MAKING DEMOCRACY WORK:

A Brief History of Twentieth-Century Federal Executive Reorganization

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EXECUTIVE SUMMARY OF KEY FINDINGS

An exhaustive review of major reorganizations over the past one hundred years and a more selective review of the start-up process for new agencies finds that:

1. The underlying constitutional structure of our government creates serious barriers to major executive reorganization.

2. There is a stark contrast between executive reorganizations initiated in response to crises and those initiated during periods of relative tranquility.
   
   o During times of acute crisis, Americans have ceded relatively large grants of discretion under emergency powers to the president to organize a response to the crisis.
   
   o Because the threat to the nation's security may be acute, a speedy response may be essential. Yet the historical record is crystal clear: permanent reorganizations set in motion a process – a process that generally takes years if not decades to implement fully.

3. There are significant short term costs entailed in attempting executive reorganization.
   
   o The political costs of pursuing executive reorganization are high and the likelihood of success low. Most presidents conclude by the end of their administrations that the costs were not worth it.
   
   o This study finds that virtually every newly organized agency or department faces growing pains and often stumbles at the outset. Initially, the capacity to address the problem that reorganization was designed to fix may well decrease.
   
   o Perhaps the most popular historical analogy for the current reorganization proposals has been the National Security Act and the unification of the armed forces that it called for in the wake of Pearl Harbor and World War II. Yet little improvement in defense management was achieved by the initial 1947 Act. The Defense Reorganization Act (Goldwater-Nichols) was the crucial turning point in this story. It was passed nearly forty years after the initial unification legislation.
• Pessimists might easily view examples like military unification as evidence that ambitious reorganization should not be attempted.
• Optimists might take heart at the words of the EPA’s first administrator, William Ruckelshaus, recalling EPA’s first years: “everybody thought they were attached to a cause larger than themselves.”

4. Advocates of reform persist, however in order to achieve long-range goals, and enduring capacity. In the case of homeland security, it is clear that proponents of building a Department seek to achieve two objectives that all proponents of major reforms have sought:

  o First, they can tilt the way agencies weight their priorities by changing their departmental environment. The argument about reorganization really turns into an argument about the missions of government. Opponents of reorganization are thus usually opposing a shift in emphasis, more than just a shift in management. We see this now when those who want the Coast Guard to focus primarily on helping boaters and fishermen will want it to stay in Transportation. Those who want the Coast Guard to focus more on protecting the coast from unwanted intruders or dangerous cargo will support moving it to a new Department. The study shows a historical pattern of such debates.

  o Second, they can use reorganization as a way of creating entirely new capacities for government action that do not really exist in the current structures at all. The study offers examples of success in building new capacities for public action, such as the EPA. Other successful efforts to create new capacities include the Social Security Administration, the CIA, an independent U.S. Air Force (which then created a Strategic Air Command and offices to create and manage satellite reconnaissance of the world), the Atomic Energy Commission, and NASA, just to name a few.

5. While this report contains more examples of failure than success, and while the historical record suggests that homeland security will not be improved in the short term by creating a new department, and may, to some degree even be strained by the process, it is essential to ask whether we are not better off for the short-term price paid and political battles lost, in order to create the kinds of capacities that are embodied in a unified military, the U.S Air Force, an executive office of the president, and an agency dedicated to improving the environment. All of these were products of difficult reorganization debates. This report’s appendix provides two illustrative charts detailing the chronology of how the government agencies and departments that embody these and other capacities were brought into being.
6. History does offer one important example of executive reform that provides cause for optimism. The Hoover Commission created by Congress in 1947 evolved into an effective broker that brought together the conservative Hoover and liberal Truman. This creation of Congress worked closely with the Bureau of the Budget in the President’s Office to consolidate control in the executive branch and strengthen the presidency. Why was the Hoover Commission successful? The Commission managed to resolve some of the inherent tension between legislative and presidential control over the executive branch of government. Perhaps because Congress had initiated this reorganization effort, it had less concern about reform eroding congressional power.

7. Adapting the committee structure in Congress to reflect executive branch reorganization is crucial to the success of executive reform. The historical record is filled with examples of executive reorganization that is enacted but then fails to gain traction because congressional oversight and appropriation responsibility is left unchanged.

   o FEMA suffered from this very problem at its inception, reporting to twenty different committees. Because the agencies that will comprise the new department currently report to dozens of committees, Congress faces a significant challenge in reorganization itself if it is to avoid pulling the new department in competing directions.

8. Executive reorganization disrupts relationships with state and local government during the implementation phase.

   o Therefore, noting the historical tendency for new Federal agencies charged with intergovernmental responsibilities to experience troubled relations with state and local partners, it appears that the Federal Emergency Management Administration will play a useful role in the new Department. It is well positioned to create a foundation for long-term connection of national homeland security objectives with state and local jurisdictions, building on FEMA's well-established networks.

9. Historically, components of newly organized agencies that receive little attention during the debate over reorganization have emerged as powerful brokers as the agency matures. Some of the most significant developments in executive reorganization have been implemented after high-profile enabling legislation or executive orders are already in place. These substantive changes often receive little notice.
That was the case with the National Security Council, a product of the National Security Act of 1947. Reorganizations also sometimes offer a great deal of discretion to administrators, who use it to reshape the agency after the shouting stops, as was the case with the Central Intelligence Agency.

10. There are very few follow-up studies that assess the effectiveness of major reorganizations.

As Lester Salamon put it, "serious empirical work on the real effects of reorganization is not only deficient, it is nonexistent." Should any version of the proposed legislation pass, it would offer a unique opportunity to make amends for past neglect, to study, systematically, the impact of one of the major reorganizations of the past one hundred years.
ABOUT THIS WORKING PAPER

This working paper is funded by the Markle Foundation's Task Force on National Security which is committed to aligning governmental structures and rules with the more information-intensive approach needed to counteract new security threats. The report is produced by the Miller Center of Public Affairs, a non-partisan research center at the University of Virginia that studies the national and international policies of the United States, with a special focus on American presidents and the presidency.

Through its Presidential Recordings and Oral History Projects as well as its American Political Development Program, the Miller Center seeks to improve the nation's historical understanding and to use that knowledge to shed light on significant public policy questions. Over the past three years, the Miller Center has funded thirty Ph. D. fellows, drawn from the disciplines of history, political science, sociology and economics. Despite varied scholarly backgrounds, these fellows share a common commitment to using an historical approach to better understand the nation's continuing political development. Besides providing financial support to fellows, The Miller Center has matched each of them with a leading scholar who serves as a mentor. The Miller Center has also sponsored colloquia on American Political Development and has played a leading role in the creation of the American Political History Initiative.

This working paper is the first in a series sponsored by the Miller Center that seeks to draw on the intellectual networks nurtured by the Center's initiative in American Political Development. Brian Balogh, is an Associate Professor in the Corcoron Department of History at the University of Virginia and the co-director, along with Sidney Milkis, of the Miller Center’s American Political Development Program. Joanna Grisinger, is currently a Miller Center Fellow and Ph. D. candidate in history at the University of Chicago. Philip Zelikow is White Burkett Miller Professor of History at the University of Virginia and director of the University’s Miller Center of Public Affairs. The authors would like to acknowledge and thank the colleagues who have contributed to and critiqued drafts of this working paper. These include: Peri Arnold, Margaret Edwards, Louis Fisher, Aaron Friedberg, Jerry Haines, Melvyn Leffler, Ernest May, Patrick McGuinn, Paul Milazzo, Sidney Milkis, Ronald Moe, Timothy Naftali, Edmund Russell, Jon Stokes, Charles Wise, John Yoo, and Philip Zelikow.

Sources

This working paper is based upon an exhaustive review of published sources. There is a rich literature in history, political science and public administration that we have drawn upon. We have also reviewed the voluminous reports issued by key commissions on executive reorganizations (please see the Appendix for a timeline that includes these commissions). The literature review has also included related government documents including legislation, court decisions reports by government agencies and congressional hearings. The written record has been supplemented by telephone interviews with scholars and practitioners.
INTRODUCTION
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Putting History To Work

In 1937, during America's deepest and most prolonged economic crisis and in the midst of disturbing trends towards dictatorship abroad, a team of America's leading social scientists and public officials issued *Administrative Management in the Government of the United States*. The "Brownlow Committee" Report, named for the Committee's chair, Louis Brownlow, began by considering the purposes of executive reorganization. The goals of reorganization drew upon cherished values with deep roots in American history: economy; efficiency; the application of better business methods and fiscal controls. In the end, however, the Committee concluded that there was but one "grand" purpose animating reform: "to make democracy work today in our National Government. . . ."

Making democracy work has indeed been the overarching goal of efforts to adapt the nation's administrative capacity to changing political, social and technological developments ever since the first Congressional foray into reorganization. This report reviews some of the most significant efforts to adapt the executive branch of government to new challenges in order to provide an often-neglected resource to decision-makers in the current debate over the Department of Homeland Security: history.

This first working paper in the Miller Center of Public Affairs series in American Political Development, "Making Democracy Work" seeks to inform the current discussion of the proposed Department of Homeland Security [DHS] through a better understanding of past efforts at executive reorganization and by identifying patterns that recur over time. This historical approach also identifies distinctions between the Homeland Security plan and past instances of reorganization. In short, it is the objective of this report to place what President George W. Bush has called "the most extensive reorganization of the Federal government since the 1940s" in historical context.

We believe that a better grasp of history will allow participants in the debate to formulate a set of questions that engage past experience and expand the nation's ability to plan for a future that nobody can predict with any degree of certainty. Understanding the ways in which Americans have faced similar challenges in adapting the nation's governance to changing circumstances offers both warnings about the magnitude of the challenge that lies ahead and reassurance that Americans have overcome equally formidable hurdles in the past. This report puts history to work in the service of a national debate about how best to reorganize the federal government to protect homeland security.

Most of the historical comparisons that have been made to date cite the changes embodied in the National Security Act of 1947 as the best analogy to today's situation. There is certainly fruitful ground for historical comparison between Pearl Harbor and the surprise attack of 9/11. There are also similarities between some of the actions that were proposed to remedy what were perceived to be failures to anticipate and respond to these attacks as well as parallels between the quasi-war environment of the late nineteen-forties and today's situation. An article in *U.S News*
*and World Report,* for instance, is representative of the historical analogy that has informed the debate thus far:

"The surprise attack killed thousands—and Congress wants answers. A joint House-Senate committee investigating whether the government might have averted the strike says Washington "possessed unusually significant and vital intelligence" but that a failure of imagination kept officials from putting it all together. The panel charges that "everyone was blinded to significant, albeit somewhat disguised, handwriting on the wall suggesting an attack on us."

Sound familiar? In fact, the attack took place at Pearl Harbor, the congressional inquiry concluded 56 years ago, and the outcome was a remaking of the government that combined the War and Navy departments into a single Department of Defense and created the Central Intelligence Agency. Now, like Harry Truman before him, President Bush has responded to a surprise attack—and the subsequent political firestorm—by proposing a sweeping government reorganization that would create a new cabinet department charged with protecting America's borders and homeland."4

Compelling as this comparison is in some regards, it fails to convey just how contested the 1947 reforms were and the number of subsequent reorganizations that it took to achieve some of Truman's original objectives. The 1947 reforms were a beginning, hardly the end, of efforts to unify the military and coordinate national security policy.5 Nor should national security policy be the sole framework for comparison. While the homeland security reorganization clearly engages questions of national security, it shares much in common with a long tradition of executive reorganizations that have restructured domestic policy making and administration. Particularly in its impact on intergovernmental relations, the questions it raises about executive/congressional relations, and the challenge that consolidating far-flung operations of the federal government poses, this reorganization cuts across domestic and national security policy. Placing the proposal in historical context requires a broad examination of executive reorganization over the course of the twentieth century.

The rationale behind major executive reorganizations and the kind of administrative reforms that their advocates called for are similar, whether directed towards foreign or domestic policy. Compare, for instance, the words of one of President Bush's predecessors. The nation faced the prospect of "disaster," the president informed Congress in August, 1970. "Although recognition of the danger has come late, it has come forcefully," he warned. One of the basic problems was that responsibility for the problem was "fragmented among several Departments and agencies." But the reorganization that the president submitted to Congress "would give unified direction to our war... and provide a stronger organizational base for our stepped-up effort."6

The president and reorganization being proposed? Richard M. Nixon submitting a reorganization plan to create the Environmental Protection Agency in 1970. Although at first glance, protecting air quality may seem far removed from guarding against terrorist attack, the lessons learned from the Environmental Protection Agency's experience in consolidating multiple existing units across Federal departments and in dealing with state and local authorities are worth considering.
Defining Executive Reorganization

Thirteen of the century’s seventeen presidents have been involved in comprehensive peace-time reorganizations. For the purposes of this working paper, we have defined executive reorganization as a change in the administrative structure or jurisdiction of multiple federal agencies or departments designed to alter long-term performance in a broadly defined policy arena, performance by a significant number of Federal employees, or the structure of the Executive Office of the President. We will also be concerned only with those reorganizations that were significant enough to warrant the personal attention of the president. The vast majority of executive reorganizations that the report reviews fall into one of four categories: the creation of new cabinet-level departments; the transfer of multiple functions within existing departments; major changes in personnel, fiscal, and procurement policies that cut across most departments, and enhancing the staff and skills available within the Executive Office of the President.

Major reorganizations have been achieved through three distinct mechanisms. The most straightforward, and the most common mechanism is enabling legislation. This is the course that both the chair of the Senate Committee on Government Operations, Senator Joseph Lieberman, and President Bush have chosen in introducing legislation that would create a cabinet-level department responsible for homeland security. Enabling legislation has also been the mechanism of choice when creating most new departments in the twentieth century and reforming personnel and purchasing procedures.

Granting broad emergency powers to the president is the mechanism that has been used the least. During World War I, World War II and the Korean War, Congress passed legislation that granted presidents broad discretion in reorganizing the executive branch of government. The Overman Act of 1918 granted President Woodrow Wilson sweeping powers to reorganize in matters "relating to the conduct of the present war." He was authorized to redistribute functions among executive agencies, "in such a manner as in his judgment shall seem best fitted to carry out the purposes of this Act." The Overman Act was in force until six months after the termination of the war by peace treaty. The War Powers Act of 1941, passed just eleven days after Pearl Harbor, granted the president authority similar to those conferred by the Overman Act during World War I. And like the Overman Act, it expired six months after the cessation of hostilities. In the case of the 1941 War Powers Act, however, all war-related powers that affected the economy had to be enacted through the normal legislative route.

Only once did peacetime legislation grant the president the kind of emergency discretion contained in the Overman Act and the War Powers Act of 1941. The Amendments to the Economy Act of 1932, passed in March, 1933, proclaimed that a "serious emergency exists by reason of general economic depression." To free the president's hand for action to remedy the situation, the amendments granted the president permission to conduct broad ranging reorganization in the executive branch without obtaining congressional permission (although he could not abolish entire executive departments). It also meant that Congress could not amend the president's plans. The Act granted this authority for two years.
The third mechanism for effecting broad-scale executive reorganization is legislation granting presidents sweeping authority to submit plans or executive orders to Congress in order to reorganize the executive branch, but subjecting such plans to congressional scrutiny through legislative veto. Although he is often associated with conservative opposition to the expansion of the Federal government, it was Herbert Hoover who advocated for and eventually obtained the crucial device that made such broad grants of discretion possible during peacetime: the legislative veto. Hoover was the first president to receive congressional permission to reorganize, subject to congressional veto. This power was embodied in the Economy Act of 1932. It was Hoover again, now in the role of private citizen, who helped institutionalize this device when he chaired the "Hoover Commission" after World War II.

Presidents submitted over 100 reorganization plans to Congress between 1949 and 1980 and the vast majority were implemented. The scope of the reform contained in these plans ranged from housekeeping matters to reorganizations of seminal importance. President Jimmy Carter's Reorganization Plan No. 1 of 1979, for instance, created a federal inspector for the Alaska Pipeline. On the other hand, the Department of Health, Education, and Welfare was created in 1953 via a reorganization plan, and President John F. Kennedy proposed the creation of a new Department of Urban Affairs and Housing via a reorganization plan – a proposal that was vetoed by Congress. President Richard Nixon used his reorganization authority to propose major changes in the Executive Office of the President when he transformed the Bureau of the Budget into the Office of Management and Budget and formed the Environmental Protection Agency. But, by the early 1980s, congressional concerns about an "Imperial Presidency" and the Supreme Court's ruling that the congressional veto was unconstitutional crippled the use of broad legislative grants of discretionary authority to the president for the purpose of reorganization.

Regardless of the instrument employed for reorganization, we have defined “success” using two criteria. First, were the central features of reorganization enacted into law or issued via executive order? Second, once implemented, did the reorganization achieve its advocates’ objectives?
PART I

Milestones in Twentieth Century Reorganization
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Executive reorganization in twentieth-century America has entailed an uncomfortable mixture of public administration ideals, policy preferences, and brass knuckles politics, particularly when powerful interest groups, congressional oversight authority or agency turf have been threatened by reform. Despite the heightened sense of crisis created by the terrorist attacks on 9/11, proposals to reorganize the executive branch of the federal government to create a Department of Homeland Security are not immune to the cross-cutting pressures that have framed most debates about reorganization over the course of the last century. Even partisan ties do not protect the plans from the centrifugal forces that reorganization proposals often run into, as President Bush has already discovered. As the chair of the House Transportation and Infrastructure Committee Don Young (R.-Alaska) put it, referring to his wish to keep the Coast Guard in the Transportation Department, "We're not happy, and if they go too far, they're going to have a revolution on their hands."17

Part I of this working paper reviews some of the most significant instances of executive reorganization over the course of the past one hundred years. Two charts in the appendix provide detailed chronologies of the commissions, studies and taskforces, and the results of their efforts. During the last century, the initiative for executive reorganization shifted from Congress to the president. The objectives of reform evolved as well.

Early reforms were directed primarily at reducing the costs of government through elimination of duplication and waste. For the middle third of the century, executive reorganization expanded broadly the definition of efficiency, taking aim at more effective management. Particularly during Franklin Roosevelt's administration, but reinforced by all presidents through Richard Nixon, executive reorganization was used as a device that worked hand-in-hand with effective public policy. The New Deal's programs could not be successfully delivered if they were not efficiently managed and coordinated by a president who had the staff and skills at his disposal and the management hierarchy in place to make good on the promises offered by public policy. The United States would not be secure in its twilight battle with the Soviet Union if the president could not count on a well-coordinated and unified national security establishment to carry out uniform policies. The Great Society would be mediocre at best, without effective management of its wide-ranging programs. Advocates of this approach, which centralized control in the Executive Office of the President, also argued that this would strengthen democracy since Congress was incapable of coordinating policy. Americans could hold the only office that they all voted for – the presidency – accountable for following through on political and public policy promises.

