a means to greater presidential control. In both its mission and form, it was a mature and more ambitious version of the project begun in the Progressive era. Franklin Roosevelt’s reorganization effort posed the same implicit question as had William Howard Taft’s. Can the executive be strengthened through the imprimatur of public administration? Earlier the means to that end had included the executive budget and standardized administrative process. Now the goal was to be reached through staff organization, planning, and reorganization authority.

The search for expanded executive capacity motivated comprehensive administrative reform through mid-century.

The Brownlow Committee report of January 1937 was plain spoken about its aim. The president was responsible for managing the executive branch, and “the President needs help” (President’s Committee, 1937; 5). The president, as envisioned by the committee, was an administrative manager who required foresight into national problems and sought administrative efficacy to solve them. The Brownlow Committee’s key recommendations were for expanded presidential staff—both personal and institutional—centralization of personnel policy in the presidency, and the institutionalization of presidential reorganization authority.

The Brownlow report implied a depoliticized president—with executive power driven by managerial goals not partisan commitments. However, administrative theory could not stretch so far to camouflage that elephant; Franklin Roosevelt himself was too controversial. Highlighting the problem was the president’s “court-packing” plan, sent to Congress shortly after the bill to enact the Brownlow recommendations. Roosevelt’s opponents saw the two bills as having one purpose. They were the “dictator bills” (Polenberg, 1966). Thus, at one and the same time, in Roosevelt’s reorganization effort we see the heretofore most ambitious effort to use an administrative paradigm to justify presidential power and the limits of that endeavor, founded in the partisan nature of the presidential role.

The first Hoover Commission (Commission on the Organization of the Executive Branch of Government), established in 1947, was the last, pure example of reorganization as a justification of presidential power in an organizationally expanded state (Moe, 1982). The commission was launched by Congress with antipresidential and New Deal aims, and it concluded with a report that is Brownlowian in substance. In effect, a presidential paradigm of reorganization had become so dominant that a reorganization effort that was launched outside confines of that paradigm was pulled into its logical framework.

The Republican 80th Congress created the Hoover Commission for partisan ends, planning on its report as a transition document for the Republican administration to be elected in 1948. To ensure that purpose, the Republican congressional leaders secured the commission’s chair for Herbert Hoover.

Of course, Republican expectations were dashed in November 1948. In the year before the election, the Truman administration had cooperated, albeit gingerly, with the Hoover Commission. After his victory, Truman had no obvious incentive to continue cooperation. However, Hoover’s own view of his commission’s role changed after the election. It would no longer be concerned with partisan policy issues and would focus upon administration. Instrumental in this shift was a bargain offered to Hoover by Truman’s budget director, James Webb.

To define government as problem solving is to invite concern about policy effectiveness and to expect that government could assess its own performance.

After the election, Webb told Hoover that he could count on Truman's continuing support if he was committed to serious recommendations for the improvement of government management. Having the ex-president's assent to that understanding, Webb informed Truman that there is "a possibility of getting the last Republican President to urge you to accept an implementation of an organization for executive responsibility that the Republican party has historically denied to Presidents" (Webb, 1948).

The Hoover Commission reports are sprawling, and criticism of New Deal policies crops up here and there. Yet, recommendations for strengthening government through administrative improvement constitute the reports' dominant tone. *General Management of Government*, the first report, was written by Hoover and was a striking recital of the Progressive administrative paradigm (Commission on Organization, 1949). Hoover portrayed state capacities and executive support as managerial issues, and his recommendations aimed to strengthen those capacities. In that intent, he fulfilled James Webb's prediction that the last Republican president could enhance the legitimacy of a managerially empowered presidency. What made that alchemy possible was the capacity of apolitical administrative theory to abstract the state's administrative apparatus from politics.

Executive Reorganization and the Policy State, 1964-1972

In the second stage of executive reorganization, reform's focus shifted from the president's managerial problems regarding organizational structure to presidential problems with policy formation, control, and efficacy. By the 1960s, the positive state was widely accepted as legitimate, and presidential primacy was becoming the conventional conception of the American regime (Neustadt, 1960; Burns, 1963). Increasingly, government's central problem was to fulfill its promise to address complex social, economic, and national security problems. Thus the reform agenda took government's most pressing needs as increased capacities for designing and assessing the efficacy of public policies. This shift in reform's focus is first apparent within the Johnson administration.