In the aftermath of Vietnam and Watergate, however, the thrust of executive reorganization shifted again. To be sure, there was a return to calls for economy and savings, given the huge budget deficits that had begun to mount. This earliest objective of reorganization had never been entirely forsaken as the Second Hoover Commission demonstrates, and the Grace Commission confirmed. But there was a
new element in many of these reorganizations as well: a call for "compassion" in government, as Carter put it; or customer satisfaction, to use the market-oriented language of reform that pervaded Bill Clinton and Al Gore's efforts to reinvent government. Having centralized authority, many Americans were now concerned with making it responsive to individual needs. Although Carter and Clinton never used the language of George Wallace, who made a political career out of threatening pointy-headed bureaucrats, they both responded to a shift in public attitudes, business practice and public administration theory that favored decentralization and empowerment of both clients and middle-level decision makers. As David Osborne and Ted Gaebler, authors of Reinventing Government put it, "In today's world, things simply work better if those working in public organizations – schools, public housing developments, parks, training programs – have the authority to make many of their own decisions."

Throughout the twentieth century, executive reorganization efforts have raised questions about how to divide legislative and executive powers, how best to make administration responsible to the voters, and in moments of crisis, whether to reorganize on a temporary or permanent basis. These efforts have also consistently sought to tread a fine line between administrative theory and practice, as reformers drew upon ideas from business and adapted them to a public sector that differed considerably in practice. Permanent reform rarely moved swiftly: persistence was essential. Real reform often came years after the enabling statues or reorganization plans were approved, as fledgling organizations felt their way through the trials of implementation. To make democracy work, reformers returned to the central themes of economy, consolidation of presidential authority, and accountability to the citizens that government ostensibly served. The balance between these three often depended upon the historical context in which reorganization was pursued. Successful or not, reorganization became one of the ways that Americans discussed and prioritized their most deeply-held beliefs about government and reconfirmed their interpretation of the constitution that sustained them all.

Early Efforts

Congress, up through the early twentieth century, never doubted that it, and not the president, was constitutionally charged with ensuring that the statutes that it enacted and funded were administered efficiently and economically. After the Civil War, Congress undertook investigations, such as the 1893 Dockery-Cockrell Commission, to examine how government conducted its business and how costs could be cut and efficiency improved. These inquiries examined how the government conducted its business, with the intention of slashing costs and boosting efficiency. Congress, in its zeal for efficiency, looked to contemporary models in business. Congressional reforms in this era succeeded in areas such as paperwork reduction, elimination of unnecessary employees, and accounting procedures. But Congress did not tackle broader questions about the overall structure of government or the overall management and coordination of public policy. Nor did it worry much about the quality of service being delivered.
The Keep Commission was significant for several reasons. Not only was it the first presidential commission to look into reorganization, it was also the first of many commissions to recommend reforms that crossed agency lines. Most significantly, the Keep Commission was spawned by the recognition that the growth of the Federal government's administrative capacities had outstripped the executive branch's ability to handle this growth. This rationale would drive significant reform from the Brownlow Committee to the Ash Council appointed by Richard Nixon.

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Theodore Roosevelt’s Commission on Department Methods, established in 1905, was the first presidentially-initiated administrative reorganization. The commission (known as the Keep Commission after chairman Charles Keep) was similar in mission to earlier congressional efforts, but was based in the executive branch and was responsible to Roosevelt alone. Roosevelt’s Seventh Annual Message to Congress in 1907 described the Keep Commission’s purpose as:

“the reorganization of the scientific work of the government which has grown up entirely without plan and is, in consequence, so unnecessarily distributed among the executive departments that much of the effect is lost for lack of proper coordination. The commission’s chief object is to introduce a planned and orderly development and operation in place of the ill-assorted and often ineffective grouping and methods of work which have prevailed.”

The commission examined agency procedures for handling internal business (i.e. correspondence, telephone and telegraph procedures, employee issues regarding hours and pay, and printing), as well as broader practices of civil service, information management, and departmental purchasing practices across agency lines. The commission’s recommendations ranged from the narrow (encouraging the use of window envelopes) to the relatively sweeping (the creation of a General Supply Committee to centralize government purchasing, and an Interdepartmental Statistics Committee to centralize statistics and information management). These reforms promised to reduce the costs of government operations, and make them more efficient.

However, those recommendations that required congressional action failed. While there was some support in Congress for individual reforms, there was little congressional support for presidential involvement in reorganization. Congress made clear its opposition to Roosevelt’s initiative by restricting funds to the Commission and adding the Tawney Amendment to the 1909 supplemental
appropriations act, which barred spending on presidential commissions without Congress’ express authorization.22

Although the Keep Commission’s broader reforms were not implemented during Roosevelt’s administration, some of its proposals, such as centralized purchasing and civil service reform, set the agenda for future reorganization initiatives. The creation of the General Services Administration in 1949, for instance, looked back to the Keep Commission’s recommendation for centralized purchasing. More significantly, the Keep Commission recognized that reorganization was one way to try to catch up to burgeoning administrative capacity that threatened to outstrip the ability of either branch of government to control the federal bureaucracy. The Commission staked a claim to presidential responsibility in this area.

1910-1923 - President’s Inquiry into Re-Efficiency and Economy; Commission on Economy and Efficiency [Taft Commission]; The Overman Act of 1918; Budget and Accounting Act of 1921; Joint Committee on Reorganization

It was during the second and third decade of the twentieth century that the movement for an executive budget emerged. A key rationale was the realization that the executive branch required continuous and comprehensive management. While faith remained in the neutral competence of agencies, commissions, and independent regulatory bodies, the president required skilled staff in order to manage these organizations. One of the catalysts for reorganization after World War I was the drive to control spending in light of wartime deficits. The Budget and Accounting Act of 1921 was passed in large part because of the demand for greater spending control. The Act, which placed the Bureau of the Budget in the Treasury Department rather than the White House, established a beachhead within the executive branch for the kind of cross-agency planning that advocates of continuous management by the president had been promoting.

This period also witnessed a phenomenon that has consistently served as the most significant catalyst for executive reorganization: crisis. Responding to World War I, Congress passed the Overman Act which gave the president broad discretion in organizing his administration. Despite worries about "dictatorship," Wilson and the engineers and businessmen he relied upon to manage the war were hardly aggressive in their use of this new power. For men like War Industries Board chairman Bernard Baruch, a primary challenge was managing the war without creating a bureaucracy that would interfere with the market economy once the war concluded.

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In accordance with the Tawney Amendment, President Taft sought congressional cooperation and authorization in forming the President’s Inquiry into Re-Economy and Efficiency in 1910 (in 1911, this study became the President’s Commission on Economy and Efficiency). Although Congress authorized the study
and provided appropriations, the White House dominated the commission, which provided its recommendations directly to Taft. While Congress maintained its conviction that the mission of reorganization was to increase government efficiency and reduce costs, the Taft Commission entered its study of organization with the assumption that more power over federal administration should be centralized in the president. The Commission was influenced by the new field of public administration, which arose with the growth of the federal government in this era.

Commission chair Frederick Cleveland and members Frank J. Goodnow and W.F. Willoughby were leading public administration theorists and practitioners in a profession that sought to reconcile bureaucratic organization and a representative system of government. The initial rise of public administration research was tied to the creation of new organizational forms in the business sector that came to dominate the economy in the late nineteenth century. Federal and state governments soon adopted the hierarchical organization, centralized decision-making and clear definition of tasks that characterized corporate capitalism by creating executive agencies and independent commissions to administer the business of government. Public administration specialists sought to reconcile these new government bodies with constitutional constraints.

Confronted with new challenges by the rapidly industrializing political economy, the federal government suddenly faced complicated tasks such as regulating far-flung railroads and managing scientifically the nation's forests. Congress expanded the federal government's administrative reach in order to handle these new responsibilities, creating new agencies, boards, and commissions in the corporate model. This required new organizational forms and a new conception of the relationship between citizen and administration, scholars like Goodnow and Willoughby argued. Instead of dispersing control over these disparate functions between the branches of government, agencies and independent regulatory commissions were delegated portions of authority from all three branches — legislative, executive and judicial — in order to carry out their missions effectively. From the perspective of public administration theory, ownership of the state (by citizens) could be separated from the control of the state (by administrators) through administrative forms. This was a departure from principles of representative government and of the separation of powers but it did appear to be a promising way to reconcile bureaucratic forms with democratic government.

Keeping politics out of administration, however, was crucial to the success of this formula. Scholars such as Goodnow and Woodrow Wilson argued that politics and administration were two separate and distinct functions. Creation of policy, the task of the legislature with some guidance from the president, was distinct from the execution of that policy. Because there was little need for democratic accountability in the latter, the argument went, the administration of democratically-determined policy could safely be placed in independent agencies and commissions, staffed by neutral, apolitical administrators. These administrators could be trusted with the precious delegation of authority precisely because they would not bow to parochial, partisan pressures. Rather, they would use clear rules and their professional expertise to reach scientific solutions to the problem at hand. The Taft Commission did not challenge these premises, but it did raise questions about the ability of dozens of agencies and commissions, neutral and competent or not, to plan and coordinate their activities in a manner that would yield effective results.
The Taft Commission’s recommendations included specific reforms in areas of personnel and finance, and broader reforms to improve management of the executive branch agencies. The Commission proposed the creation of an executive office and the centralization of budget authority in the president's office. This office would create a presidential staff for administrative planning and reform. It would include a Bureau of Central Administrative Control to coordinate administration and planning, a central division of budgeting within the bureau to manage the budget, and a reorganized civil service commission to give the president authority over government personnel. The Central Division of Budgeting would provide the president with the ability to direct, control and coordinate the appropriations of executive branch departments and agencies. The bureau would achieve many of the goals of the Interdepartmental Statistics Committee proposed by the Keep Commission and created by Roosevelt.

Not surprisingly, few of the Commission’s recommendations were implemented. Despite its authorization of the Commission, Congress was threatened by Commission proposals that centralized presidential power and conceived of efficiency as effective management, rather than economy. Legislators paid little attention to the recommendations, and declined to renew appropriations for the commission. The political timing of the report’s release was also unfortunate, since it occurred during a low point in Taft’s relationship with Congress. Ultimately, the Commission ran out of time. When Woodrow Wilson assumed office, he simply ignored the Commission’s proposals and declined requests from reformers, including Louis Brandeis, to revive the Commission.

As it had throughout American history, war stimulated large-scale administrative change. The Overman Act of 1918 granted the president broad discretion in reorganizing the executive branch of government. This was the first statutory delegation of reorganization authority to the president. It would be ten years before Congress granted such authority during peacetime, and even then, the power was only conferred to deal with another emergency, albeit an economic rather than military one.

Before the Overman Act, America's response to mobilization was characterized by its local and voluntary nature. Secretary of War Newton D. Baker epitomized this attitude, opposing the creation of any permanent agencies that might increase the power of the federal government. Even acquiring data about national needs and capacities was difficult. Engineers, epitomized by Herbert Hoover, did the most to remedy this situation. They relied upon the systematic collection of data, centralized, albeit temporary administration, and voluntary cooperation with the private sector to forge the bureaucratic infrastructure for mobilization. The new agencies that emerged to handle mobilization in the spring of 1917 were built along these lines. They included Hoover's Food Administration, the Fuel Administration, the Railroad Administration and the War Industries Board. In most cases, the result was unimpressive. When the nation's fuel administrator ordered that all factories east of the Mississippi be shut down for four days, "bedlam broke loose," in the words of Colonel House. It was in this context that the Overman legislation was introduced.

The New York Times reported that the Overman legislation "caused the most profound sensation of the entire legislative session, in which sensations have been frequent." Cries of dictatorship were soon heard, and the presence of the Committee on Public Information did little to assuage them. In fact, Wilson made little use of his sweeping powers. The history of the War Industries Board, the most ambitious of the
temporary coordinating mechanisms empowered by the Overman Act, is instructive. Wartime industrial mobilization initially fell to the Advisory Commission of the Council of National Defense. The War Industry Board, established in July, 1917 replaced these groups of dollar-a-year men on loan from industry. The WIB did not have statutory authority of its own, instead falling under the umbrella of the Council of National Defense. Nor did it have the authority to actually enter into contracts with industry. This power remained with the military procurement bureaus. Armed with the Overman Act, Wilson might have bolstered the authority of the War Industries Board, now under the artful direction of Bernard Baruch. He did issue an executive order, finally granting the WIB status as a separate administrative agency. But Wilson balked at going much beyond Baruch's cajoling and negotiating with other business leaders over industrial planning, price-setting and procurement. Purchasing remained under the purview of the armed services bureaus, while the WIB remained beholden to the Railroad Administration to honor transportation priorities and to the price-fixing committee for price policy. Even Baruch himself, eager to succeed at stimulating wartime production, feared establishing any federal bureaucratic structures that might become permanent fixtures once the war ended.

Baruch got his wish. Reconversion was swift after World War I, and the temporary apparatus staffed, in part, by businessmen on loan to the federal government, hastened to close shop. But there was one significant legacy from World War I that influenced the shape of the executive branch of government. The idea of presidential budget authority recommended by the Taft Commission, and rejected by Congress, resurfaced in reaction to the spending levels of the postwar state. Congress passed the Budget and Accounting Act in 1921, but its objective was clearly directed towards economy and efficiency in government administration, not strengthening the president's ability to manage and coordinate appropriations, as the Taft Commission had advocated. The 1921 Act created the Bureau of the Budget, located in the Treasury Department, and the General Accounting Office [GAO] headed by the Comptroller General. Although the Act provided for presidential involvement in the budgeting process and staff support via the Bureau of the Budget, Congress balked at placing the Bureau directly in the White House. In fact, Congress ensured its own control over budgeting through the GAO, which reported directly to Congress. The Comptroller General, who could only be removed from office by a joint resolution of Congress, had the authority to perform pre-audits and to review proposals for spending before funds were disbursed. Thus, the president did not have full financial management of the executive branch. Despite that fact, however, the principle of coordinated executive action was established and a mechanism for carrying it out initiated.

Postwar spending levels also prompted Congress to seek its own capacity to plan executive reorganizations, forming the Joint Committee on Reorganization in December 1920. The Joint Committee returned to basics, placing economy first. Pushed by Secretary of Commerce Herbert Hoover, the administration gained access to the Committee when a presidential representative was added. The Harding administration renewed the quest to strengthen the president’s control over administration. It proposed moving the newly created Bureau of the Budget out of the Treasury Department and into the White House—strengthening the president’s budget authority and moving the GAO to Treasury—limiting Congress’ authority over the budget. The administration also sought ongoing authority to reorganize administrative
departments by purpose and create, among others, a department of defense, a department of education and welfare, and an expanded commerce department. These changes would facilitate administration of the executive branch, and shift responsibility for ongoing reorganization initiatives permanently from Congress to the president. The proposals were significantly influenced by public administration and political science scholarship. They were also influenced by the active role that Herbert Hoover took in the reorganization planning.

The administration submitted its plans to the Joint Committee, which held hearings and reported to Congress in 1924. However, with the exception of an executive order to carry out some internal changes within bureaus (especially in the Commerce Department), the administration’s recommendations were rejected. The Bureau of the Budget and GAO remained where they were, new departments were not created, and Congress declined to extend reorganization authority to the president.

Harding’s proposals failed for several reasons. First, there was disagreement even within Harding’s cabinet about the reorganization plans. Second, the Harding administration’s objectives were at odds with those of Congress, and so cooperation within the Joint Committee became more difficult. Further, the administration’s recommendations challenged congressional authority over fiscal management, and the authority to initiate reorganization. Once again, the advocates of reform ran out of time due to a presidential transition. Incoming president Calvin Coolidge was not willing to press for the recommendations.

President’s Committee on Administrative Management [Brownlow Committee]

The Brownlow Committee sought to create the president-as-manager model. Rather than focusing on efficiency within individual agencies, the Brownlow Committee declared war on the independence of agencies, commissions and boards, insisting that the president had the right to control them. It also sought to rein in agencies by enhancing the power of upper management within those agencies and making agency heads, in turn, more responsible to the president.

Most significantly, the Brownlow Committee recommended a set of tools that would allow the president to assert his control over the executive branch. The intellectual catalyst behind the Brownlow Committee’s reform agenda lay in its challenge to the long-standing dichotomy between administration and policymaking. The Committee understood the two to be integrally connected. Presidents made public policy but they also had actively to manage the executive branch in order to ensure that this policy was carried out. Implementing “the will of the nation,” not saving on the cost of paper, was the new goal of executive reorganization.

This shift in public administration theory imported into the Presidential Committee on Administrative Management’s report by FDR’s “brain trust” changed the direction of executive reorganization for the next forty years. From a strict vision of efficiency defined exclusively as the elimination of waste and duplication, this committee redefined efficiency in a manner that emphasized effectiveness in carrying out public policy.
The catalysts for change included the historical context for the report as well. The Brownlow Committee was convened in the wake of sweeping New Deal reforms that played havoc with the normal routines of government and agency accountability. The Committee faced the task of bringing order to this chaotic situation. So it turned to the principle of president-as-manager in order to fuse the New Deal’s active engagement with public policy to its responsibility for institutionalizing these programs.

Finally, the Brownlow Committee’s ambitious program, which required major revisions to organization charts throughout the executive branch, signaled a willingness to reorganize across the lines of agency and departmental statutory authority. This new direction established the president – or at least presidentially-appointed reorganization committees – as the driving force behind ongoing executive reform, overshadowing the traditional role played by Congress. The shift from legislative to executive initiative and the extent of the reorganization proposed by the Brownlow Committee stirred up a hornet’s nest of protest from an “iron triangle” of interest groups, Congress and the affected agencies.

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In 1932, Congress for the first time delegated peacetime reorganization authority to the president. Herbert Hoover, a long-time advocate of greater presidential flexibility in organizing the executive branch, sought this authority in 1929 in order to cut costs of government in response to the Great Depression. In June 1932, Congress passed the Economy Act. It gave the president the authority to coordinate and consolidate executive and administrative agencies of the government according to purpose and to reduce the number of such agencies by consolidating those having similar functions under a single head. The president was authorized to transfer and consolidate executive and independent agencies by executive order, although he could not abolish any executive or independent agency.

Through the introduction of the legislative veto, the procedure by which the president could achieve the goals of reorganization was streamlined. Under the Economy Act, the president could send an executive order to Congress. Either chamber could veto the order in whole or in part within 60 days. Congress could not amend the order and unless the entire plan was vetoed in the requisite time, it became effective. Starting with the 1932 Amendments to the Economy Act, reorganization legislation became one of the central devices used by presidents for the rest of the twentieth century to initiate broad-based executive reform.

The lame duck president submitted eleven proposals to Congress in December 1932. The House vetoed them all on the grounds that it was Roosevelt’s task to reorganize his incoming administration. Amendments enacted in 1933 empowered the president to abolish executive and independent agencies. Remarkably, it removed the congressional veto provision entirely, granting the most peacetime authority to redesign the executive branch any president has ever had. The Economy Act was similar in authority to the Overman Act, although the latter had been restricted to reorganization for wartime purposes. Roosevelt responded with relative caution, and used his authority sparingly, initially.

However, like Teddy Roosevelt, Taft, and even Herbert Hoover before him, FDR’s interest in reorganization was not confined to the quest for economy. In 1936,
he told Louis Brownlow and Luther Gulick that “We have got to get over the notion that the purpose of reorganization is economy….The reason for reorganization is good management.” Roosevelt took up reorganization during his second term at least in part as a response to the proliferation of New Deal agencies he had created. Although he had intentionally created new agencies in part to circumvent cumbersome civil service and budgeting restrictions, he found the end result to be unmanageable. The burgeoning bureaucracy interfered with his ability to deliver on the promise inherent in the tidal wave of New Deal legislation. How could the executive branch be organized to best carry out his ambitious policy agenda?

In 1936, Roosevelt created the President’s Committee on Administrative Management, a special presidential commission of social scientists led by Louis Brownlow. The mission of the Brownlow Committee was to bring expertise in public administration and political science to bear on the problem of government efficiency; however, its recommendations would be reviewed by Roosevelt and subject to his approval.

The faith of scholars in the division between politics and administration dominated the public administration literature well into the 1920s and influenced executive reorganization initiatives long after that. However, it became increasingly clear by the 1930s that politics and administration were not wholly separable. Several factors led to this discovery: as administrative scholars became New Dealers, they found themselves acting in political ways; the influence of sociological jurisprudence and legal realism critiques of objectivity seeped into the literature; and the Brownlow-Brookings feud in 1937 over the proper organization of the executive branch revealed the fallacy of a single, scientific answer to the challenge of public administration. Slowly, a new theory of public administration emerged regarding the best way to organize the executive branch.

Before World War II, the vision of the president-as-manager of the executive branch dominated public administration theory. If, in fact, politics was embedded in administration, there was no such thing as a politically neutral board or commission. Indeed, independence became problematic. The most likely mechanism for holding them politically accountable was presidential control. The executive branch needed a single, centralized source of management, and the president, rather than the more decentralized bodies of courts or Congress, was in the best position to serve this function. Bureaucratic organization remained the best way to organize the executive branch, as long as there were clear lines of authority in the bureaucracy. Each administrator was responsible for clearly defined tasks, and was supervised by a higher authority. Ultimate authority and supervision rested in the president.

This vision of “scientific” or “administrative” management was embodied in the Taft Commission’s prescription for executive management through an executive office and an executive budget as well as the recommendations to the Joint Committee on Reorganization, and it was partially implemented through the 1921 Budget and Accounting Act. It also provided the background for the Brownlow Committee’s 1937 report, which sought to strengthen the authority of the president, and move all administrative agencies and independent regulatory commissions under presidential control.

The Brownlow Committee’s report, sent to the President in January 1937, proclaimed that “The President needs help.” It tied efficiency to good management rather than economy, and rather than focusing on cutting waste, sought to modernize
"our managerial equipment." As the authors put it, "it has been demonstrated over and over again in large organizations of every type in business and in government that genuine savings in operation and true economies are to be achieved only by the provision of adequate managerial machinery which will afford an opportunity for central executive direction" rather than focusing on smaller examples of waste. The authors emphasized that:

"Too close a view of machinery must not cut off from sight the true purpose of efficient management. Economy is not the only objective, though reorganization is the first step to savings; the elimination of duplication and contradictory policies is not the only objective, though the new organization will be simple and symmetrical; higher salaries and better jobs are not the only objectives, though these are necessary; better business methods and fiscal controls are not the only objectives, thought these too are demanded. There is but one grand purpose, namely, to make democracy work today in our National Government; that is, to make our Government an up-to-date, efficient, and effective instrument for carrying out the will of the Nation. It is for this purpose that the Government needs thoroughly modern tools of management."

The Committee sought to increase presidential authority over the executive branch, and also reorganize the executive branch to make it easier to manage. Among the problems it identified was the proliferation of agencies and commissions in the federal government. "No president can possibly give adequate supervision to the multitude of agencies which have been set up to carry on the work of the Government, nor can he coordinate their activities and policies," the report stated. Independent regulatory commissions were also problematic. Such commissions "constitute a headless ‘fourth branch’ of the Government, a haphazard deposit of irresponsible agencies and uncoordinated powers. They do violence to the basic theory of the American Constitution that there should be three major branches of the Government and only three. Congress has found no effective way of supervising them, they cannot be controlled by the president, and they are answerable to the courts only in respect to the legality of their activities."  

The Committee's recommendations sought to strengthen and centralize the office of the president, by incorporating planning, personnel management and budgeting within the White House and providing the president with the requisite staff support. The presidential staff would embody the principle of “neutral competence,” and would assist the president with his policy initiatives. Its ultimate goal was to improve the administration of the New Deal state so as to carry out the "will of the nation." The Commission proposed five ways to strengthen the presidency: (1) expand the White House staff and provide six executive assistants to the president; (2) strengthen the personnel system by expanding the merit system of pay, raising salaries, and replacing the Civil Service Commission with a single administrator; (3) reorganize the government by creating new cabinet departments and bringing the existing 100 agencies and independent regulatory commissions under the authority of one of twelve major departments (including the new departments of Public Works and Social Welfare; (4) improve the fiscal management of government by assigning responsibility
for expenditures to the White House and substituting a post-audit process for the cumbersome Comptroller General’s pre-audit authority; and (5) establish the National Resources Planning Board as a preeminent planning tool for the executive.

As had first been proposed by the Taft Commission and then by Harding in the early 1920s, the administration’s proposed reorganization bill recommended the creation of an Executive Office of the President, in which the Bureau of the Budget would be placed, providing the president more direct authority over the budget. The Brownlow Committee believed that the Bureau of the Budget should be engaged in administrative management far more than it was. The Bureau of the Budget, isolated in Treasury and subject to congressional pressure, had not achieved what its supporters had hoped. It had served less as a planning arm of the president, and more as a body focused on "bean counting," such as reducing the costs of government travel and office supplies. The administration also sought a permanent renewal of the presidential reorganization authority. Roosevelt approved the Brownlow Committee’s recommendations, and submitted a bill to Congress in January 1937 that incorporated them. Roosevelt’s message to Congress pointed out the lack of modern methods to deal with administration: “Except for the enactment of the Budget and Accounting Act of 1921, no extensive change in management has occurred since 1913, when the Department of Labor was established. The executive structure of the Government is sadly out of date.”

Roosevelt sought to anchor the Committee’s proposed reforms in a historical and constitutional context. He pointed out to Congress that “If we do this, we reduce from over 100 down to a dozen the operating executive agencies of the Government, and we bring many little bureaucracies under broad coordinated democratic authority. But in so doing, we shall know that we are going back to the Constitution, and giving to the executive branch modern tools of management and an up-to-date organization which will enable the Government to go forward efficiently. We can prove to the world that American Government is both democratic and effective.”

FDR’s arguments notwithstanding, the bill was defeated in the Senate in March 1938 after heated political debate. Why? First, Congress opposed the recommendations both on the grounds of separation of powers and political realities. The proposed bill was submitted to Congress without prior consultation, and Congress had not expected the recommendations, especially regarding the president’s authority over the budget, to be so broad. Second, the proposals sought significant limitations on Congress’ role in fiscal management and in reorganization authority. Third, Roosevelt also made it clear that he would not accept changes to his bill, and so the Congress balked.

Further, the Democratic conservative coalition that dominated Congress was hostile to the New Deal reforms. These opponents of the New Deal correctly perceived the crucial link between effective policy and administrative capacity—they just happened to oppose the policy. The bill faced opposition from conservative Democrats and opponents of the New Deal, as well as opposition from Congressmen who on general principle opposed granting more power over administration to the president. The New Deal had already expanded presidential power, and Congress opposed Roosevelt’s request for even more power through reorganization.

Congress had its own interest in administrative reform, based both in its traditional concern over costs and its political opposition to the growth of bureaucracy during the New Deal. The House and Senate each formed Select Committees on
Government Organization in 1936, and commissioned a report from the Brookings Institution on reorganization. While the Brookings Institution and the Brownlow Committee had sought to avoid overlap in their research, they each took on the question of fiscal management. The two groups came to very different conclusions, in part because they examined the problem of administration from two very different perspectives. The Brownlow Commission examined the problem of administration from the perspective of the presidency, and thus understood the solution to be increased presidential power to manage administration. The Brookings Institution report began from the perspective of Congress and focused on cutting the costs of government. Thus, Congress and the administration had different data they could use to debate the functions of fiscal management and where the control should be.

To make matters worse, conflicting expert reports diluted the public authority of supposedly neutral experts, as well as the political influence they normally wielded. Public administration advocates could no longer present themselves as purely technical or apolitical arbiters. Rather, questions of policy preferences and the role that the administration played in vetting those preferences were crucial to the debate. Nor was the political climate of 1937 ripe for this kind of reform. Roosevelt’s highly controversial 1937 “court-packing” proposal for judicial reorganization already had the Congress up in arms. The juxtaposition of the two bills, especially in light of the rise of dictatorships abroad, raised fears of presidential aggrandizement and totalitarianism and provided members of Congress another reason to oppose the bill.

Because they disrupt the comfortable, even cozy, relationships between interest group, congressional committee, and administrative agency, executive reorganizations usually face stiff resistance. Although rarely stated as an explicit objective of reform, students of executive reorganization understand that effecting real change often requires that a bureau, agency or even department be ripped out of its current relationships with constituent groups and oversight committees and placed in a new environment. Changing the mindset of an agency, fixing a broken agency, convincing a bureau to work effectively with other public partners or reorienting the objectives of a commission often depends precisely on shaking up the rich web of interests that have hammered out the status quo in the congressional oversight committee and the agency itself.

Arrayed functionally across the public policy landscape, these so-called "iron triangles" offered powerful resistance to Roosevelt’s plan, fearing that hard-fought access, clout, or merely routine familiarity might be lost if the administrative deck was shuffled. Many of the very interest groups that had benefited from the New Deal and that could usually be counted upon for support feared that reorganization would harm the benefits they enjoyed under the current system. Other groups were sympathetic to the issue of reorganization, but were only willing to support reform if they were exempted from the changes. Groups that did not oppose reform generally remained neutral on the matter. Bureaucrats and members of congressional committees also sought exemption for their turf as they feared the loss of political clout. All three players in the triangular relationship feared the loss of the networks and relationships they had built up, and they circled the wagons against reform.

For example, Roosevelt’s proposal to create a Department of Conservation met with resistance from the Department of the Interior and the Department of Agriculture, as well as from interested parties such as forestry associations, lumber trade groups, grazing interests, farm groups and conservation groups. The scene was
similar over in the Department of Labor, where Secretary Frances Perkins proved tenacious in her defense of the existing administrative arrangements. When Harold Smith, Director of the Budget Bureau, informed the Secretary of plans to relocate several bureaus currently in Labor, Perkins lectured Smith for an hour "on the historical and philosophical conception of the Labor Department," Smith recounted.  

The Secretary's position might have been influenced by her iron triangle partner – organized labor. As AFL president William Green informed Roosevelt: "We wish that we might have a larger Labor Department. We certainly protest against its curtailment and any reduction in its standing and influence."

Because Roosevelt and his opponents both presented reorganization as a high profile issue, public opinion mattered in this instance. Public response to reorganization, while initially supportive, waned over time for a number of reasons. The judicial reorganization bill raised concerns of presidential aggrandizement of power, especially worrying in light of the rise of totalitarian governments in Europe. The Brownlow Committee was also fairly explicit about the need for more presidential authority in its report, which opened it up to such claims. According to the authors, “Those who waiver at the sight of needed power are false friends of modern democracy. Strong executive leadership is essential to democratic government today. Our choice is not between power and no power, but between responsible but capable popular government and irresponsible autocracy.”

After they were defeated in 1938, however, Roosevelt continued his reorganization efforts. In April 1939, Congress passed a Reorganization Act with many of the same provisions contained in the amended 1932 Economy Act passed at the height of the depression. Congress gave the president authority “by reason of continued national deficits” to propose reorganization plans subject to veto by a concurrent resolution within sixty days. This authority allowed the president to send reorganization proposals to Congress without the possibility of amendments or floor debates in Congress. The president was not permitted to abolish executive departments or create new ones, and twenty one agencies were exempted entirely. Further, Congress required the presidential proposals to state the anticipated reduction in spending as a result of implementation. Congress also authorized Roosevelt to appoint six administrative assistants (as the Brownlow Commission had recommended).

While this reorganization plan did not allow Roosevelt to implement some of the broader recommendations of the 1937 bill (such as reforming the civil service commission, restructuring the budget process to limit the GAO’s authority, and creating new departments), Roosevelt did use his reorganization authority broadly. He submitted reorganization plans to Congress, and with the help of the Brownlow Commission members, achieved some of his major goals. Reorganization Plan No. 1 of 1939 created the Executive Office of the President and established within it the Bureau of the Budget (moved from Treasury) and the National Resources Planning Board (from Interior). This plan also created the Federal Works Agency and the Federal Loan Agency. It created a Federal Security Agency and established within it the Social Security Board, the United States Public Health Service (moved from Treasury) and the Office of Education (moved from Interior). Almost thirty years after the Taft Commission proposed centralizing authority and expertise in the White House, and making presidents, rather than the Congress, responsible for ongoing administrative reform, the nation took substantial strides towards realizing that vision on a permanent basis.
By the time the United States entered World War II, the nation had been steel to crisis situations. The shocks from the fall of France, from Pearl Harbor, the dimensions of the impending war, and the rapid technological changes that might well determine the outcome of the war all drove agreement that authority must be concentrated in the White House. Congress happily deferred to the President, passing the War Powers Act of 1941 just eleven days after Pearl Harbor. Still, FDR used this authority cautiously. As the case of economic mobilization demonstrates, central control and coordination over the economy was not even possible until well into the war.

Meanwhile, the crisis of war also brought Congress's own institutional shortcomings into bold relief; legislative inefficiency and executive dominance seemed to bode poorly for the future of democratic government. Subsequent efforts to “modernize” Congress, culminating with the Legislative Reorganization Act of 1946, streamined the “crazy quilt” committee system and provided critical staff support, but ultimately failed to reorient established networks of power or patterns of oversight. Powerful, largely autonomous committee chairmen, aligned with their client interest groups, insured that such ambitious transformations would prove even more difficult for the legislative branch. Absent these critical jurisdictional reforms in Congress, Executive Reorganization stood little chance, by itself, of altering the federal policy making process.

The First Hoover Commission was probably the most successful reorganization commission in the twentieth century. Nobody could have predicted this at its inception. Ostensibly a thinly veiled partisan assault on the New Deal, commissioned by a Republican Congress expecting to be joined in 1948 by a Republican president, what began as a plan to dismantle the New Deal, ended up institutionalizing many of its administrative progeny. The work of the Commission actually helped to moderate fears of big government.

The Commission ended up endorsing the Brownlow Committee's perspective on the interpenetration of politics and administration and also confirmed that the president-as-manager approach was the best remedy to the problem of control. Like the Brownlow Committee, it sought to give the president the skilled staff to carry out the nation's will. Most significantly, the bipartisan support that emerged for many of these reforms, the working relationship between conservative icon Herbert Hoover and Democratic President Harry Truman, and the willingness of both men to staff implementation planning through the Bureau of the Budget meant that many of the proposed reforms were enacted. As the leading scholar of this set of reforms concluded, "Truman and Congress institutionalized the presidency by creating such units as the Central Intelligence Agency, Council of Economic Advisors, National Security Council, and Joint Chiefs of Staff. During his administration and under his leadership, Congress created the Department of Defense, rebuilt the decimated Department of Labor, and prepared for the establishment of the Departments of Health, Education, and Welfare, Transportation, and Housing and Urban Development.”

Truman did all this while also keeping his statutory reorganization authority, even though the nation was no longer in the midst of world war or economic depression.

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Eleven days after the attack on Pearl Harbor, Congress passed the War Powers Act of 1941. It gave Roosevelt emergency wartime reorganization authority. Up to that point, the president had used the power of executive orders, under the broad umbrella of the Reorganization Act of 1939, to create a host of temporary agencies housed in the Office for War Emergency Management in the newly created Executive Office of the President. These included: the Office of Production Management, the Office of Price Administration and Civilian Supply, the Office of Scientific Research and Development responsible for overseeing the top secret Manhattan Project, and the Office of Lend-Lease Administration. As was the case with Wilson and the Overman Act during World War I, the statute gave the president far more power than he actually used during the conflict. Again, the example of mobilizing production is instructive.

Roosevelt anticipated the need for coordinated procurement early on. In July, 1939, he issued a Military Order that transferred the Joint Army-Navy Munitions Board and some other military procurement agencies into the recently-established Executive Office of the President. He also created undersecretary positions specifically charged with directing economic mobilization in both the army and the navy. These positions reported directly to the president. James Forrestal, chosen to fill this slot in the Navy, and Robert Patterson, his counterpart in the Army, would shape not only procurement, but the foundation of the national security state forged during World War II. Roosevelt would create a parade of broader coordinating mechanisms before and after the nation entered the war. But they never wrested control over procurement from the military.

The War Resources Board, established shortly before Germany invaded Poland in 1939, was cut from the same cloth as the War Industries Board. It was replaced by the National Defense Advisory Commission, which as the name suggests had little clout and was advisory in nature. Many of its units were run by dollar-a-year men. As the threat of war grew more ominous, and with the 1940 election out of the way, Roosevelt created the Office of Production Management [OPM], which was co-directed by president of General Motors William Knudsen, and labor leader Sidney Hillman. However, the OPM had no formal power over other federal agencies and, like the economic mobilization boards of World War I, had no authority to sign contracts.