The Johnson administration was an engine of policy innovation (Goldman, 1969). Lyndon Johnson aimed to fulfill the remaining liberal agenda while redefining that agenda itself. From community empowerment and urban redevelopment to preschool education and job training, the Johnson administration generated policies to address tenacious problems in American society. Many of these policy ideas had been cultivated in foundation-funded, small-scale experiments, implying that government itself needed expanded capacities for germinating and

developing new policy ideas (Sundquist, 1968).

To define government as problem solving is to invite concern about policy effectiveness and to expect that government could assess its own performance. Johnson's approach to government made the problem of assessment even more pressing because he promised economy in government at the same time that he launched a frontal attack on poverty, education, and urban decay (Johnson, 1963; 15; Johnson, 1964; 12).

President Johnson turned to executive reorganization to attain his goal of controlling policy while reducing expenditures. In 1964, he created the Task Force on Government Reorganization, chaired by Don K. Price, dean of Harvard's Kennedy School (Arnold, 1986). The problem Johnson posed for reorganization may have itself invited a new approach: How could new programs be made so effective as to reduce government's expenditures in a policy arena? However, the president's policy concern did not occur in a vacuum. Developments in the management sciences promised new tools for analyzing organizations and policies.

In its first stage, reorganization had focused upon organizational structure. Now techniques for the economic analysis of organizational performance created a technology of program efficacy (Lyden and Kroll, 1969; Banfield, 1980). In the Defense Department under Robert McNamara, systems analysis became the prerequisite to serious decision making (Art, 1969). Following McNamara's example, in August 1965 President Johnson ordered the extension of systems analysis techniques to the budget process throughout the national government (Schick, 1969).

The Price task force reported to the president in November 1964, and the changing focus of reorganization was evident in its recommendations regarding the Executive Office of the President. Surveying the capacities of the Executive Office, the task force first recommended

improvement in its capability for program evaluation and review...assessing the comparative costs and comparative benefits of the programs of various departments.... Such analysis can now draw on the modern techniques of...analysis such as...the new system of executive direction and control in the Department of Defense (Task Force on Government Reorganization, 1964; 13-14).

In October 1966, President Johnson's domestic policy staff recommended another reorganization study to examine problems in the design and implementation of Great Society programs. Consequently, Johnson established his Task Force on Government Organization, chaired by Chicago businessman, Ben Heineman (Arnold, 1986). The task force's attention to policy science was ensured by the inclusion on it of two economists who were past and current directors of the Bureau of the Budget, Kermit Gordon and Charles Schultze, as well as Secretary of Defense Robert McNamara.

The Heineman group sent its first recommendations to the president in June 1967 (Task Force on Government Organiza-

tion, 1967a). The report joined policy evaluation and organizational control, arguing that each enhanced the other in policy implementation. For coordination, it recommended a policy coordination staff within the Executive Office. It also recommended greatly enhanced capacity for program evaluation in a reorganized Bureau of the Budget. The task force's reasoning was that effective, central coordination required assessments of programs that were only available through technical program evaluation.

In a later report, the task force proposed that departments be responsible for whole spheres of related policy. It proposed reducing the existing cabinet departments to seven, creating super departments for areas such as social service, national resources, and economic affairs. Robert McNamara's managerial success in the Defense Department was taken to illustrate the utility of rational techniques for managing a vast bureaucracy. Policy analysis was assumed to be the key to controlling huge departments, assuming a department's policy responsibilities were coherently related (Task Force on Government Organization, 1967b).

Coming at the end of the Johnson presidency, there was no opportunity for implementing any of the Heineman recommendations. But they were not lost. Despite sharp differences that separated Presidents Johnson and Nixon, the Nixon administration's ambitious initiative in executive reform incorporated the Heineman task force's central perspective.

In April 1969, President Nixon established his Advisory Council on Government Organization, led by Roy Ash of Litton Industries (Arnold, 1986; Hoff, 1994). The council's reports came in stages between summer 1969 and early 1971. Its first focus was on the Executive Office's capacities for presidential governance. This culminated in Reorganization Plan no. 2 of 1970, reorganizing the Bureau of the Budget and establishing the Domestic Policy Council.

Reorganizing the Bureau of the Budget into the Office of Management and Budget (OMB) combined efforts to strengthen the agency's concerns with program management while also increasing presidential control over it (Berman, 1979). The new OMB was to have expanded capacities for assessing policy and managerial performance, coordinating programs, and strengthening agency managerial practice. Also, expansion of the number of positions in the OMB subject to presidential appointment ensured that the agency would be attuned to administration priorities, reversing the practice of career officials in high budget bureau positions.