Pearl Harbor and the authority of the War Powers Act appeared, finally, to galvanize economic planning in the guise of the War Production Board [WPB], created in January 1942. Donald Nelson, moved over from his position as chair of Sears, Roebuck to head the agency. The executive order creating the WPB explicitly stated that the armed services procurement bureaus were subordinate to the WPB. Despite its power on paper, the WPB never stood a chance. For one thing, the military had final contracting authority. For another, Nelson was no match for his counterparts in the military. As David Kennedy eloquently summed up, "[Army Undersecretary] Patterson was not the sort of man who was likely to knuckle under to the pipe-smoking, pencil-pushing former mail-order salesman at the WPB." Concerned about the loss of civilian control over economic mobilization, liberals pushed for, and Roosevelt accepted, yet another reorganization. In May 1943, FDR used his expanded emergency powers to create the Office of War Mobilization (OWM), housed in the White House. The OWM not only bypassed the power of the WPB, it usurped many of the planning functions performed by the Bureau of the Budget. After five years, and during one of America's worst crises, Roosevelt had finally succeeded in
establishing a powerful mechanism to coordinate the nation’s economic mobilization for war. Of course the war was almost over. OWM would soon have another letter added to its acronym: R for reconversion.

The crisis atmosphere of World War II also motivated serious efforts to reorganize the legislative branch. Congress’s creaky response to the exigencies of total war and domestic mobilization raised serious concerns about institutional obsolescence, but it also inspired a broad public debate about how a truly “modern” legislative body ought to function. On the one hand, critics condemned Congress as a hopelessly slow and inefficient body that tended to retard or obstruct the president’s prosecution of the war. Simultaneously, the institution came under fire for acting as a permissive “rubber stamp,” allowing the executive an unlimited reign of bureaucratic authority that threatened the traditional liberties of individual citizens. Specifically, Congress labored under a hopelessly decentralized and overlapping system of standing and select committees, with scant staff support and little access to experts or other sources of technical information. As a result, it failed to keep up with a burgeoning workload, increasingly delegated responsibility, and lost the ability to initiate complex policy. Observing the rising tide of European fascism, not to mention the recent expansion of executive bureaucracy under the New Deal, many Americans interpreted these deficiencies in the nation’s preeminent democratic institution as evidence that democracy itself had become outmoded in the twentieth century. In response, many advocates of legislative reorganization emerged from among the press, academia, and congressional members themselves (over one hundred proposals for reform were introduced piecemeal between 1941 and 1945). All hoped in some way to equip Congress for the challenges of the twentieth century, lest it become, in the words of political scientist George Galloway, “an oxcart in the age of the atom.”

The first comprehensive reorganization in the history of the legislative branch was implemented under the aegis of the 1945 Special Joint Committee on the Organization of Congress, chaired by Senator Robert M. La Follette and Representative A. S. Mike Monroney. The Joint Committee labored for over a year in order to fashion a blueprint for a modern, “streamlined” Congress. The Legislative Reorganization Act of 1946, an omnibus bill containing a sweeping set of structural and procedural changes, represented the culmination of their efforts.

Most important, the Act consolidated the committees in both chambers of Congress (reducing the total number from 33 to 15 in the Senate and from 48 to 19 in the House), clarified their jurisdictions, and restricted the use of select (temporary) committees. It regularized committee procedures for record keeping, hearings, and bill reporting. It lightened the average workload of legislators by reducing committee assignments to one or two per member, and by restricting private bills and tort claims. It also significantly augmented congressional staffing, providing appropriations for the individual standing committees (which were allowed up to four professional, nonpartisan aides) and granting statutory recognition to the Legislative Reference Service, the general research and reference “arm” of Congress.

Contemporary commentators generally praised the Legislative Reorganization Act and expressed surprise that “the triple threat [of] pride, patronage, and politics” had not doomed it. But the very lack of dissent surrounding the measure suggests that its reforms, while functionally necessary, were hardly revolutionary. Despite far-reaching discussions about the shortcomings of the seniority system, the advantages of parliamentary-style government, and the abuses of the House Rules Committee, the
reorganization bill was ultimately gutted of its more ambitious features. Its sponsors struck innovations like the majority and minority policy committees, designed to strengthen party control and speed policy making; a Joint Executive-Legislative Council to institutionalize intercourse between the executive and Congress; executive assistants to aid individual Congressmen; and enforcement provisions for a comprehensive Legislative budget (a related Joint Committee on the Budget was approved but ultimately abandoned in 1949). Nor did the Act propose any serious transfers of committee oversight authority that might have upset established policy networks and aroused the ire of interest groups. Moreover, by reducing the number of standing committees, the Act concentrated power in the hands of the remaining chairmen, insuring their continued autonomy (the reduction in committees also led to proliferation of subcommittees, encouraging a further dispersal of power and weakening of party control). Legislative reorganization, then, while addressing a number of nagging organizational defects, proved unable to reorient internal channels of power.

Fifteen years of virtually unbroken economic crisis and war in combination with the prudent exercise of reorganization authority by Wilson and Roosevelt, regularized the use of statutory reorganization authority for the president. The legislative vetoes contained in each of these post-war acts balanced the president's need for flexibility and administrative discretion while allowing a simple majority of Congress—sometimes just one house of Congress—to block reorganization plans. Both branches were of course free to reorganize the executive branch through the more traditional device of enabling legislation, subject to amendment, compromise, filibuster and presidential veto. But for almost fifty years, from 1939 through the early 1980s, this technical solution to the standoff between the legislative and executive branches of government served as a basis for compromise.

The Reorganization Act of 1945 is a good example. When Harry Truman sent the basis for his "Fair Deal" legislation to Congress in September 1945, point four was a request for permanent reorganization legislation. Truman told the Congress that it could "depend upon the Executive to push this program with the utmost vigor." It did, and by December, the President signed a bill designed to help the government move from wartime operations to peace. The new law gave President Truman a two year delegation of reorganization authority, with a provision for congressional veto by concurrent resolution (although there was support to limit presidential authority further by providing for a one house veto). Truman sought to use his reorganization authority to further centralize authority in the presidency and to reform the Federal government's administration. Truman's Bureau of the Budget sent three reorganization proposals to Congress. Two of Truman's reorganization plans, making permanent some temporary wartime changes, organizing housing agencies under the Housing and Home Finance Agency, and making some departmental reforms, met resistance in Congress but ultimately survived; the third, seeking to transfer social welfare activities to the Federal Security Administration, was defeated.

Following reconversion, Truman launched two major reorganization initiatives. One revised the structure of federal national security agencies; the other concentrated on domestic policies. When World War II ended, there was immediate pressure to unify the military establishment. The service agencies had operated separately until the war, when the need for coordinated action became clear. Technological change, underscored by the rise of air power and the deployment of atomic weapons, also
increased the pressure for unification. It appeared that the United States faced prolonged international involvement in the new Cold War context. The shock of Pearl Harbor and the painful awareness that the United States was no longer invulnerable to surprise attack added to the momentum. At the same time, the public was calling for reduced spending on defense. The deeply rooted tradition of using executive reform to identify duplication, wasteful practices, and excessive costs certainly seemed to apply to the military after World War II. In the face of stiff resistance from the military and some of its staunch supporters, Congress passed the National Security Act of 1947. This Act moved the functions of the War Department and Department of the Navy into the new National Military Establishment (NME), headed by a Secretary of Defense. Executive departments of the army, navy, and air force were established within the NME. This statute also created the National Security Council, the National Security Resources Board, the Central Intelligence Agency, the Munitions Board, and the Research and Development Board.

Initially, the catalyst for domestic reform was far more partisan. The Republicans, swept into power in Congress after the 1946 election, had every reason to believe that Truman would be replaced by a Republican president in 1948. In anticipation, Congress seized upon the longest-standing rationale for congressionally initiated executive reorganization – economy. In 1947 Congress proposed a bipartisan commission to plan for the reorganization of government. Seeking to scale back big government, the commission's mission would be “to find the places where economies can be effected and the places where there is overlapping and duplication.” Congress hoped that the Commission would “promote economy, efficiency, and improved service in the transaction of the public business” by “limiting expenditures,” “eliminating duplication and overlapping of services,” and “consolidating services, activities, and functions of a similar nature....” It also sought to abolish “services, activities, and functions not necessary to the efficient conduct of Government.” The Commission on the Organization of the Executive Branch was chaired by former president and New Deal critic Herbert Hoover.

Like congressional Republicans, Hoover was ideologically motivated. He hoped to use the Commission to dismantle New Deal policies and expose the cost and scope of the New Deal. The Hoover Commission was the largest reorganization effort to date; it spawned a host of specialized task forces and contracted out several other areas of research. The "Hoover Commission," as it was dubbed, also worked closely with the Bureau of the Budget.

The commission never achieved its goal of cutting the size and spending of the New Deal state. Ironically, the Hoover Commission ultimately reinforced the New Deal's tendency to centralize authority in hierarchical administrative structures and in the White House itself. It did so by delivering Hoover's personal endorsement for just such a vision of administrative reform. Hoover's blessing carried a great deal of weight with other Republicans. A number of factors changed the original direction of the commission before it produced its report. First, the commission sought help from the Bureau of the Budget; such assistance required that the commission maintain a cooperative relationship with the administration. The ideological goals of the commission and Congress were further thwarted by the election of 1948, which returned Truman to office and brought Democratic majorities to Congress. It became clear that if the Hoover Commission was to have any role in reorganization, the commission would have to work with Truman and with Congress. Thus, the ultimate
The report, released in 1949, was fairly moderate, especially given the ideological origins of the commission.

The Hoover Commission’s final report supported the expansion of presidential control over administration and embraced the Brownlow Committee’s model of president-as-manager. The report stated that the executive branch, as currently organized, could not be managed by the president. It endorsed renewing the statutory grant of broad reorganization authority available to the president. The commission found that “the executive branch is not organized into a workable number of major departments and agencies which the president can effectively direct, but is cut up into a large number of agencies, which divide responsibility and which are too great in number for effective direction from the top.” It stated:

“There is perhaps no time in history when it has been more important to evaluate the effectiveness of the executive branch of the Government in carrying out the will of the Congress and the people. While we recognize that efficiency in itself is no guarantee of democratic government, the sobering fact remains that the highest aims and ideals of democracy can be thwarted through excessive administrative costs and through waste, disunity, apathy, irresponsibility, and other byproducts of inefficient government. The Commission’s recommendations in total, therefore, are directed to the achievement of reforms which it hopes will bring about a more responsible and a more responsive government, a government which will act with dispatch, with greater internal coordination and harmony, with consistency of administrative policy, and economy of operation.”

Government had become too big; “we must reorganize the executive branch to give it the simplicity of structure, the unity of purpose, and the clear line of executive authority that was originally intended under the Constitution.”

In response, the Commission urged an expansion of both the president’s staff (as had earlier reorganization proposals) as well as expansion in the staff of department heads. It sought to delegate more authority to department heads and to reduce the number of departments reporting directly to the president. “It was a frequent finding of our various task forces that the President and his department heads do not have authority commensurate with the responsibility they must assume. In many instances authority is either lacking or is so diffused that it is almost impossible to hold anyone completely accountable for a particular program or operation. This tendency is dangerous and can, if extended far enough, lead to irresponsible government.”

The commission also recommended the reorganization of functions in departments and agencies by purpose in order to reduce waste and duplication. Other reforms sought to make the executive branch easier for the president to supervise. As the report put it, “Improvements in such areas as authority, management tools, coordination, planning, procedures, and decentralization are not sufficient in themselves to bring about the maximum degree of efficiency in the operations of the Government. The organization structure of the executive branch must also undergo
radical revision. Similarly, the departments and agencies themselves must be reorganized. There are at present too many separate agencies to permit adequate attention and direction from the President.”

Among the specific recommendations in this vein were the creation of a new Department of Social Service and Education and major reorganizations of the Departments of Agriculture, Interior and Commerce to more logically distribute functions. The Commission also sought to centralize authority over accounting in the Treasury Department.

The Hoover Commission reports were sent to Congress in 1949 for its action. Many of the Commission's 277 recommendations were adopted and implemented. Although the Commission's recommendation for a Department of Social Service and Education was rejected, the report remains perhaps the most successful study of executive reorganization in the twentieth century. Congress renewed reorganization authority in the Reorganization Act of 1949 (which now allowed the president to create or abolish agencies; it also required the president to specify probable cost savings and allowed Congress to reject plans with a one-house veto). Truman subsequently submitted 35 reorganization plans to Congress consistent with the commission’s findings.

While Congress rejected implementation of some of the departmental-level recommendations, such as the creation of a department for health, education and welfare, Truman was able to implement changes within departments of Interior, Commerce and Labor, and within the Civil Service Commission, the FTC, FPC, SEC and CAB. Truman was also able to increase the staff support available to the president, in keeping with the Hoover Commission recommendations and the recommendations of many earlier studies on organization.

Congress implemented other changes recommended by the Hoover Commission, including the creation of the General Services Administration (the creation of which had been suggested by the Hoover Commission, recalling the recommendation of the Keep Commission). Revisions were made to the National Military Establishment and State Department structures, based on internal critiques as well as the Hoover Commission’s recommendations. Despite the demand for consolidation of the military after World War II, the National Security Act of 1947 had not led to full unification. Even Secretary Forrestal, initially an opponent to centralization, came to support greater unification during his tenure as the first Secretary of Defense – which the Secretary had once called a "cemetery for dead cats." Forrestal, along with Truman and the Hoover Commission, advocated amendments to the 1947 Act. The 1949 amendments to the National Security Act replaced the National Military Establishment with the Department of Defense, established it as an executive department, and strengthened the authority of the Secretary of Defense. The three service branches were stripped of executive department status. In line with the Hoover Commission's emphasis on strengthening chief executives, the amendments established offices of Deputy Secretary of Defense, and three assistant secretaries. It also created a chairman of the Joint Chiefs of Staff, and expanded the JCS Joint Staff.

Why was the Hoover Commission successful? The Commission managed to resolve some of the inherent tension between legislative and presidential control over the executive branch of government. Perhaps because Congress had initiated this reorganization effort, it had less concern about reform eroding congressional power. Although the Hoover Commission had begun with political motivations, Truman and
Hoover had a good relationship, and there was little animosity between the commission and the administration during the commission’s work. Hoover relied on the Bureau of the Budget, which required cooperation between the administration and the commission. The bipartisan makeup of the commission tempered the commission’s political agenda, and the 1948 election changed the political landscape, requiring the commission to accommodate the Democrats on the commission and in Congress in order to achieve reform. The Commission promoted public engagement and anticipated opposition from vested interests. Hoover mobilized public support through the creation of the Citizens’ Committee for the Hoover Commission. In addition, the Hoover Commission task forces had engaged the relevant interest groups and agencies in producing their studies and forming recommendations, thus lessening later resistance. Several of the recommendations, such as the creation of the GSA, were also familiar, having been made in earlier reorganization attempts. The model of the president as manager was also familiar, resembling that developed in the Brownlow Committee's work.

PACGO and the Commission on the Reorganization of the Executive Branch [Hoover Commission II]

From the perspective of executive reorganization, fifteen years of crisis management and New Deal reform was a tough act to follow. The 1950s witnessed two divergent approaches, neither successful. Looking back to the early twentieth century examples of reform, a Republican Congress commissioned a second Hoover study of the executive branch, and this time, insisted that he get it right. The commission was far more partisan than the first, and Congress insisted that the study focus on efficiency, defined the old fashioned way: economy. Fearful of what the Second Hoover Commission might produce, President Eisenhower kept his distance from the only other living Republican president.

Instead of working with the Hoover Commission, as Truman had, Eisenhower turned inward for suggestions about executive reform. The President's Advisory Committee on Government [PACGO] foreshadowed the move by future presidents towards confidential advisory task forces and councils, insulated from public and congressional scrutiny. Compared to the sweeping proposals made by both the Brownlow Committee and the First Hoover Commission, the goals of both Hoover II and PACGO had significantly narrowed. PACGO, however, continued to fill out the tools required by a president-as-manager, particularly in the field of national security.

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President Eisenhower was not interested in large-scale reorganization. However, he did create a confidential three-member Special Advisory Committee on Government Organization (SACGO), including his brother, Milton, to advise him about reorganization during the transition. This confidential, presidentially-organized
group was intended to advise only Eisenhower, on issues of both policy and organization, and would have no relationship with Congress or agencies. Once Eisenhower took office, he gave this committee official status as the President’s Advisory Committee on Government Organization (PACGO). PACGO was intended to make recommendations on policy as well as organization; it acknowledged the close relationships between organization and policy initiatives. It also was responsible for implementing the reorganization plans it had designed during the transition. Consistent with the Hoover Commission Report, it assumed the need to centralize authority in the president and improve the organization of departments, among other goals. Later in the Eisenhower administration, PACGO served as the liaison between the Eisenhower administration and the second Hoover Commission.

With the help of PACGO, Eisenhower successfully proposed several reorganization plans in 1953. Reorganization Plan No. 1 of 1953 created the Department of Health, Education and Welfare, as proposed by the Brownlow commission and again during the Truman administration. The department was created from the Federal Security Administration, under the Reorganization Act of 1949, the only reorganization legislation that allowed the president to create new departments. While earlier efforts to establish the department had failed, Eisenhower’s plan met little resistance in Congress. Ike’s own support for the agency helped to temper Republican concerns about a social welfare agency in the New Deal mold. He was also able to draw on the support of the Republican majority in Congress.

Defense reorganization remained a top priority, exacerbated by the deepening Cold War and the Korean War. PACGO, now with additional members and chaired by Nelson Rockefeller, addressed defense organization as the Committee on Department of Defense Organization. The Committee’s recommendations served as the basis for Eisenhower’s 1953 Reorganization Plan, which claimed that the changes would lead to clearer responsibility in defense as well as “effectiveness with economy.” The 1953 plan was accepted, and moved further toward unification by consolidating the functions of the Munitions Board, the Research and Development Board, and the Defense Supply Management Agency under the Secretary of Defense. The plan also authorized six additional assistant secretaries and a general counsel, and expanded the power of the chair of the JCS.

Also in 1953, the newly Republican Congress returned to its efforts to cut government size and costs through reorganization, reviving the Commission on the Organization of the Executive Branch. Hoover again was made chair of the commission, which was known as the Second Hoover Commission. This time, Congress insisted that the Hoover Commission stick to its original mission – economy in government. The Brown-Ferguson bill creating the commission repeated the goals of the earlier Hoover Commission “to promote economy, efficiency, and improved service,” and added to its mission “eliminating nonessential services, functions, and activities which are competitive with private enterprise.” Congress clearly wanted the Second Hoover Commission to get involved in policy issues. In a Senate hearing on changes to the bill language, Senator Ferguson, a sponsor of the bill, stated, “These paragraphs are intended to make certain that this Commission has full power to look into the activities of the Federal government from the standpoint of policy and to inquire, ‘Should the Federal Government be performing this activity or this service and if so, to what extent? This Commission must ask questions of this nature which the original Hoover Commission did not ask.”

A summary of the second Hoover Commission...
Commission Reports for a popular audience stated, “With the further growth of the Government, and especially of the Defense Department, resulting from the Korean War, and the consequent crushing burden of taxes, many thoughtful citizens, both in and out of Congress, felt that another Hoover Commission should take a good look at the executive branch of the Government, and it was emphasized that this time the Commission be given wider powers to investigate the wisdom of the policies of the Government as well as the appropriateness of its structures.”

The Second Hoover Commission lacked the bipartisan diversity of the first. Farther to the right ideologically, it also relied on fewer scholars. Ironically, the commission had fewer ties to the Eisenhower administration than it had established with the Truman administration; the Bureau of the Budget was less involved, and Hoover did not have a good relationship with Eisenhower. Despite Hoover’s efforts to revive the Citizens’ Committee to lobby for the Commission’s recommendations, the Eisenhower administration would largely ignore its work.

The reports of the second Hoover Commission reasserted congressional initiative in shaping the executive branch of government. The reports were also more consistent with Hoover’s ideological goals that sought to eliminate many government programs spawned by the New Deal. A popular summary of the reports, written for "Citizen and Taxpayer," concluded:

In almost infinite detail these studies present a documented picture of a sprawling and voracious bureaucracy, of monumental waste, excesses and extravagances, of red tape, confusion and disheartening frustrations, of loose management, regulatory irresponsibilities, and colossal largesse to special segments of the public, of enormous incompetence in foreign economic operations, and of huge appropriations frequently spent for purposes never intended by the Congress. It is not a pretty picture no matter how you view it.”

The same summary took an anti-government tone in setting out the work of the Commission. It stated that “In its examination it found extravagance and waste in the expenditure of the taxpayer’s money, inefficiency and duplication in many operations, and numerous instances of bureaucrats pushing the people about. The implementation of its findings and recommendations will go far to determine whether the American Government will be your servant or your master.”

While several of the second Hoover Commission recommendations were implemented through legislation, these reforms were not particularly controversial or broad; the second Hoover Commission was less concerned with administrative management than its predecessor, and was more focused on specific agency practices, especially those that the Hoover Commission felt competed with private enterprise. “One report after the other," citizens and taxpayers were told, "discloses some activity or other of the Government striking a blow at the free enterprise system on which our high standard of living is based and undermining the economy which pays a large share of the taxes on which the Government itself functions.”

The Hoover Commission did propose a senior civil service of those with greater experience and expertise to move between agencies and departments. However, this proposal was never implemented, nor was action taken on controversial proposed changes in agriculture, housing, and water resources.
None of the implemented changes accomplished Hoover’s goal of reversing big government and New Deal policies. By the time the commission’s reports were issued, electoral alignments had shifted once again, and Democrats again dominated Congress. The administration moved only to implement the recommendations that Eisenhower supported. Given that the administration knew it had to work in a bipartisan fashion, it is not surprising that Eisenhower did not push for the more ideological proposals. Eisenhower had been wary of the Second Hoover Commission from its inception and after the 1956 elections he was more concerned about working with the Democrats in Congress in order to achieve his other goals. Given his broad popular support, Eisenhower could safely ignore many of Hoover’s political reform ideas.

While the Second Hoover Commission’s power waned by 1956, PACGO emerged as the primary group influencing reorganization plans. During Eisenhower’s second term, the Commission took up four areas: reorganization of the Department of Defense; reorganization of the Executive Office of the President; reorganization of foreign affairs; and the reorganization of departments. Most significant was defense organization. By the late 1950s, it was clear that further reform of the defense establishment was needed. Again, technological advances – especially Sputnik – had raised questions about the nation’s ability to win the Cold War. Eisenhower sought greater unification in the Department of Defense, and PACGO was responsible for implementing this change. Despite some resistance from the military branches, the Eisenhower administration sent a bill to Congress. As Eisenhower put it, "any new missile or related program hereafter originated will, whenever practicable, be put under a single manager and administered without regard to the separate services." The bill passed in 1958, giving the Secretary of Defense more authority to manage the different branches and providing a unified staff. The legislation authorized the Secretary of Defense to perform research and development -- providing the statutory basis for the Advanced Research Project Agency within the Office of the Secretary of Defense.

PACGO’s recommendations in other areas were not implemented. Its proposal to add an administrative vice-president and office of personnel management to the Executive Office did not go far. Its proposals to create a new official to coordinate foreign policy and to implement earlier suggestions to create new, larger departments (such as creating departments of Natural Resources and Transportation, and merging the Housing and Home Finance Administration and the Federal Civil Defense Administration in a new department) only made it as far as being listed in Eisenhower’s Budget Message of 1961.

The successful reorganization of the Department of Defense, contrasted with the failure of the other post-1956 PACGO recommendations, can be attributed to several factors. Eisenhower was completing his second term at the time of these recommendations, raising the issue of an upcoming presidential transition. Reorganization authority had expired in 1959, and it would have been difficult to get new authority from Congress at this point in his administration. The reorganization of Defense was easier than the others to accomplish because Sputnik created a sense of crisis. In the case of defense, Eisenhower had a clear objective to which he had long been committed. PACGO simply had the task of implementation. In the other areas, however, PACGO was charged with identifying the problem, finding a solution, and convincing Eisenhower before implementation could begin.
Reorganization planning after the 1950s would resemble PACGO—presidentially-initiated, conducted within the White House in close consultation with presidential advisers and with little congressional input. Lyndon Johnson’s reorganization efforts followed this model when he sought to adapt administration to the ambitious goals of the Great Society and the complicated administrative mechanisms deployed to implement it. Although his reforms spoke of the need to reduce costs, Johnson sought to use the reorganization of the executive branch to implement his policy goals. Nixon too shunned high visibility presidential commissions, preferring more insulated venues for advice on executive reform.

Perhaps Eisenhower, Johnson and Nixon did not feel the need to challenge the prevailing wisdom conveyed in the Brownlow Committee’s report and articulated in the First Hoover Commission Report. All three presidents accepted a hierarchical vision of governance and both Johnson and Nixon returned to the First Hoover Commission’s dream of “super departments.” Although these failed, Johnson did succeed in forming two new cabinet-level departments – Housing and Urban Development, and Transportation. No longer, however, did statutory authority to reorganize suffice to establish departments. This symbol of presidential discretion was beginning to lose some of its luster.

To examine reorganization, Johnson employed the same task force format that he used for his policy initiatives. He created his first task force, chaired by Don Price, in the summer of 1964. This task force was confidential and was to report to the president, although in practice, there was little interaction with Johnson. LBJ was not particularly focused on reorganization, but acted at least in part to preempt congressional involvement in reorganization and the possibility of another ‘Hoover Commission.’ This first task force set about investigating government organization without a specific mission or a sense of Johnson’s own organizational problems.

The Price task force issued its report in November 1964, based on information from the Bureau of the Budget and the experience of the task force members. The task force had taken on broad questions of separation of powers, top-level organization and departmentalization, as well as large policy issues such as health, education and welfare as well as housing and community development. Overall, the task force believed reform was necessary in order to empower the executive branch and make it more responsive to the president. It recommended folding several existing agencies into new, consolidated agencies: Transportation, Education, Housing and Community Development, Economic Development and Natural Resources. It also proposed changes within departments and in personnel practices. As with other presidential reorganization efforts, the Price Task Force backed permanent authority for reorganization.
The task force recommendations were sent to Johnson through the Bureau of the Budget. However, the Bureau ignored many of the broad claims about the relationship between Congress and the executive, and the need for increased policy evaluation by the executive branch. The revised version was sent to Johnson, who essentially ignored it. The Price task force failed because it was too far removed from the president, and because Johnson never conveyed a sense of his own priorities to the task force.

Johnson did submit reorganization plans under the Reorganization Act of 1949, which had been extended through 1968. Most of his plans were accepted by Congress with minor changes. These included moving drug enforcement from Treasury to Justice; moving functions within Commerce regarding environmental science; and moving the Public Health Service to HEW.

Although Johnson did not create super departments, he did reshape the executive branch of government by creating the Office of Economic Opportunity in the Executive Office of the President as well as two new executive departments. Johnson created the Department of Housing and Urban Development in 1965 (which had first been submitted in a reorganization plan to Congress by President Kennedy in 1962, and rejected by the House), and the Department of Transportation in 1966. The creation of these departments was instrumental in implementing Johnson domestic policy agenda. The departments were not designed from a sense of crisis, but rather sought to address long-term problems of urban affairs and transportation policy.

The administration returned to government-wide reorganization as it tried to accommodate massive spending for the Vietnam War. It also sought to coordinate and make organizational sense of the sprawling administrative outposts created by Great Society programs. As a way of achieving those goals, and avoiding yet another congressional commission on reorganization, in 1966, Johnson instituted his second Task Force on Government Organization, chaired by Ben Heineman. Johnson retained the task force format, but made some crucial changes. This task force was much more closely tied to Johnson, and was given more specific directives by the president.

The Heineman Task Force final report, issued in 1967, sought to consolidate departments into much larger ‘super-departments’ in the cabinet, in order to make it easier for the president to manage them. The report proposed combining the departments of Labor and Commerce into a Department of Economic Development, as well as to combining several departments into a Department of Natural Resources. These proposals clearly echoed earlier suggestions in other previous reorganization efforts. The report also advocated expanding the Executive Office and the president’s staff to include institutional support through offices focused on program coordination and program development. However, these proposals for reform did not go anywhere. This was due in part to the political climate of the time, which was focused on Vietnam and domestic disorder, and in part to the limits on Johnson’s commitment to executive reform.

President Nixon created a task force on Executive Office reorganization during his 1968 transition, headed by Roy Ash, president of Litton Industries. Ash subsequently chaired Nixon’s 1969 Advisory Council on Government Organization. Including Ash, four of the Ash Council’s members came from business; the fourth, John Connally, was the former governor of Texas. As with Johnson’s Heineman Task Force, and PACGO before it, the Ash Council was closely linked to the president. Its
members were known to and trusted by Nixon, and had opportunities to meet with the President. Nixon sought a form of administrative organization that would centralize power in the executive branch, specifically in his cabinet officials, leaving him free to concentrate on foreign policy.

The Ash Council sent Nixon nine memos between 1969-1971 on issues such as the reorganization of the Executive Office, the reorganization of environmental regulation, and the reorganization of independent regulatory commissions. Nixon incorporated their suggestions into his 1971 legislative proposals. Under the authority of the Reorganization Act of 1949, amended to extend to 1971, Nixon successfully submitted a reorganization plan reorganizing the Bureau of the Budget into the Office of Management and Budget, and creating a Domestic Council. This was perhaps the most important of the several reorganization successes Nixon enjoyed early in his administration.

Much as earlier reorganization commissions and task forces had done, the Ash Council sought increased centralization and improved lines of authority in the executive branch. The Ash Council also recommended the creation of “super-departments” in the cabinet. Nixon sought to abolish the departments of Agriculture, Interior, Commerce, HEW, HUD, Labor and Transportation, and include the functions of those departments, as well as related independent regulatory commissions, within new departments of Human Resources, Community Development, Natural Resources, and Economic Affairs. This recommendation was consistent with Nixon’s attempt to centralize more power in the executive branch, vested in cabinet members, but ultimately responsible to him. However, the plan for ‘super-departments’ could not be implemented through executive order or reorganization plan under the 1964 amendments to the Reorganization Act of 1949. Legislation to this effect never left congressional committees. While individual agencies and commissions were created during the Nixon administration through legislation (such as the Occupational Safety and Health Administration and the Consumer Product Safety Commission), and through Nixon’s reorganization authority (the Environmental Protection Agency), large-scale reorganization did not take place.

Thus, while some of the Ash Council’s recommendations succeeded, its broader proposals failed. In the political context of Nixon’s declining fortunes due to Watergate, the idea of super agencies threatened too many vested interest to gain much political traction. Confidential task forces and councils, while ensuring support from the presidents, were not an effective way to build broad public support. Perhaps most significantly, in the wake of Vietnam and Watergate, and with the legitimacy of virtually all institutions and the professionals who worked in them under fire, the seventy-five year trend toward consolidating power in the White House had run its course. Congress, perhaps no more trusted than the executive branch, but at least more closely connected through the electoral process, was in no mood to delegate any more of its constitutional responsibilities. In fact, it was eager to take some of them back.
Carter’s Presidential Reorganization Project; Reagan’s Grace Commission; and Clinton’s National Performance Review, 1977 – 2000

Jimmy Carter, Ronald Reagan and Bill Clinton worked in a post-Watergate environment of deep suspicions about government and strong demands for transparency in its operations. This, combined with the shifting foundation of public administration theory and the application of contemporary business models to executive reorganization proposals, altered the trajectory of administrative reform.

All three presidents sought to jettison the hierarchical, centralizing president-as-manager model forged by the Brownlow Committee and perfected by Truman. Instead, they positioned themselves as outsiders looking in. As Peri Arnold put it, “reorganization began to speak with a populist accent, promising to change government, to make it more acceptable to popular American expectations.”

In Carter’s case, populism stopped at the Executive Office Building where three hundred OMB staffers worked on the Reorganization Project, an enterprise that never issued a public report.

Reagan made the matter sound simple – it was all about cutting costs and reducing the size of government. In Bill Clinton’s case, citizens were transformed into consumers and the president into a customer service representative. Reorganization initiatives launched by all three presidents drew upon models from public administration and business. But these models looked not to the public administration vision of the president-as-manager, but rather to new theories of business administration scholarship that embraced the connections between the public and private sectors.

While public attitudes, business practices, and public administration theory deserve their share of credit for this remarkable shift, a more powerful explanation may the absence of acute economic or national security crisis. That current proposals for large-scale reorganization, crafted in the wake of 9/11, have returned to hierarchy and centralization suggests that the real fault line may lie between the way Americans regard their government during a crisis and the way they see it when the crisis subsides.

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Jimmy Carter’s initial effort at reorganization differed significantly from earlier efforts at reform. Carter had campaigned on the issue of reorganization, based on his experience in Georgia. His transition staff included a reorganization planning group, whose recommendations Carter sought to implement once in office. Carter was the first president to begin to incorporate into his vision of reorganization some of the changes that had turned public administration theory and business practices on their heads, and to acknowledge that the tide was now flowing away from executive centralization.

Significant changes in business theory and administrative practice after World War II had led public administration theory away from the dominant vision of a managerial presidency. First, the context of corporate capitalism changed, as businesses sought to create new products and adapt to competition and constant change. The optimal organization of corporations changed to meet those needs, moving away from
top-down management structures. The Truman administration got a taste of the shift first hand, when the president of General Electric Company, Charles E. Wilson, who had served as vice chair of the War Production Board during World War II testified before the Senate about the consolidation of the armed forces. He now questioned whether centralization was likely to lead to greater efficiency. Corporations like GE had succeeded precisely by decentralizing decision-making in divisions "that were coordinated, not controlled by the 'top man.'"90 Further, research in business organization demonstrated that existing hierarchical theory failed to describe the way organizations actually functioned, and business management scholars moved toward human relations research and the development of new organizational theories.91 Technological developments would increasingly transform communications within organizations as time went on.

These scholarly developments cast doubt on the accuracy of public administration scholarship regarding the efficiency of hierarchical organizations in the public sector. In addition, new critiques of the administrative state in the late 1950s and 1960s questioned the economic basis of business regulation, and accused agencies of ‘capture’ by their regulated interests. Faith that ‘scientific management’ of agencies would lead to the public interest was challenged by evidence that agency action was actually leading to the regulated doing the regulating.92 Confidence in the abilities of administrators bound by official rules and professional principles eroded in the face of evidence concerning bribery, corruption and ex parte contacts by government agency officials.93

Reorganization initiatives were slow to capitalize on these changes in public administration theory. The recommendations of the first Hoover Commission, the Price and Heineman Task Forces under Johnson, and Nixon’s Ash Council continued to call for greater centralization of authority in the president, and to provide him the tools he needed to control and coordinate the executive branch. While Johnson sought to find a role in the executive branch for the new tools of systems analysis, policy analysis and planning/programming/budgeting that were becoming popular decision-making tools in business and public administration theory, such methods were never wholly implemented.

Although not yet reflected in presidential task forces on reorganization, significant changes in actual federal administrative practices occurred in the late 1960s and 1970s. These have been characterized as a movement toward participatory democracy in administrative practice.94 Congress, courts, and public interest groups all participated in these changes. Congress provided for citizen suits in new regulatory legislation and judges expanded the doctrine of standing by weakening the distinction between rights and privileges. These changes allowed new groups to contest the results of administrative decisionmaking.95 Congress moved away from giving broad guidelines to agencies and began providing agencies with explicit directions. Congress also provided itself with a legislative veto over agency action. Further, the new “social regulation” statutes moved away from creating agencies to target a specific industry (i.e. ICC) or issue (i.e. FTC) and began legislating and designing enforcement mechanisms that targeted problems such as environmental and health concerns requiring coordination among many state and federal agencies such as EPA, OSHA, CPSC and NHTSA.

Beginning in the 1970s, executive reorganization efforts incorporated some of the new thinking. By running a campaign for the presidency that pitted himself as a
populist (carrying his own coat bag as he descended from "Peanut 1") Carter ran against the administrative state rather than claiming that he sought to further empower it. Once president, this distance was not nearly so easy to maintain, and Carter soon found himself embroiled in the details of executive management reform, "super-departments," and other long-standing executive reform programs. Though fleeting, Jimmy Carter’s initial reorganization goal of making government fair, just, compassionate and even loving suggested that a fundamental shift might be underway. As Carter wrote in 1977, “Nowhere in the Constitution …or the Declaration of Independence…or the Emancipation Proclamation, or the Old Testament or the New Testament do you find the words ‘economy’ or ‘efficiency.’ Not that these two words are unimportant. But you do discover other words like honesty, integrity, fairness, liberty, justice, courage, patriotism, compassion, love—and many others which describe what a human being ought to be. These are also the same words which describe what a government of human beings ought to be.”

In 1977, Carter organized a planning group within OMB, the Presidential Reorganization Project. The project’s location in the Executive Office placed it close to Carter. Carter stated that he was taking an incremental approach to reorganization and that his mission for the Project was less focused on building up the authority of the executive, as earlier attempts had done, than changing the way government operated. Despite Carter’s rhetoric, the recommendations that emerged from the Presidential Reorganization Project looked a lot like the recommendations of earlier reorganization commissions and task forces. The Project recommended, among other things, the creation of “super-departments” in the cabinet, as had commissions in the Johnson and Nixon administration. Carter adopted these recommendations and tried to create these new departments under his reorganization authority (by moving and renaming, rather than “creating,” new departments). However, Congress did not look kindly upon what was perceived as an attempt to evade congressional limitations on presidential reorganization authority. It forbade him to make such broad changes to departments without consultation or specific authorization, regardless of the authority conferred by the Reorganization Act.