The Ash Council proposed the Domestic Council to create a forum for policy formation and a staff with the resources to plan and assess policy initiatives. Its members would be domestic department heads brought into a forum that eased the barriers of separate departments and enhanced cross-agency policy formulation. Equally important, the council's staff would give the president new resources over the policy process located outside the cross-cutting, internal responsibilities of the White House staff.

In the 1970s...reorganization planning became a tool in the quest by politicians to respond to public dissatisfaction with government.

During 1970, the Ash Council considered problems of the cabinet departments and reached the same conclusion as had the Heineman task force. New analytic techniques created new organizational possibilities. Policy coherence, it was assumed, was the key to good management, and size *per se* was not a barrier to that end. In March 1971, President Nixon, acting on the council's recommendations, proposed four reorganized departments into which almost all domestic programs would fit: natural resources, economic affairs, human resources, and community development. Nixon said this was a reform that would transform the executive branch into what it "ought to look like in the last third of the twentieth century" (Nixon, 1971; 474). Congress was unconvinced and passed none of the bills (Nathan, 1983).

In the second stage of policy-oriented reform planning, reorganization strengthened presidential policy management through increased centralization of the decision processes. Was the presidency's—or the state's—capacity for producing good governance and policy enhanced by increased executive power? As reform's concerns, in its latest phase, turned to cope with a rising tide of distrust of government, doubt about government's efficacy was increasing just when reformers had sought to increase the president's, and government's, capacities.

From 1905 into the 1970s, executive reorganization's capacity to reduce political conflict over increasing executive capacity depended on two legitimating factors. First, it needed widespread acceptance of public administration's claim to a scientific approach to improve government. Second, it depended upon public support for expanding state capacities and government responsibilities. In the 1970s, these legitimating factors weakened, and reorganization planning became a tool in the quest by politicians to respond to public dissatisfaction with government.

Reorganization against Government, 1976 to the Present

In its most recent stage, executive reorganization's connection to presidential power over administration was loosened. After the middle 1970s, executive reorganization was posed by presidents as a weapon *against* government. Presidents Carter, Reagan, and now Clinton, initiated executive reorganization in the spirit of scourging government, and administrative reform's regime-level purposes changed. Turning away from the long-term project of expanding the capacities of executive government, reorganization began to speak with a populist accent, promising to change government to make it more acceptable to popular American expectations.

Candidate Jimmy Carter introduced executive reorganization as a campaign promise in the 1976 presidential campaign.

As portrayed by the Grace Commission, the federal government was a swamp of wasteful practices and lax administration.

If elected, he promised executive reorganization to make “our government...understandable, efficient, and economical” (Carter, 1975; 147). President Carter initiated his Reorganization Project, established as a new division of the Office of Management and Budget. About 300 people worked in the Reorganization Project, most of whom were detailed from other agencies. A parallel task force developed reforms of the civil service, the Personnel Management Project, with 160 participants (Arnold, 1986).

A striking paradox existed in President Carter’s reorganization planning. He presented executive reorganization as a bold stroke towards simplifying and transforming government. Yet the administration’s complicated reorganization process was virtually incomprehensible to all but the expert observer. Numerous study groups labored in the bowels of OMB producing a mass of recommendations, few of which were well publicized. Curiously, the Reorganization Project did not issue a public report as had earlier reorganization commissions. Thus, the first reorganization planning effort to state its main goal as changing public views about government failed to produce the kind of public report that had proven effective in affecting public opinion about reform in earlier reorganization efforts.

In fact, the Reorganization Project’s recommendations had little obvious connection with the rhetoric that President Carter attached to executive reorganization. Most of its recommendations proposed uncontroversial reforms in midlevel agencies and their activities, and many of these were implemented through presidential reorganization plans authorized under the Reorganization Act of 1977. However, the project’s grandest effort, a plan for large-scale departmental reorganization, similar to the Ash Council’s recommendation for four great departments, failed to receive President Carter’s approval.

The populist dialect that reorganization acquired in the Carter administration was reinforced during the Reagan presidency. Anger at big government seemed to affect attitudes within both parties. However, while Carter had promised to fix government through reorganization, Reagan used several strategies in an effort to impose his will on government. He constrained government through fiscal policy. Politicized personnel screened appointees for policy sensitive positions. Centralized review of regulatory initiatives reduced government regulation, and several efforts to improve internal management were initiated. Executive reorganization appeared only peripherally in the Reagan administration’s approach to governance (Nathan, 1983; Moe, 1985; Benda and Levine, 1988).