Carter did have some successes in other areas. He created the Department of Energy in 1977, and the Department of Education in 1979. Further, Congress allowed him to implement reorganization plans in narrower areas, such as reducing the size of the Executive Office, consolidating employment discrimination functions, centralizing emergency preparedness programs in the Federal Emergency Management Agency, and splitting the functions of the Civil Service Commission into two different organizations. Yet Carter ultimately was unable to improve the ‘quality’ of government as he had hoped.

Carter’s successes stemmed from his political strategy; the administration generally did not overestimate Congress’ willingness to approve reorganization. The Reorganization Act of 1977 allowed the administration to amend reorganization plans after it submitted them to Congress in response to public, Congressional and agency feedback. While there was political resistance to civil service reform, the administration was able to overcome opposition from the federal public employee unions and veterans’ administration and maintain the core of the program. Civil service reform had been addressed by previous commissions going back to the Keep Commission, and was no longer a novelty. There was political resistance to the Department of Education, but not enough to overcome support from the professional organizations seeking its
establishment. Finally, Carter used reorganization planning for organizational and structural goals, rather than explicitly partisan or policy goals. He did not seek to reorganize the executive branch to make it easier for him to manage the agencies or achieve policy goals. Instead, he focused on simplifying government and improving performance in a more academic way.

Ronald Reagan, like Jimmy Carter, ran as an outsider, eager to tame big government. Unlike Carter, Reagan remained an outsider through both his terms as president. Ronald Reagan’s reorganization effort did not look at the huge administrative state of the 1980s as a problem of management. Instead, Reagan sought to make government cost less and become more efficient by importing management techniques from the business world. In 1982, Reagan formed the President’s Private Sector Survey on Cost Control, chaired by J. Peter Grace, Chairman and CEO of W.R. Grace and Co. The Grace Commission was made up of 161 volunteer members from the private sector. Members were expected to use their business experience to evaluate the operations of the federal government.

The Grace Commission was charged with inspecting the operations of agencies and the federal government at large, and finding areas where costs could be cut or efficiency could be improved. As the Report put it, “We welcomed the chance to bring to bear on the Executive Branch of Government our experience and expertise acquired in managing private sector business enterprises.” According to the report, “the President charged the members to scrutinize the Government with the same careful attention that they might give to a potential acquisition of another company.”

This business perspective pervaded the report. “For decades,” the report preached, “the federal government has not managed its programs with the same eye to innovation, productivity, and economy that is dictated by private sector profit and loss statements and balance sheets.” A little market discipline would go a long way, in the eyes of the Grace Commission:

“The members of the President’s Private Sector Survey on Cost Control (PPSS) believe that the disciplines necessary for survival and success in the private arena must be introduced into Government to a far greater degree than previously has been the case. It is that belief which motivated the PPSS effort. A government which cannot efficiently manage the people’s business will ultimately fail its citizenry by failing the same inescapable test which disciplines the private sector: those of the competitive marketplace and of the balance sheet.”

The Commission recognized that “the public sector performs roles which have no counterpart in the business community or, indeed, anywhere in the private sector…. The Survey, therefore, focused much of its attention on those critical factors which have a comparable impact upon both the management of Government and the management of the private sector” such as human resources and financial management.

The Commission also sought to improve the accountability of government. The Grace Commission issued 47 reports with 2,478 distinct recommendations about eliminating waste in 784 areas. Its transmission letter to Reagan claimed savings of “$424 billion in three years, rising to $1.9 trillion per year by the year 2000.” The
Commission targeted waste reduction as the solution rather than raising taxes, and pointed out that “The need for a major undertaking to reduce government spending is widely perceived, as witnessed by the public’s present concern that budget deficits are out of control and are expected to run at about $200 billion a year indefinitely.”

The Commission stated that “the federal government has significant deficiencies from managerial and operating perspectives, resulting in hundreds of billions of dollars of needless expenditures that taxpayers have to bear each year.”

It continued:

“... It is, admittedly, a staggering task to manage an organization whose size dwarfs even the largest private sector corporations. Still, the federal government is also an organization with human and financial resources of gigantic dimensions, and it would appear that one administration after another has simply not been as effective as it should have been in productively employing those resources.”

The Commission targeted duplication in the Departments of Agriculture, Commerce, and Defense. It slammed management problems in several agencies dealing with business. The Commission also examined the business of the federal government generally, such as financial management, printing, communications, and employee benefits. It criticized the failure of centralized management for financial matters and accounting. The Commission ultimately recommended cost cutting measures and management improvements, in part through the creation of an Office of Federal Management in the Executive Office, to have “government-wide responsibility for establishing, modernizing, and monitoring management systems.”

Reagan accepted many of the recommendations but most required congressional action and were not enacted. One commentator concluded, “[t]he overwhelming number of the commission’s recommendations were ill-founded and many of its savings estimates were groundless.” Instead of substantive reform, the report merely provided Reagan with examples with which to attack big government.

The most significant reorganization during the Reagan administration resulted not from Grace Commission recommendations but from the passage of the Goldwater-Nichols Act in 1986. The act continued the process of unification among the armed services begun by the National Security Act of 1947. It strengthened the position of the Secretary of Defense by providing him with clear, unambiguous authority. It also strengthened the position of the Chair of the Joint Chiefs of Staff in his relationship as an advisor to the Secretary of Defense and clarified his relationship to the Joint Chiefs of Staff. It also made clear the relationships of the secretaries of each of the services to the Secretary of Defense. The act also created a powerful joint personnel system with incentives encouraging officers to take joint positions.

The Goldwater-Nichols Act is regarded by most observers as a success. It empowered the Secretary of Defense to act, and has generated better advice and operation in the military establishment. It has generally also been regarded as a success in solving some of the remaining problems of unification, and especially in implementing many of the changes attempted in 1958. It strengthened and clarified lines of authority in the military, making it very clear who was in charge while providing...
incentives for officers to work with their counterparts in all the branches of the services.\textsuperscript{113}

President Clinton’s reorganization efforts, like Reagan’s, sought to reduce the size and inefficiencies of the administrative state. Rather than making administration more just and caring, as Carter sought to do, Clinton and Vice President Gore included a private sector perspective as Reagan’s Grace Commission had done. The Clinton National Performance Review (NPR) also incorporated new public administration ideas of “customer satisfaction” from David Osborne and Ted Gaebler’s 1992 book, \textit{Reinventing Government}.\textsuperscript{114} The National Performance Review’s self-conscious deployment of history is worth noting:

“From the 1930s through the 1960s, we built large, top-down, centralized bureaucracies to do the public’s business. They were patterned after the corporate structures of the age: hierarchical bureaucracies in which tasks were broken into simple parts, each the responsibility of a different layer of employees, each defined by specific rules and regulations. With their rigid preoccupation with standard operating procedure, their vertical chains of command, and their standardized services, these bureaucracies were steady—but slow and cumbersome. And in today’s world of rapid change, lightning-quick information technologies, tough global competition, and demanding customers, large, top-down bureaucracies—public or private—don’t work very well. Saturn isn’t run the way General Motors was. Intel isn’t run the way IBM was.”\textsuperscript{115}

“Through the ages,” the Review continued, "public management has tended to follow the prevailing paradigm of private management. The 1930s were no exception. Roosevelt’s committee—and the two Hoover commissions that followed—recommended a structure patterned largely after those of corporate America in the 1930s. In a sense, they brought to government the GM model of organization. By the 1980s, even GM recognized that this model no longer worked.”\textsuperscript{116}

The NPR website claimed that the committee had succeeded in “ending the era of big government.” Among the successes listed under that heading were: reducing the size of the federal workforce, cutting layers of government, streamlining internal agency rules, closing unnecessary offices such as the Tea-Tasters Board, and eliminating programs such as subsidies for wool and mohair\textsuperscript{117} It also listed successes in increasing public-private partnerships, and changing relationships between business and government. The report claimed that the reforms made the government more focused on results and on ‘customer satisfaction.’ The proposals met with some success because they were often small or incremental, and because they came from the agencies themselves.

In some regards, executive reorganization had come full circle. The Grace Commission’s focus on eliminating waste and duplication, and Clinton’s pronouncement that the era of big government was over would have fit neatly with the gist of the Second Hoover Commission or for that matter, the Dockery-Cockrell Commission of 1893. Yet much had changed as well. Executive reorganization had not been initiated by Congress since the Second Hoover Commission in the late 1950s.
Reorganization task forces and councils had moved ever closer to the presidency. And in the case of "reinventing government," those reorganizing the executive branch actually worked for it. In the welter of acronyms, details, triumphs and tribulations, some patterns emerge that help us put the most recent proposal for substantive reform in historical perspective. It is to these patterns that we now turn.
PART II: Patterns
PART II: Patterns

Defending the Status Quo

Perhaps the most persistent pattern that recurs over the last one hundred years of efforts to reorganize the executive branch of the Federal government is fierce resistance. The policy process in American government is highly fragmented. Power is shared between the three branches of government, between local, state and the Federal governments. Ideological differences, of course, have often stopped reorganization in its tracks. As Part I of this working paper captures, reform takes time and commitment. Often, partisan majorities have often shifted, and the presidency has changed parties by the time the reorganization proposals are ready for action. The committee system in Congress, for instance divides oversight among multiple masters. Access to all of these points in the policy making process is relatively easy, especially for organized interest groups. Because power is dispersed, and presidential attention in short supply, agencies must establish a "modus vivendi," as Lester Salamon calls it, with the interest groups and key congressional committees that share a stake in the agency's mission. In practice, this means that public policy is made by hundreds of “iron triangles,” as they are called for their tripartite participation and strong bonds.

Because reorganization threatens to alter established means of making public policy – indeed it is specifically designed to do so – established iron triangles often forcefully resist changes in the policymaking status quo – especially if they entail changes in agency jurisdiction or congressional oversight. Salamon’s prescription for effective reorganization is the iron triangle’s worst nightmare, and explains just why the Brownlow Commission's proposal was met with such fierce opposition ranging from veterans to organized labor, led by Departmental secretaries that included Frances Perkins, Harold Ickes and Henry A. Wallace, not to mention a host of congressional foes. As Salamon put it, "Ultimately, it is this 'structure of interests' and not just the agency itself, that consequently must be the focus of attention when organizational changes are under review." Robert L. L. McCormick, a leader of the First Hoover Commission’s Citizen’s Committee, cited vested interests in the existing system as one of the gravest threats to reorganization. The American Legion did not "want anything removed from the Veteran's Administration because it is their private preserve and they are able to exercise leverage when it is separate," McCormick complained. Bankers were just as bad, according to McCormick: "The essence of their argument in this respect is very simple. The more confused the federal organizations that supervise them, the better the chances that they will be able to do just what they please." Nor were farmers more malleable. "Since they did not control the Executive Branch," McCormick noted, "their attitude on strengthening the Executive is understandable." No wonder that even Harry S. Truman, who was deeply committed to reorganization, and quite successful at it, soon became disillusioned in the face of opposition from executive agencies, congressional committees and pressure groups. As William E. Pemberton concludes about reorganization, despite Truman's relative success, "Presidents seldom bothered to submit plans that challenged agencies deeply embedded in the triangle of power. If a president did submit such a plan and if it did
pass, it generally did not change the existing system because the affected groups normally were powerful enough to reestablish the previous relationships despite the administrative changes that occurred.\textsuperscript{122}

Even more enduring than fierce resistance to restructuring by iron triangles is the constitutional dilemma of executive/legislative control over public policy. In assessing the stature of reorganization initiatives in the thirty years following the Brownlow Committee, Harvey C. Mansfield noted some advances, especially the effective use of the statutory reorganization authority with its legislative veto. However, what he so wisely concluded thirty years ago might well be true today: the limitations to reorganization and reform have endured and will most likely persist due to the tension embedded in the Constitution. "The difficulties inherent in the volatile dynamics of executive-congressional relations and in the intractable dilemmas of federalism keep reappearing."\textsuperscript{123}

Because the explicit goal of most large-scale reorganization initiatives from 1910 through 1970 was to strengthen executive branch and presidential control over management, and because this was usually seen as undermining legislative control, it is not surprising that executive reorganization has been a testing ground for executive-congressional relations. Franklin Roosevelt threw down the gauntlet, arguing that public accountability and democracy were better served by bringing hundreds of agencies and independent commissions under "coordinated democratic authority." FDR argued that giving the president the tools to do this was actually "going back to the Constitution."\textsuperscript{124} Legislators eager to preserve the constitutional authority of Congress often begged to differ. In the instance of the Brownlow Committee, Congress objected for a variety reasons, some of them interest group and committee turf-driven.

In the hands of those determined to roll back the New Deal at any costs, opposition to centralizing authority in the executive branch could easily be dismissed as reactionary claptrap. But there were also more principled concerns raised about separation of powers. In the debate over military unification, for instance, opponents worried that too much centralization would stifle the multiple perspectives that independent armed services and corresponding beachheads in the Congress protected. Advocates of unification like George Marshall and Dwight D. Eisenhower viewed consolidation as the key to strong leadership by professional managers. They insisted that this was the "businesslike" way to reform the military.\textsuperscript{125} These arguments echoed Roosevelt's claim that good management was more democratic because it made the disparate activities of a large bureaucracy accountable to the president. Opponents of the plan, led by Ebberstadt and Forrestal, however, also drew upon deep reserves of democratic theory. They advocated coordinating mechanisms rather than centralization and worried that unification would create a structure akin to the German General Staff.\textsuperscript{126} Ebberstadt and Forrestal claimed that it was precisely these kinds of mechanisms that had won the war for the United States, and kept it democratic while doing so. Coordinating mechanisms would ensure civilian control. What's more, Ebberstadt argued, they would mobilize sectors of society outside of the military for an era that required total commitment from society in order to sustain a total war, should it be fought. "While squabbling between the armed services was unseemly, and their ability to agree on a unified budget inefficient, would dissent be stifled in a truly unified department of defense?" opponents of unification asked. Would Congress get the kind of information it required to protect national security? These were questions that
opponents of unification wondered about and concerns that went to the heart of democratic control.

The impact of executive reorganization on state and local government is a relatively new concern. The Brownlow Committee, for instance, decided not to tackle the problem of grants-in-aid. The multiplicity of local jurisdictions receiving federal aid has added a large and influential group of interests to the ranks of iron triangles with vested interests in fighting substantial reforms to the existing administrative structure.\textsuperscript{127} But these local jurisdictions are not just special pleaders. They are the sites that deliver multiple federal services and enforce numerous federal laws and regulations, as our review of the EPA suggests.

As Part I of this report details, reorganization initiatives are also subject to a host of more prosaic roadblocks. Presidential attention span is a notorious problem. Capturing and retaining presidential support for a politically costly effort sure to draw fire from allies and constituencies alike, and often supported primarily by "numerous otherwise-unoccupied participants," is not an easy task.\textsuperscript{128} Shifts in partisan control of Congress and the limited tenure of the president further cloud prospects of success.

The political science literature is replete with examples of failed executive reform initiatives: failed because they were never enacted or failed because even after enacted, they fell far short of achieving their goals. Summing up this literature, James G. March and Johan P. Olson conclude that "most major reorganization efforts have been described by outsiders, and frequently by participants, as substantial failures. Few efficiencies are achieved; little gain in responsiveness is recorded; control seems as elusive after the efforts as before. . . . [They] seem to be a source of frustration and an object of ridicule, [and] become regular and unlamented casualties of experience with trying to achieve significant reform. . . ."\textsuperscript{129} Or to use the words of Bert Lance, Jimmy Carter's adviser on such matters, executive reform is a story of "problems identified, but not solved, of promises made but not kept . . . the source of frustration and disillusionment."\textsuperscript{130}

### Catalysts For Reorganization

Given the obstacles and the dismal record of success why do elected officials keep trying? While there is no simple answer to this question, it is useful to identify a number of catalysts that have encouraged executive reorganization over the twentieth-century. The one catalyst that stands out as almost certain to spark a movement towards reorganization is crisis. Acute, short-term threats like World War II triggered grants of crisis authority, concentrated in the White House, as did the economic crisis triggered by Great Depression. In the wake of Pearl Harbor, Congress rushed through the War Powers Act in eleven days.

If there is consensus that a serious crisis exists, one barrier to successful reorganization – legislative authorization – is easily overcome. Presidents have consistently sought to lower the second barrier to successful reorganization – its frequent failure to produce substantive results – by establishing temporary, rather than permanent administrative structures to handle the crisis. American presidents have ratcheted up administrative authority during crises. FDR's incremental progression
from the National Defense Advisory Council to the Office of Production Management to the War Production Board to the Office of War Mobilization is a good example. It was only with the latter, initiated long after the War Powers Act, that Roosevelt began to move towards the full extent of the administrative discretion allowed to him by the law.

While the catalytic power of crises to galvanize support for reorganization is quite clear, what constitutes a crisis is far less evident. Most major reorganizations depend upon the perceived sense of impending, if not actual crisis, to mobilize support and most advocates of reorganization work hard to make the case that the problem they address poses a "crisis situation."

Crises aside, the oldest and most enduring catalyst for executive reorganization is the quest for efficiency defined as economy. While Congressionally initiated reform almost always features economy as its goal, even presidents more concerned with other objectives have felt compelled to pay lip service to eliminating waste and saving money. It persists as an important catalyst for reform because, at least in the abstract, there has always been a sizeable constituency interested in reducing taxes.

Starting with the Brownlow Committee, advocates of executive reform have been more willing to acknowledge the policy-based objectives driving executive reform. Explicit or not, the desire to see public policy carried out effectively has been another enduring catalyst. Some of the most sweeping reform initiatives have followed closely bursts of new policy responsibility. The Brownlow Committee is perhaps the best example, coming on the heels of Roosevelt's New Deal, and the First Hoover Commission in the aftermath of a host of new national security responsibilities. Although the Heineman task force did not meet with the success of the Hoover Committee, Johnson was clearly motivated by a desire to see the Great Society's reforms effectively carried out, and it made him willing to endure the pain of a reorganization initiative to see this happen.

Since the reforms implemented by the First Hoover Commission, establishing a new cabinet-level departments has been one of the most significant ways to promote a specific set of public policies through executive reform. The two major policy objectives sought by these initiatives are better coordination between related policies housed in disparate departments and raising the profile of a particular set of programs. Jimmy Carter successfully started two new departments – Energy and Education. His public rationale for creating the Department of Energy was to bring "immediate order to this fragmented system." The Department of Energy would serve as the organizational base from which coordinated energy policies could be carried out. The Department of Education, on the other hand, was presented quite explicitly as a way of raising the visibility of education nationally. As Vice President Mondale put it, America suffered because its spokesman "is not at that Cabinet table speaking directly to the President."

As Part I of this report unequivocally confirms, specific reorganization proposals often fail to be enacted, but persistence and elaboration of the core arguments seem to make a difference over time. The rhetoric and rationale that envelopes any set of reforms can facilitate subsequent attempts in two ways. First, it educates the public and influences the climate of opinion. Ironically, the fact that most major reforms have been debated for decades ultimately eases acceptance because the lengthy debate allows policy makers and an informed public alike to define the problem better. Whether the issue being addressed is an executive budget, or military unification, the
need to make the case time after time forces both sides in the debate towards some agreement on the nature of the problem. This kind of painstaking analysis of the problem is precisely what is missing when the government must act in haste in response to an acute crisis.

Public administration theory and business practices have consistently informed executive reorganization initiatives. They have provided the rationale and the catalytic underpinning for many reform efforts. Yet it is difficult to credit them as agents of reform because the practices and theory that reform initiatives draw upon are often so outdated. A case could be made for the Brownlow Committee and the revised conception of the relationship between politics and administration that it brought to its task. Alluding to the dwindling theory driving executive reform by 1969, Harvey C. Mansfield noted that the stock of ideas in the Brownlow Committee Report "no longer furnishes an agenda for action." Thirty years after Brownlow, Mansfield pointed out, "the perplexing problems of reorganizing the federal civilian executive branch appear to be questions of what to do rather than of how to proceed to secure known or agreed objectives."

Implementing Reorganization

There is little scholarship about assessing the implementation of major executive reorganizations. As Havery C. Mansfield concluded, "[W]e are further than ever from a set of measurable and mutually compatible criteria for reorganization." The literature that does exist tends to look at individual agencies or departments. There, the record is similar to that found in our case studies of Education and the EPA: obstacles to implementation, pressure from interest groups and Congress, difficulty in breaking out of old habits despite a new environment. The case of the Federal Emergency Management Agency (FEMA) is instructive. As Charles Wise has reported, early in the Carter administration, the President issued a series of executive orders transferring a host of existing programs to the new agency. Officials believe that "cohabitation" in one agency would lead to a kind of synergy that would solve problems that state and local officials, faced with disasters, complained bitterly about. But "cohabitation" was not sufficient. As Wise chronicles, "Each agency and program retained its programmatic identity and autonomy within FEMA, with the result that each program continued to have the same pattern of political interaction with various interest groups, operated under the same statutory authority, and fell under the purview of the same congressional committees of appropriation and oversight." The results, Wise concludes, produced an agency with "multiple conflicting agendas."

The Environmental Protection Agency, 1970 – 1975: A Case Study

Created during the high point of "social regulation" in the early 1970s, concerned primarily with domestic affairs, sensitive, if not solicitous of public opinion, and oriented towards the states and localities, The EPA raises a number of issues that the literature on executive reorganization neglects.
The most significant of these is federalism. As the following case points out, the EPA, in many instances had to work through state and local governments which historically had been responsible for pollution control. Yet the new agency soon found itself at odds with its would-be partners. Just seven days after taking office, EPA administrator Ruckelshaus charged three major cities with noncompliance. Looking back on the experience, Ruckelshaus characterized the new agency's relations with the states as "terrible."

EPA had its own overseers, however, in Congress. By 1993, thirteen congressional committee and twenty six subcommittees had a say over EPA's operations. What is more, EPA came of age during a time of growing Congressional distrust of the executive branch of government. Consequently, the major statutes that governed the EPA's mission, such as the Clean Water Act and the Clean Air Act were written to minimize bureaucratic discretion. Moreover, the dispersal of oversight authority among so many autonomous actors in Congress potentially undermined the entire rationale for the kind of large-scale executive reorganization embodied by EPA, and demonstrated why executive reorganization cannot transform federal policy in a vacuum—institutional changes must somehow carry over to the legislative branch.

A final lesson that can be drawn from the EPA is just how difficult it is to coordinate activities even when the organizational boxes are redrawn and the related units folded into a new agency. This was certainly the case with pesticide regulation, where zealous staff in the Office of General Counsel, the office that viewed itself as embodying the true spirit of the EPA, clashed with scientists recently transferred from the Department of Agriculture to EPA's Office of Pesticide Programs.

Nevertheless, the EPA had been created precisely to reorient the nation's priorities towards protecting the environment. While Richard Nixon may simply have been paying lip service to this goal in order to garner votes and head off more radical alternatives, the agency he founded established a platform at the national level for looking at issues from an environmental perspective. Working in conjunction with issue networks dedicated to similar perspectives and ever sensitive to cultivating broader public sentiment, the EPA has grown into an institution that most would argue, over the long run, has fulfilled its mission.

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A national perception of crisis swept the creation of the EPA forward. The National Environmental Policy Act of 1969 said the federal government aimed to "assure for all Americans safe, healthful, productive, esthetically and culturally pleasing surroundings." When signing the act on New Year's Day 1970, Richard Nixon stated that the "1970s absolutely must be the years when America pays its debt to the past by reclaiming the purity of its air, its waters, and our living environment. It is literally now or never."138

In 1969, Nixon appointed the Ash Council to advise him on executive reorganization. When a group of White House advisers recommended establishing a new Department of Environment and Natural Resources, which would replace the Department of Interior by consolidating it with other agencies (such as the Forest Service from Agriculture), Nixon referred the plan to the Ash Council. The council's
staff, which thought the plan misguided because it would combine resource development and regulation in the same agency, proposed instead a new pollution control agency that would report directly to the president. They argued that a new agency was necessary for three reasons: pollution problems had grown so large that only a prominent agency with direct access to the president could solve them; a new agency would insure that environmental issues received enough attention from the administration; and a comprehensive solution to pollution problems demanded that one agency have responsibility for all aspects. When it became clear that most of the cabinet opposed the Department of Environment and Natural Resources, the attractiveness of the Ash Council’s alternative increased. The Department of Health, Education, and Welfare, which would lose three bureaus to the proposed pollution agency, decided not to oppose the plan. For Nixon, the agency would provide a high profile answer to the pollution problem while hewing to the middle ground between massive reorganization and stasis.¹³⁹

In arguing for a single agency to oversee pollution, Richard Nixon emphasized the need for a holistic approach to replace the fragmented system then in place. He argued, “Despite its complexity, for pollution control purposes the environment must be perceived as a single interrelated system…. A single source may pollute the air with smoke and chemicals, the land with solid wastes, and a river or lake with chemical and other wastes. Control of air pollution may produce more solid wastes which then would pollute the land or water. Control of the water polluting effluent may convert it into solid wastes, which must be disposed of on land…. A far more effective approach to pollution control would:

- Identify pollutants
- Trace them through the entire ecological chain, observing and recording changes in form as they occur
- Determine the total exposure of man and his environment
- Examine interactions among forms of pollution
- Identify where on the ecological chain interdiction would be more appropriate.¹⁴⁰

In order for this holistic approach to work, the administration believed that responsibility had to be centralized. A White House environmental task force proposed merging responsibility for environmental issues from many parts of the government. The task force wrote, “The federal government spends billions of dollars annually on programs to protect or enhance the environment. It spends billions more on activities which are not so designed but which nonetheless have profound environmental consequences (highways and location of federal facilities, for example). Yet there is no single member of the President’s Cabinet with responsibility for the environment, and programs are dispersed almost haphazardly among the departments. In recent years the Secretary of the Interior has become de facto Secretary of the Environment, yet these concerns have not penetrated far into the Department—beyond the Secretary’s Office. At any rate, he does not have control over many of the most important environmental programs, and he has many unrelated responsibilities.”¹⁴¹ In this line of reasoning, only a unified agency could produce the synthetic view of pollution threats necessary to treat
such problems efficiently and effectively. Only a united agency could discover and respond to new threats.\textsuperscript{142}

Creation of the EPA resulted largely from the press of electoral politics, rather than because of interest on the part of the President. In 1970, Senator Edmund Muskie (D-Maine) ratcheted up his support for environmental regulation significantly. Formerly a proponent of executive discretion in environmental regulation, Muskie seized headlines by pushing for much stronger environmental laws that would, among other things, emphasize Congress’s and Muskie’s leadership on the issue. The first Earth Day, held that year, exemplified the growing popularity of environmental issues among voters. Seeing Muskie as his strongest challenger in the 1972 presidential election, and enough a political realist to recognize the popularity of environmental protection despite his own predilection for deregulation of industry, President Richard Nixon moved to block Muskie on this issue by creating the EPA in 1970.\textsuperscript{143} As Ruckelshaus later put it, Nixon created EPA because of “public outrage about what was happening to the environment. Not because Nixon shared that concern, but because he didn’t have any choice.”\textsuperscript{144}


The first EPA administrator, William Ruckelshaus, later described an almost comical relationship with the President. Ruckelshaus described the President as “very uninvolved” with Ruckelshaus and EPA. This resulted partly by design. In the White House, Ruckelshaus worked most closely with staffer John Ehrlichman, who “often kept the agency’s business out of range of the president. Ehrlichman realized Nixon would react negatively to anything that smacked of regulation, that would interfere with the economy, or, in a narrow sense, would arouse the captains of industry, whom the president admired tremendously…. So when they complained to him from time to time about regulatory infringement on their activities, he would become quite agitated. … Every time I’d meet with him, he would just lecture me about the ‘crazies’ in the agency and advise me not to be pushed around by them. He never once asked me, “is there anything wrong with the environment?” … Nixon thought the environmental movement was part of the same political strain as the anti-war movement; both reflected weaknesses in the American character. He tied the threads together.”\textsuperscript{147}
EPA Organizational Structure and Cultures

Richard Nixon and his advisers argued that a unified agency would create a broader and deeper understanding of environmental problems, and thus create better solutions, than did offices scattered about the federal bureaucracy. Achieving that goal, however, would take more than moving offices from one department to another. Members of those offices would have to be reorganized as well. EPA’s predecessor offices were organized around “media,” such as air and water, that transported pollutants. Defense Department analyst Alain Enthoven suggested a top-to-bottom reorganization not around media but around “functions,” such as setting standards, research and development, and enforcement.  

Although sympathetic with Enthoven’s approach, members of the Office of Management and Budget and the Ash Council circle argued for an incremental approach. A particularly influential consultant, Douglas Costle (later Jimmy Carter’s EPA administrator), believed that existing statutes (such as the Clean Air Act and the Clean Water Act, both geared to particular media) would hinder integration and centralization. Costle also sensed that the first administrator, William Ruckelshaus, wanted to foster a strong public image for the agency by taking quick action; devoting much of the agency’s first months to reorganization would hobble such efforts. Costle proposed, and Ruckelshaus accepted, a three-phase reorganization. 

In the first phase, the agency operated in hybrid system. Its headquarters maintained five offices in much the same form the agency inherited them. These offices were responsible for water quality, air pollution, solid waste, pesticides, and radiation. It also created three new functional offices: planning and management, standards, and research and monitoring. EPA’s ten regional offices adopted the same organizational structure as headquarters. In phase two, begun in April 1971, the five inherited offices merged into two at headquarters. The Office of Media Programs handled air and water programs, and the Office of Categorical Programs bore responsibility for regulating pesticides, radiation, and solid waste. The regional offices followed suit. As it turned out, the agency has remained in phase two until today. It added more offices as its responsibilities grew, but it did not undertake fundamental reorganization. Phase three, which would have abolished the medium-focused offices in favor of functional offices, remained a planner’s dream. Loathe to divert agency resources from enforcement to reorganization, Ruckelshaus chose to continue with the hybrid creature that seemed to work well enough. 

Although a spirit of enthusiastic crisis solving permeated the agency in the early years, it became more bureaucratic over time. Looking back, William Ruckelshaus remembered the early days of EPA as “a lot of fun. We really operated effectively and had a good group of people, with whom we worked closely. There were antagonisms and strife like you always have in institutions; but by and large everybody thought they were attached to a cause larger than themselves.” When he returned as administrator in the Reagan administration, he found it “hard to recreate that sense of joy in creating something brand new. When I made the circuit of the regions in 1983 and asked people to tell me their problems, I got questions about pension benefits, employee rights, and all the things bureaucracies focus on. That was not true from 1970 to 1973, when we had the feeling that, ‘by God, we’re going to do something about this terrible problem afflicting society! Isn’t it wonderful we’re all banded together to do
it! But I don’t think you can recapture it after an institution has been around for a couple of decades."

The Office of General Counsel, an office created anew, saw itself as the bearer of the true spirit of the agency, often in conflict with the personnel in offices transferred from other departments. As Science reported in 1976, “Fairly or not, many of these carry-overs from USDA and FDA have been regarded by people in the OGC, and by some people outside EPA, as not truly committed to the EPA mission.” At odds with agency scientists, who brought with them longstanding ties to the industries they were charged with regulating, EPA attorneys did an end run around their putative colleagues. In regulating pesticides, Science said, “EPA attorneys have had to look repeatedly beyond EPA for the technical expertise necessary to sustain their case. They have established close ties with …[Environmental Defense Fund] attorneys and scientists and with prominent researchers in chemical carcinogenesis at the National Cancer Institute (NCI) and a number of medical schools.”

The new and transferred offices of EPA sometimes disagreed vociferously and publicly over the proper course of action for years. In 1976, six years after creation of the agency, three lawyers from the EPA Office of General Counsel’s pesticides and toxics division quit because they believed the agency was backsliding on enforcement. Testifying to Congress, the attorneys said, “It is clear from recent actions that the agency intends to refrain from vigorous enforcement of available toxic substances controls and to retrench from the few legal precedents which it has set for evaluating the cancer hazards posed by chemicals.” This retrenchment, many believed, marked a return to the status quo ante. Transferred to EPA from the Department of Agriculture, scientists in the Office of Pesticide Programs had long seen their job as assuring the efficacy of pesticides—a goal consistent with the Department of Agriculture’s longstanding commitment to economic efficiency by assisting agriculture and agricultural industries.

Inside the EPA, such an attitude smacked of mollycoddling. “Until recently,” the journal Science reported in 1976, “the Office of the General Counsel (OGC) was, with respect to the regulation of pesticides, a strong and relatively independent force within EPA. The Agency’s Office of Pesticide Programs (OPP), on the other hand, was looked upon by many people, both within and outside EPA, as something of a nullity. The attorneys in the OGC pesticide division regarded it not as an ally but as a bureaucratic obstruction to be sidestepped and ignored.” Administrator Russell Train’s effort to restore primary responsibility for pesticides enforcement to the pesticides office sparked the lawyers’ resignations. “They believe that an exaggerated sense of caution and an undue deference to farm interests and the agricultural chemicals industry will soon become manifest,” Science noted.

The attitudes of the administrator and Congress had a big impact on the balance of power between the new Office of General Counsel and the older offices transferred from other departments. William Ruckelshaus encouraged his attorneys in the Office of General Counsel to push enforcement aggressively—as did his successor, Russell Train, at first. In the face of Congressional backlash—there were moves to give the Secretary of Agriculture veto power over the EPA’s pesticide bans—Train commissioned a study of relations between the Office of General Counsel and the Office of Pesticide Programs. “It was evident,” Train said, that “major disagreement exists as to adequacy of scientific input in the decision-making process under our pesticide cancellation procedures.” Accepting the recommendations of the study
group, Train vested the Office of Pesticide Programs with the dominant policy role. The Office of General Counsel found itself demoted from prime mover to legal counsel.  

**Intergovernmental Relations**

As Ruckelshaus described it, EPA’s goal was to “work in concert” with states and localities in “a relationship of mutual concern and responsibility.” The agency would intervene when states and localities found themselves locked in inertia or otherwise in a jam, especially if they needed the threat of federal prosecution to push polluters to reform. Practice was another matter. Pollution control had traditionally fallen in the purview of states and localities, so the existence of a federal agency was an implied rebuke. Moreover, EPA soon proved itself willing to take on the very entities with which it promised to work. Just seven days after taking office, Ruckelshaus told a meeting of American mayors that EPA was giving Atlanta, Cleveland, and Detroit 180 days to comply with water pollution laws.  

As a result, Ruckelshaus later recalled, relations between EPA and the states were “terrible, because the agency itself represented a repudiation of what the state regulators had been doing for the previous 20 years. They felt, often with a good deal of justification, that in the face of very little public support—and therefore, very little political support—they had made remarkable progress and were getting no credit for it. The very existence of EPA itself symbolized to state environmental agencies the lack of appreciation the public had for their, “Laboring in the darkness for lo these many decades.” When the agency “got new powers from the Clean Air Act and the clean Water Act to regulate state activities, EPA had to be sure the states had adequate bureaucratic mechanisms in place before delegating to them the operation and administration of new programs. This oversight created a very, very difficult period between the EPA and the states. The states thought we dictated too much, were too intrusive.”  

Indeed, the dispersal of oversight authority among so many autonomous actors in Congress potentially undermined the entire rationale for the kind of large-scale executive reorganization embodied by EPA. Several committee chairman operated at cross-purposes to the stated environmental goals of the new agency, and continued to speak for established interests with alternative priorities. Farmers and chemical companies, for example, had bitterly opposed the consolidation of the federal government’s pesticides-related functions into a single Office of Pesticides Programs (OPP). These interests had established direct channels of access to diverse government bodies, like the Department of Agriculture, which tended to chose promotion of pesticides over strict regulation. By contrast, OPP acted strictly as an environmental advocate, and embraced an exclusive regulatory role. Despite this critical bureaucratic reconfiguration, however, agricultural committees in Congress continued to retain exclusive legislative authority over matters concerning pesticides. Members had no intention of abandoning their client interests.

EPA administrators and environmental groups were also befuddled when George Mahon (D-TX), chairman of the House Appropriations Committee, assigned all appropriations for environmental and consumer protection to Jamie Whitten (D-
MS), dubbed the “permanent Secretary of Agriculture.” Whitten had long served as the congressional champion of pesticides manufacturers and farmers, and was best known for his vocal criticism of Rachel Carson. He continued to command the purse strings until 1974, when a post-Watergate wave of reform forced him to surrender control of the Appropriations subcommittee. Nevertheless, this example clearly demonstrates how iron triangles, anchored around independent committee chairmen in Congress, served to frustrate the objectives of executive reorganization.  