In February 1982, President Reagan initiated the President’s Private Sector Survey on Cost Control, chaired by businessman J. Peter Grace. The Grace Commission was the largest ever

episode of executive reorganization planning, staffed by roughly 2,000 commission and task force members. Participants were volunteers who remained in the pay of their corporate employers. After two years of work, the commission issued 47 public reports containing 2,478 recommendations (Kennedy and Lee, 1984). The commission promised a savings of \$424.4 billion in three years, if all its recommendations were implemented (Goodsell, 1984).

As portrayed by the Grace Commission, the federal government was a swamp of wasteful practices and lax administration. Throughout, the reports compared federal agencies and their operations to large, private firms, and the latter were shown to operate far more efficiently than the public agencies. Government was shown to be wasteful and incompetent, precisely as Ronald Reagan had charged in his election campaign. In fact, the Grace Commission report contained little to guide real reform. The overwhelming number of the commission’s recommendations were ill founded and many of its savings estimates were groundless. The commission had a certain public relations talent for advertising horror stories of government inefficiency, but those tended to rest on misunderstandings of government operations and accounting practices (Kelman, 1985).

For quite different reasons, the major recommendations of President Carter’s Reorganization Project and President Reagan’s Grace Commission found little support towards adoption. The Reorganization Project failed, in large part, because its overall, public purpose had no relationship to the welter of recommendations it created. The Grace Commission recommendations failed, perhaps, because they were really intended to castigate government and not change it.

President Bill Clinton’s reorganization initiative, the National Performance Review, shares important characteristics with both the Reorganization Project and the Grace Commission. Like those predecessors, it indicts government as having failed to serve the people, and it claims that repairing administration processes and organization will consequently transform government and its relationship to the people.

Reinventing Government: The National Performance Review

Weeks after his inauguration, and with grand public promotion, President Clinton initiated the National Performance Review. Highlighting its importance was the designation of Vice President Al Gore as its director. The review operates as an ad hoc task force within government, staffed by about 200 federal employees. Clinton stated large goals for this enterprise. He said, “We want to make improving the way government does business a permanent part of how government works, regardless of which party is in power” (Clinton, 1993). However, beyond making government more business-like, the president invited reform planning to assess the purposes as well as the efficiency of public programs. “We’ll challenge the basic assumptions of every program, asking does it work, does it provide quality service, does it encourage innovation and reward

hard work" (Clinton, 1993). Thus the review was to be concerned with government's goals as well as their implementation.

Like Presidents Carter and Reagan before him, Bill Clinton proposed comprehensive reorganization to remedy what was widely perceived as government's failure to serve its citizenry. Presenting his initiative, the president adopted pejorative language about government. He said that "the American people deserve a government that is both honest and efficient, and for too long they haven't gotten it...democracy can become quickly an empty phrase, if those who are elected to serve cannot meet the needs of the people except with government that costs too much or is too slow or too arrogant or too unresponsive" (Clinton, 1993). Like Carter and Reagan, Bill Clinton won the presidency as an outsider promising change, and like them he used the promise of comprehensive reform as part of his self-presentation of the outsider against government.

In the recommendations of the National Performance Review, as well as in the president's rhetoric at its initiation, government is not conceived as a distinctive enterprise entailing collective choices made by citizens with differing interests. Instead, government is perceived as a provider of services whose performance can be improved through techniques and concepts borrowed from the recent history of corporate restructuring and reinvention. Introducing the review, the president sounded more like a corporate spokesperson than a president addressing citizens, as he promised customers better service from their government. President Clinton said: "Our goal is to make the entire federal government both less expensive and more efficient, and to change the culture of our national bureaucracy away from complacency and entitlement toward initiative and empowerment" (Clinton, 1993). In effect, the National Performance Review was mandated to conceive of government administration as failed and needing "reinvention" (Osborne and Gaebler, 1992).

To see the Performance Review as hostile to government and associated with themes of private sector organizational change is to gain only a partial understanding of it. Paradoxically, what Clinton specified as reform's goals must be understood as deeply political and, as well, touching upon government's fundamental aspects. His reorganization initiative was charged with responsibilities—the redesign of government organization and the assessment of program adequacy—that made reform planning a surrogate for complex political processes. The president stated: "We'll challenge the basic assumptions of every program, asking does it work.... If the answer is no...we'll try to make the changes needed" (Clinton, 1993).

Through his reorganization initiative, President Clinton addressed two problems of contemporary governance that transcend administration *per se*. First, the president spoke to and validated a widespread, public distaste for government. As two experienced journalists wrote, Washington might be skeptical of the review's recommendations, but "Clinton has finally found an issue in which there is no downside.... The message in the...opinion polls week after week is pervasive hostility in the electorate about the way the federal government operates" (Ger-

The [NPR's] innovations might not fulfill their promise,
but the report's bleak references to current government
practices makes even high-risk reforms sound
preferable to government as it is.

mond and Witcover, 1993; 2211). Second, through reorganization the president produced an effort to cut the knot of fiscal constraints on government. Large budgetary deficits and political sensitivities over taxes severely constrained President Clinton's freedom for generating new policy initiatives. To pay for new initiatives, Clinton must look to other sources than new revenues. While they might be modest, savings from administrative reform and work force reduction would provide some resource flexibility while also placing the president on the side of cutting waste.

President Clinton assigned administrative reform a larger range of tasks than reorganization has undertaken in the past. It was to confront our central conundrums of governance—public alienation from government, disagreement over government's purposes, and budget deficits. Clinton's use of administrative reform seems to be as a proxy for a kind of political leadership that focuses public attention on societal problems and their collective solution.

On September 7, 1993, the National Performance Review issued its overall recommendations, *From Red Tape to Results: Creating a Government that Works Better and Costs Less*. How does this report address the simultaneous responsibilities of reinventing government, identifying what is worth doing, and freeing scarce resources? Four main themes organize *From Red Tape to Results*: simplifying administrative processes, introducing market and choice mechanisms into government operations, making public employees freer to do their jobs and more accountable for results, and eliminating unnecessary public activities. The report is a collage of fashionable approaches to reforming organizations. Advocating markets and the deregulation of administrative processes, the Performance Review urges large scale adoptions of reforms that have had few trials in the federal government. These innovations might not fulfill their promise, but the report's bleak references to current government practices makes even high-risk reforms sound preferable to government as it is.

From Red Tape to Results commingles approaches to administrative reform with a fundamental critique of conventional politics. The report's introduction states that it "focused primarily on *how* government should work, not on *what* it should do" (National Performance Review, 1993; ii). However, the distinction between "how" and "what" is slippery. What is an administratively inefficient program seen from one perspective may be a vital government activity perceived by a user of that program. In its last section, "Cutting Back to Basics," the report addresses ineffective and wasteful programs that ought to be reorganized

From Red Tape to Results *fails to recognize the nature of the government that it intends to redesign.*

or eliminated. As in the rest of the report, this section decries government programs as wasteful, mired in the past, and irrational. Why are they continued? The report's central explanation for bad administration is that "special interests often prevail over the general interest" (National Performance Review, 1993; 93). It discovers that, in the end, the cause of bad administration is frequently pluralist politics. However, having finally recognized politics, the review's solution to its effect is not to address its role in administration but to abolish it.

The review's strategy for overcoming "special interests" appears to lie in the calculation that if government's administration, personnel, and programs were subject to market tests and performance measures, wasteful programs protected by political clout would vanish. Indeed, the review's reform ethos comes close to envisioning a taming of government through the vitality and mechanisms that have strengthened private sector firms. A telling instance of this perspective occurs at the beginning of the report's discussion of redesigning program administration to reduce costs and provide better service. The report states: "Many companies have been forced to recognize that they weren't organized in the right way to do what they were doing.... Reform wasn't easy—too many people had vested interests in preserving their particular part of the organization.... Businesses found that the only way to break the mold was to reengineer—to forget how they were organized, decide what they needed to do, and design the best structure to do it." The report translates that description of recent business history to the context of government reform by asserting: "We will reengineer the work of government agencies...." (National Performance Review, 1993; 112). Thus, political representation and pluralist politics are translated into a language of bureaucratic inertia. To redesign government then, is to abolish group politics.

For good or ill, interest group politics affects government's policy making and implementation because American government is both constitutional and open. *From Red Tape to Results* fails to recognize the nature of the government that it intends to redesign. Nowhere in the report is it observed that administrative agencies are created by law to implement policies that are specified in law. Ronald Moe writes of this oversight, "The management of the executive branch is not like the management of General Electric or the Ritz-Carlton Hotel. The mission of government agencies is determined by the representatives of the people, not agency management" (Moe, 1994; 119).

The National Performance Review initiated a process of administrative reform that is meant to change the way administration does business over a period of several years. It is too early for a full assessment of its work. It is also not the intention of this article to consider directly the review's project of administrative repairs (Kettl, 1994). However, the Performance

Review's overall concept of government is already evident, and its report informs us of the way this effort at reform engages in regime-level politics.

From Red Tape to Results was issued on September 7, 1993. The semiotics of its public presentation offers a glimpse into the implicit political goals of the National Performance Review. With officials and press present on the White House lawn, President Clinton and Vice President Gore stood against a backdrop of forklift trucks loaded with volumes of federal budget rules, procurement rules, and personnel rules. Vice President Gore gave voice to that symbolic message, stating that the report was inspired by President Clinton's "vision of a government that works for people, cleared of useless bureaucracy and freed of red tape and senseless rules" (Gore, 1993).

The report promised not only to remake government to eliminate irrationality, it also promised to save \$108 billion between FY 1995 and FY 1999, if all its recommendations were implemented (National Performance Review, 1993; iii). Herein the Performance Review met one of its main purposes, appearing to reduce the strain on government's fiscal resources and give the Clinton administration some budgetary flexibility. However, like the symbolic gestures at its September 7th presentation, the promise of projected savings was more appearance than reality. Sometime later, the Congressional Budget Office reported that the review had systematically inflated the savings projections attached to its recommendations (*New York Times*, 1993b; A3).

More serious than its overestimation of its potential savings is the appearance of either naivete or disingenuity in the Performance Review's conception of interest group politics. The review's assessment of interest groups is ironic, given its own apparent confrontation with the politics of interest representation. Having scathingly denounced the irrational consequences of interest group politics, the Performance Review nevertheless seems to have accommodated interest representation. The Federal Helium Reserve is a case in point. Created by statute to be self-financing, but widely criticized as unnecessary, this program is \$1.3 billion in debt. Yet, the review's recommendation for the Federal Helium Reserve was not elimination but a plea for greater, but unspecified, efficiency in the program. The report claimed a possible \$12 million reduction in expenditures and a \$35 million increase in revenues for the program (National Performance Review, 1993; 144). Some observers have asked whether the mild treatment of the Helium Reserve might be related to that program's congressional advocate, Representative Bill Sarpalius (D-TX), voting in favor of President Clinton's 1993 deficit reduction bill (*New York Times*, 1993a; A10).

The National Performance Review's promise is that government can be transformed into something other than what it is—public power and policies shaped by laws, regulations, and politics. The Performance Review promises to remake government into a down-sized service provider that would please its customers and, presumably, calm anxieties about big, wasteful government. Like its predecessors' efforts in executive reorganization, the National Performance Review's impact on specific

administrative practice—administrative repair—might be salutary, but at the level of regime-politics it has made promises that it cannot meet. Additionally, in making these promises it has caricatured government and administration in ways that further erode their status in the public mind.

Reorganization and the Contemporary Displacement of Politics

The history of administrative reform in the American regime is a history of administration displacing political conflict. Through much of this century, in its regime-level political function, executive reorganization displaced tensions between Congress and the presidency as executive power and authority expanded. Thus, executive reorganization became a means of reform that was related to, and justified, an evolving mode of executive governance.

However, contemporary executive reorganization is disconnected from the problem of executive management and has become an instrument of presidential public politics. Contemporary reform confronts a different, newer problem of regime-level politics, the widespread public doubt about the legitimacy of the big, administrative state. From Carter through Reagan to Clinton, executive reorganization's promise is not better governance but, rather, a transformation that promises a government that is less disquieting to the American electorate. Existing government is portrayed as wasteful, incompetent, and inexplicable—not as good as its people, to paraphrase Jimmy Carter. Reformed government is promised to be what the people deserve, a government that is efficient and helpful.

This new phase of regime-level politics for administrative reform entails a new project of administration displacing politics. Contemporary executive reorganization is engaged in the displacement of public anger toward government. The contemporary discourse of reform proposes government's "re-invention." The implicit promise of reinvention is that, somehow, it will eliminate government's organizational confusion and its uncertainties over public policy. Having voted for big government through much of this century, the electorate is anxious about its creation. Using, and displacing, that public anxiety is a prerequisite to the survival of a contemporary president.

As a consequence of contemporary executive reorganization's new role in displacing anxiety over government with the promise of reform, there is a newly paradoxical relationship between its regime-level goal and its goal of administrative repair. Through most of this century executive reorganization's regime-level goal was symmetrical to its effort at administrative repair. The doctrines and techniques that strengthened administrative agencies and processes also distinguished them from politics and, in turn, that paradigmatic separation of administration and politics lent apolitical authority to the executive. However, in the contemporary period, administrative reform's regime-centered focus entails an attack on bureaucratic organization and process. That attack, in turn, undermines the legitimacy of the administrative system that reformers intend to repair. In fact, the incremental repair of administration does not seem sufficient to the challenge contained in contemporary executive reorganization planning's delegitimizing attack on government. Promises of transformation can only be fulfilled by transformation accomplished, and that is a daunting expectation to hold for administrative reform.

The invention of American administrative theory in the Progressive era was a response to the increasing complexity of public administration as well as a strategic counter to problems posed for the administrative state by the separation of powers. The displacement of political conflict within the separation of powers regime was a handmaiden for the rise of the administrative state. In contrast, the contemporary use of reorganization to displace political disquiet about big government only undermines the legitimacy of public administration.

Were we fortunate enough to find means to address our contemporary political dilemmas without the sham of such displacement through reform, reorganization would still have a purpose in the steady work of repairing administration. We would be served well if executive reorganization was finally confined to that purpose.



Peri E. Arnold is professor of government and international studies at the University of Notre Dame. He is the author of articles in journals such as *Public Administration Review*, the *Journal of Politics*, and *Polity*. He is also author of *Making the Managerial Presidency*. Professor Arnold's current research focuses on institutional and resource development in the presidency during the Progressive era.

References

An earlier version of this article was presented as an invited lecture to the Program for United States Studies of the Woodrow Wilson International Center for Scholars. The author also wishes to acknowledge the support of the Miller Center for Public Affairs of the University of Virginia.

Arnold, Peri E., 1986. *Making the Managerial Presidency*. Princeton, NJ: Princeton University Press.

———, 1988. "Reorganization and Regime in the United States and Britain." *Public Administration Review*, vol. 48 (May/June), pp. 726-734.

Art, Robert, 1969. *The TFX Decision*. Boston: Little, Brown.

Banfield, Edward D., 1980. "Policy Sciences as Metaphysical Madness." In Robert D. Goldwin, ed., *Bureaucrats, Policy Analysts, Statesmen: Who*

Leads? Washington, DC: American Enterprise Institute, pp. 1-19.

Benda, Peter M. and Charles H. Levine, 1988. "Reagan and the Bureaucracy." In Charles O. Jones, ed., *The Reagan Legacy*. Chatham, NJ: Chatham House, pp. 30-59.

Berman, Larry, 1979. *The Office of Management and Budget*. Princeton, NJ: Princeton University Press.

Burns, James M., 1963. *The Deadlock of Democracy*. Englewood Cliffs, NJ: Prentice-Hall.

Carter, Jimmy, 1975. *Why Not the Best?* Nashville, TN: Boardman.

Clinton, William, 1993. "Remarks by the President in Announcement of Initiative to Streamline Government." *Weekly Compilation of Presidential Documents*, vol. 29 (March 3).

- Commission on the Organization of the Executive Branch of the Government, 1949. *General Management of the Executive Branch*. Washington, DC: U.S. Government Printing Office.
- Croly, Herbert, 1909. *The Promise of American Life*. New York: Macmillan.
- DiIulio, John J., Jr., Gerald Garvey, and Donald F. Kettl, 1993. *Improving Government Performance*. Washington, DC: Brookings Institution.
- Ford, Henry Jones, 1898. *The Rise and Growth of American Politics*. New York: Macmillan.
- Germond, Jack W. and Jules Witcover, 1993. "Elixir for the President?" *National Journal*, (Sept. 21).
- Goldman, Eric, 1969. *The Tragedy of Lyndon Johnson*. New York: Knopf.
- Goodnow, Frank, 1900. *Politics and Administration*. New York: Macmillan.
- Goodsell, Charles T., 1984. "The Grace Commission: Seeking Efficiency for the Whole People." *Public Administration Review*, vol. 44 (May/June), pp. 169-204.
- Gore, Al, 1993. "Remarks by the President and Vice President in Presenting the National Performance Review" (Sept. 7). Federal Government Information, Internet.
- Herbst, Jurgen, 1965. *The German Historical School in American Scholarship*. Ithaca, NY: Cornell University Press.
- Hoff, Joan, 1994. *Nixon Reconsidered*. New York: Basic Books.
- Johnson, Lyndon B., 1963. "Memorandum on the Management of the Executive Branch." In *Public Papers of the Presidents, Lyndon B. Johnson, 1963-64*.
- _____, 1964. "Annual Message to the Congress on the State of the Union." In *Public Papers of the Presidents, Lyndon B. Johnson, 1963-64*.
- Kelman, Stephen, 1985. "The Grace Commission: How Much Waste in Government?" *The Public Interest*, no. 78 (winter), pp. 62-82.
- Kennedy, William R. and Robert W. Lee, 1984. *A Taxpayers' Survey of the Grace Commission Report*. Ottawa, IL: Green Hill Publishers.
- Kettl, Donald F., 1994. *Reinventing Government: Appraising the NPR*. Washington, DC: Brookings Institution.
- Kraines, Oscar, 1958. *Congress Against Big Government*. New York: Bookmen's Associates.
- _____, 1970. "The President Versus Congress: The Keep Commission, 1905-1909." *Western Political Quarterly*, vol. 23 (March), pp. 5-54.
- Lyden, Fremont J. and Morton Kroll, eds., 1969. *Policies, Decisions, and Organizations*. New York: Appleton, Century, Crofts.
- March, James C. and Johan Olsen, 1989. *Rediscovering Institutions*. New York: The Free Press.
- Milkis, Sidney M., 1993. *The President and the Parties*. New York: Oxford University Press.
- Moe, Ronald C., 1982. *The Hoover Commissions Revisited*. Boulder, CO: Westview Publishers.
- _____, 1990. "Traditional Organizational Principles and the Managerial Presidency." *Public Administration Review*, vol. 50 (March/April), pp. 129-140.
- _____, 1994. "The 'Reinventing Government' Exercise." *Public Administration Review*, vol. 54 (March/April), pp. 111-122.
- Moe, Terry, 1985. "The Politicized Presidency." In John E. Chubb and Paul E. Peterson, eds., *The New Direction in American Politics*. Washington, DC: Brookings Institution, pp. 235-271.
- Nathan, Richard, 1983. *The Administrative Presidency*. New York: Wiley.
- National Performance Review, 1993. *Creating a Government That Works Better and Costs Less*. Washington, DC: U.S. Government Printing Office.
- New York Times*, 1993a (November 17).
- New York Times*, 1993b (September 21).
- Neustadt, Richard, 1960. *Presidential Power*. New York: Wiley.
- Nixon, Richard M., 1971. "Message to Congress." In *Public Papers of the Presidents, Richard M. Nixon, 1971*.
- Osborne, David E. and Ted Gaebler, 1992. *Reinventing Government*. Reading, MA: Addison-Wesley.
- Polenberg, Richard, 1966. *Reorganizing Roosevelt's Government*. Cambridge, MA: Harvard University Press.
- President's Commission on Economy and Efficiency, n.d. "Report on the Organization of the Government." Washington, DC: National Archives, RG 51, 210.1.
- President's Committee on Administrative Management, 1937. *Report*. Washington, DC: U.S. Government Printing Office.
- Roosevelt, Theodore, 1907. "Annual Message to Congress." In James B. Richardson, ed., *Messages and Papers of the Presidents*. New York: Bureau of National Literature.
- Rosenbloom, David, 1993. "Editorial: Have an Administrative Rx? Don't Forget the Politics!" *Public Administration Review*, vol. 53 (November/December), pp. 503-507.
- Ross, Dorothy, 1991. *The Origins of American Social Science*. Cambridge, United Kingdom: Cambridge University Press.
- Schick, Allen, 1969. "System Politics and System Budgeting." *Public Administration Review*, vol. 29 (March/April), pp. 137-151.
- Skowronek, Stephen, 1982. *Building a New American State*. Cambridge, United Kingdom: Cambridge University Press.
- _____, 1994. *The Politics Presidents Make*. Cambridge, MA: Harvard University Press.
- Sundquist, James, 1968. *Politics and Policy*. Washington, DC: Brookings Institution.
- Task Force on Government Organization, 1967a. "The Organization and Management of Great Society Programs" (June 17). In Task Force Reports, Johnson Library, Austin, TX.
- _____, 1967b. "A Recommendation for the Future Organization of the Executive Branch" (Sept. 15). In Task Force Reports, Johnson Library, Austin, TX.
- Task Force on Government Reorganization, 1964. "Report." In Task Force Reports, Johnson Library, Austin, TX.
- Waldo, Dwight, 1948. *The Administrative State*. New York: Ronald Press.
- Webb, James, 1948. "Memorandum to Truman" (November 5). Independence, MO: Webb Papers, Truman Library.
- Weber, Max, 1964. *The Theory of Social and Economic Organization* (H.M. Henderson and T. Parsons, Trans.). New York: The Free Press.
- White, Leonard, 1958. *The Republican Era*. New York: Macmillan.
- Willoughby, William F., 1919. *The Government of the Modern State*. New York: Century Co.
- Wilson, Woodrow, 1887. "The Study of Administration." *Political Science Quarterly*, vol. 66 (December 1941, reprinting original), pp. 481-506.