Although EPA in theory created a unified approach to environmental enforcement, statutes and the committee system of Congressional oversight worked against this goal. One major piece of governing legislation was the Clean Water Act; another was the Clean Air Act; and so on. Congress delegated responsibility for acts to particular committees and subcommittees, they wanted act-specific information from EPA, and they jealously guarded their responsibilities. This structure worked against reorganizing EPA along Enthoven’s functional lines, and against the agency’s deciding how to allocate resources. By 1993, 13 major Congressional committees and 26 major subcommittees had oversight of EPA.

**Public Assessment**

From the start, William Ruckelshaus anchored his agency in public opinion. Many executive agencies served, or at least were allied with, private interest groups that acted as cheerleaders and lobbyists on their behalf (especially with Congress). EPA had an organized constituency consisting mainly of environmental groups, but these groups were hardly the darlings of the Nixon administration. For practical and ideological reasons, Ruckelshaus felt it was essential to base EPA’s political power in the court of public opinion. The way to gain the public’s trust, he believed, was through swift and visible enforcement, especially against large cities and industry. As Ruckelshaus later put it, “Public opinion remains absolutely essential for anything to be done on behalf of the environment. Absent that, nothing will happen because the forces of the economy and the impact on people’s livelihood are so much more automatic and endemic. Absent some countervailing public pressure for the environment, nothing much will happen.” In its first year, EPA asked the Department of Justice to prosecute 152 cases, most of them for highly visible water pollution. Public opinion polls backed up Ruckelshaus’s view that Americans wanted strong enforcement of environmental laws. Almost 60 percent of those polled said they wanted the environment cleaned up no matter what the cost.

In carrying out enforcement, EPA looked for ways of framing issues that resonated with the public. The effort to ban the insecticide DDT, for example, entered the judicial process as an effort to prevent harm to birds. Finding that judges responded much more favorably to the argument that DDT might cause cancer in humans, though, the lawyers quickly started to portray DDT’s elimination (and other insecticides’) as a cancer prevention effort. Similar experiences in other venues (including Congressional hearings) with a variety of issues convinced EPA administrators that public health was a much stronger foundation for their efforts than was “ecological protection” (protecting non-human species). Jimmy Carter’s EPA administrator, Douglas Costle, capitalized on the surge of publicity about carcinogenic
chemicals at Love Canal and elsewhere to promote EPA as a cancer prevention agency. The agency could not wait for dead bodies to pile up, Costle told the American Chemical Society, to take action against carcinogens. The arrival of the Reagan administration revealed the persistent popularity of environmental regulation. Sweeping into office on the promise of getting the government off Americans’ backs, Reagan installed Anne Gorsuch as EPA administrator. In Gorsuch’s first year, enforcement actions dropped 50 percent. Rather than welcoming this aspect of government shrinkage, newspapers and the public attacked Gorsuch as a pawn of industry and a threat to public health. Like Nixon, Reagan had little interest in environmental issues, but as Ruckelshaus later put it, Reagan saw “the public outrage about what was happening to the environment…. The president feels he’s got to respond to something the American people feel is very important or he’s going to get into political trouble.” Reagan invited Ruckelshaus to return to EPA as Gorsuch’s replacement, and Ruckelshaus agreed. The New York Times reported that Ruckelshaus said, “The Administration had ‘confused’ the public’s wish to improve the way the goals of protecting the environment and public health were achieved with a desire for changing the goals.”

U.S. Department of Education: A Case Study

Implementing the new Department of Education seemed like it would be easy compared to some reorganizations. The idea had been around for three quarters of a century and to some, the change entailed little more than enhancing the Office of Education. This was not the case, however. Political compromises to get the bill through Congress limited the Department’s flexibility and resources. The practical task of merging a large number of different programs with their disparate organizational structures, cultures, and procedures would take time and meant that “true” reorganization of the executive department would take many years. The reorganization did accomplish one of its objectives: it raised the stature of education. But it also raised its exposure, as the new Department quickly learned when Ronald Reagan replaced Jimmy Carter as President.

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The creation of the Department of Education under Democratic President Jimmy Carter in 1979 illustrates the many political and organizational challenges which new executive departments face. Legislation to create a new federal department for education was introduced 130 times between 1908 and 1975 but the idea had always generated a great deal of political opposition from a variety of interests which had a stake in preserving the status quo. This opposition remained in the late 1970s. Small government conservatives opposed the new department because it would expand the size of the federal bureaucracy and the power of the federal government which they were committed to rolling back. State rights advocates believed that education was a state and local responsibility and that any federal role would be intrusive and counterproductive. As David Stephens has noted, “Some people claimed that a national
education policy was contemplated even if it did not yet exist. To them, the proposed department was a back-door method of ensuring that the education policies favored in Washington became those of the entire nation." And since the new department would strip resources and policymaking authority from other existing federal agencies, it also encountered opposition from interest groups, federal bureaucrats, and Congressmen eager to protect the status quo and their “turf.” The old Department of Health, Education and Welfare was most active in this regard, but the Department of Agriculture, the Veterans’ Administration, Bureau of Indian Affairs, and the National Science Foundation and their supporters fought to keep their education-related programs out of the DOE’s control.

As a result of this considerable political opposition, a number of legislative compromises were required to gain passage of the new Department of Education by Congress. A major casualty of these compromises was one of the original goals of the reorganization itself—to improve the coordination and administration of the large number of federal education programs and to thereby boost the academic performance of America’s schools and students. As one observer noted, the Carter administration was persuaded “to seek a department based on the Education Division of HEW with a few non-controversial additions, rather than risk a long and debilitating battle to include many other programs.” As the size and scope of the proposed Education Department was reduced through the legislative process, more and more education-related programs were left dispersed in their original departments and agencies rather than consolidated under the DOE. Ultimately the White House bill included only about 30 programs from outside the Education Division, leaving between 100 and 200 “education-related” programs outside of the new Education Department. As Stephens has remarked, in the end there was a “lack of proportion between the efforts of the supporters of the legislation and the extent of the reorganization that the legislation achieved. The original bill proposed a fairly narrow department; the legislative process whittled away even this modest conception.”

A final constraint which was placed on the new department by Congress was the requirement that it be created extremely quickly—the statute dictated that it be up and running within six months and this left little time for the planning and preparation necessary to ensure a smooth start. Organizing the new department presented a formidable logistical and managerial challenge, particularly in the short time frame mandated by Congress. The new department had 17,000 employees and a $14.5 billion budget and brought together 165 educational programs from six different departments and agencies. Each of these programs embodied a unique organizational culture, set of standard operating principles, and a particular mission which had to be merged into a Department of Education. A Washington Post editorial at the time noted that the new department’s Washington headquarters brought together 7,000 people from five different agencies “who may or may not wish to come, removing many of them from their accustomed offices, superiors, subordinates, and perquisites…to mold them into a newly efficient and enthusiastic unit.”

Carter’s appointee as the first Secretary of Education, Shirley Hufstedler, faced a particularly difficult task in organizing the new department since she was an “outsider,” a federal judge who had only limited experience in the field of education policy and with the Washington education community. Commenting on the many challenges she faced in getting the new organization off the ground, she noted that “learning a $14.5 billion budget…so that you know all the programs and all the
options, what the levels of funding are, what they have been, what every one of the
programs does, and where I would target what priorities I wanted to have in the
department immediately meant a good deal of quick study and homework.” During
the transition phase, prior to the actual start of the new department, lines of authority
and accountability for its constituent programs were often unclear. Acknowledging
the many difficulties which the new department faced during its transition, one
observer went so far as to state that “if organizing for implementation is, by nature, a
complex set of activities, organizing for the transition to the new Department of
Education can only be described as a morass.”

Congress also limited the managerial flexibility of the department’s leadership
by embedding a detailed organizational structure in the authorizing legislation. This
was somewhat unusual and was to have important consequences; as one observer
noted, “unlike many reorganization efforts, most decisions concerning the ED
reorganization structure were made in the adoption stage of the policy process by
Congress.” Secretary Hufstedler remarked on the difficulties presented by this
situation: “Congress had created not only a department; Congress had created the
departmental design, with [only] trivial exceptions…I was criticized in the press
because I had this crazy-looking organization and by people on the Hill who had
forgotten entirely the fact that they drew that blueprint.” And as Hufstedler notes, it
was also a blueprint which reflected more the power of different lobbyists and interest
groups in Washington than practical considerations about the most effective structure
for carrying out the organization’s mission.

Congress also stipulated in the legislation creating the new department that it
manage the same number of programs with 500 fewer staff. As Secretary Hufstedler
recalled, “I was going to have to figure out a way to operate the whole thing with
fewer people than were available to run the department programs when they were
elsewhere…In trying to unify these programs, I had to figure out how to manage to
squeeze out enough human being vacancies to get the staffing of the department
going…I had to negotiate space for my department. The department was scattered all
over Washington. Nobody wanted to give up one square foot of space, not physically,
ot turf, not anything.” The initial temporary office space given to the new
department was woefully inadequate, and the Secretary was involved in lengthy and
often contentious negotiations with the OMB, the General Services Administration,
and Congress to locate a permanent home. In the meantime, the Department of
Education opened without proper heating or operating necessities such as desks,
telephones, and other basic office equipment.

The new department also had to adapt to the demands of extensive
Congressional oversight. Members of Congress were very protective of certain
education department programs and staff and were quite willing to intervene to protect
them, further limiting the managerial flexibility of the Secretary. Hufstedler noted that
“with respect to one man on the Hill, if I didn’t call him up on Wednesday and wish
him a happy Thursday, he would be petulant and would give me trouble on some
aspects of departmental work. In terms of turf, there are projects that are protected
either by staff or by a congressman or by a senator. They believe they own those
programs and if you try to do something that you think is important to change the
priorities of the department, they are all over you like a nest of bees.”

The Department of Education remained the source of much political fighting
and legislative maneuvering for years after its creation. When Carter was defeated in
the 1980 presidential election (only a year after the department was created), the Department of Education lost its most powerful proponent. President Carter’s successor, Republican Ronald Reagan, announced his desire to abolish the department entirely and secured the passage of the 1981 Education Consolidation and Improvement Act (ECIA) which dramatically reduced its size and power. As Stallings has noted, “The new administration planned to move the Department of Education away from awarding categorical grants and toward the awarding of block grants, with the goal of eventually eliminating federal grants entirely, which would cause the federal role to revert to what it had been in 1838—nothing more than collecting statistics.”

Reagan’s first Secretary of Education, Terrell Bell clashed with the administration over his desire for a more ambitious role for the department and was quickly replaced. President Reagan’s appointee to head the National Institute of Education (Edward Curran) and his second appointee at DOE (William Bennett), meanwhile, publicly called for the abolition of their own agencies! Though Reagan’s efforts to disband the DOE were ultimately unsuccessful, the attacks succeeded in substantially reducing the Department’s staffing and budget and its regulatory authority, thereby further limiting its ability to promote educational coordination or improvement. Some scholars have estimated that the number of regulatory mandates imposed on states through federal education programs was reduced by 85% during the Reagan Administration.

The budget for the Department of Education was cut by 11% between FY1981 and FY1988 (in real dollars) while the National Institute of Education (the federal educational research and development body) lost 70% of its funding during the period. As Maris Vinovskis has noted, these reductions significantly reduced the number and quality of program evaluations within the Department and thus made it more difficult for the agency to gauge the effectiveness of its educational improvement efforts. The assault on the Department’s legitimacy also occupied the time and energies of both policymakers within the Department and of its supporters in Congress. The result was that the new Department and its allies were preoccupied with its survival rather than on the difficult task of adapting the organization to its new responsibilities. The replacement of the Department’s embattled secretary, Terrell Bell, with William Bennett (and his subsequent reorganization of the Department in 1985) further distracted the Department from its educational mission.

The creation of the Department of Education is a cautionary tale about the potential pitfalls of executive reorganization. Political compromises in the drafting of the authorizing legislation limited the flexibility and resources accorded to the department’s leadership and diluted the effectiveness of the new department in the short term. The practical task of merging a large number of different programs with their disparate organizational structures, cultures, and procedures would take time and meant that “true” reorganization of the executive department would take many years. As Radin and Hawley have noted, it took a while for the decision-making processes and standard operating procedures of the new organization to be institutionalized among the career bureaucracy and the field office staff. “Implementation in the federal government is thrust on large and complex bureaucracies that require the investment of time and sustained attention if changes...are to be accomplished...As the Department began operations in the last months of 1980, even the most modest efforts to change procedures involving federal education policy-making indicated the reorganization was a formidable task. It required a redistribution of influence, which, in turn, expressed new relationships in status and visibility for program officials, actors within the
Radin and Hawley conclude that the creation of the Department of Education achieved some of the goals of its proponents, by ultimately increasing (at least somewhat) the symbolic status of education, its political influence within the executive branch, and its organizational efficiency. But they caution that “the lessons for reorganizers also call for modesty. We have seen that structure can make a difference, but rarely the type of difference promised with grand expectations for change. We remind reorganizers that shifts in organizational structures are political choices, not mechanistic shifting of boxes...There is much that reorganization cannot do. The grander the scheme, the less likelihood there will be of it achieving success.”

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Julian E. Zelizer is an Associate Professor in the Department of Public Administration and Policy. He received his B.A. in History from Brandeis University and his Ph.D. in History from the Johns Hopkins University. Zelizer, a historian, specializes in drawing on historical analysis to tackle contemporary political problems. His book, Taxing America: Wilbur D. Mills, Congress, and the State, 1945-1975 (Cambridge University Press, 1998) was awarded the Lyndon Baines Johnson Foundation’s 1998 DB Hardeman Prize for Best Publication on Congress and the Organization of American Historian’s 2000 Ellis Hawley Prize for Best Book on the Political Economy, Politics, or Institutions of the United States. He has written over 15 articles and book chapters on American political and policy history, including “Clio’s Lost Tribe: Public Policy History Since 1978,” Journal of Policy History. He is currently writing a book about congressional reform since WWII that will be published by Cambridge University Press. In addition, he is editing The Reader’s Companion to the American Congress and co-editing Democracy in America: New Directions in American Political History. Currently, Zelizer is a member of the editorial board of The Journal of Policy History and a founding member of the American Politics and History Initiative. Zelizer is a co-editor of the Politics and Society in Twentieth Century America book series for Princeton University Press.
APPENDIX
APPENDIX

CHART 1: Milestones in Twentieth Century Executive Reorganization

CHART 2: Chronological List of Agencies and Dates Established or Eliminated
BIBLIOGRAPHY
BIBLIOGRAPHY

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1 The President's Committee on Administrative Management, Report of the Committee with Studies of Administrative Management in the Federal Government.
2 Ibid., 4.
7 Peri Arnold, Making the Managerial Presidency, vii.
9 Overman Act of 1918, 40 Stat. 556 (Chapter 78), sec. 1.
10 Ibid., sec. 1.
11 First War Power Act, 55 Stat. 838 (Title I).
15 Ibid, 311-12.
16 On the Supreme Court and the congressional veto, see Immigration and Naturalization Service v. Chada Et Al, No. 80-1832 Supreme Court of the United States, 462 U.S. 919, decided 23 June 1983.
17 Ibid.
18 David Osborne and Ted Gaebler, Reinventing Government, 251.
19 Emmerich, Federal Reorganization and Administrative Management.
22 Arnold, Making the Managerial Presidency, p. 25.
25 Woodrow Wilson, “The Study of Administration,” Political Science Quarterly 2, 1887, pp. 197-222; Frank J. Goodnow, Politics and Administration (New York: Russell & Russell, 1900);

26 Arnold, *Making the Managerial Presidency*, p. 49.


31 Kennedy, p. 124.

32 Cuff, *War Industries Board*, p. 142.

33 Kennedy, *Over Here*, p. 60-63.

34 Cuff, *War Industries Board*, p. 2.

35 Ibid.

36 Kennedy, *Over Here*, pp. 126-134.


38 *Report of the Joint Committee on Reorganization*.


43 PCAM, p. 3.

44 PCAM, p. 51.

45 PCAM, p. 4.

46 PCAM, p. 32.

47 PCAM, p. 40.

48 *Message to Congress*, 12 January 1937, in President’s Commission on Administrative Management, p. iii.

49 Ibid., p. v.


51 Francis Rourke, "The Politics of Administrative Organization: A Case History," *The Journal of Politics, 9*, 19, Issue 3, August 1957, pp. 461-478. “Often, moving the boxes around on an organizational chart is not sufficient to break these ties. The iron triangle simply adapts to its new environment. This was the case when President Truman moved the Federal Employment Service in 1948. Bitterly opposed by employers and state employment security agencies, Francis Rourke has documented that they need not have worried. As Rourke put it, "The influence exercised by these interest groups over the employment security program proved to be based on something considerably more substantial than a particular organizational arrangement or the degree of sympathy for their point of view felt by national administrative officials. It rested in fact upon the solid majority these interest groups could muster in Congress to overrule what they regarded as an unwarranted exercise of administrative discretion, to support changes in policy they considered desirable and to block proposals which from their perspective were inadvisable." [p. 477]
55 PCAM, p. 53.
56 53 Stat. 561.
57 Pemberton, *Bureaucratic Politics*, p. 174
58 Ibid. p. 2.
59 55 Stat. 838.
60 Emmerich, p. 71.
62 Ibid., 98-104.
63 Kennedy, *Freedom from Fear*, p. 622.
64 Hooks, p. 105-109.
67 59 Stat. 613.
68 Lodge introducing the bill as quoted in Arnold, *Making the Managerial Presidency*, p. 121.
70 Hoover Commission General Management of the Executive Branch, p. 3.
71 Hoover Commission Concluding Report p. 3.
72 Hoover Commission General Management of the Executive Branch, p. viii.
73 Hoover Commission Concluding Report p. 5.
74 Hoover Commission Concluding Report, p. 41.
75 63 Stat. 203
78 Senate Haring on S. 106, 83rd Congress, 1st Session, April 14, 1953, p. 49, quoted in MacNeil and Metz, p. 12.
79 Ibid., pp. 10-11.
80 Ibid., p. 299.
81 Ibid., p. 4.
82 Ibid., p. 304.
84 Ibid., pp. 173-4.

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<table>
<thead>
<tr>
<th>ACTIONS</th>
<th>STUDIES/COMMISSIONS/PROPOSALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>President Bush proposes Department of Homeland Security</td>
</tr>
<tr>
<td>1995</td>
<td>ICC Terminated</td>
</tr>
<tr>
<td>1993</td>
<td>Government Performance and Results Act</td>
</tr>
<tr>
<td></td>
<td>President Clinton forms National Performance Review. Issues report, From Red Tape to Results: Creating a Government that Works Better and Costs Less; recommendations include: • closing field offices of the Department of Agriculture [implemented 1994] • simplifying federal purchasing procedures [implemented 1994]</td>
</tr>
<tr>
<td>1989</td>
<td>Department of Veterans Affairs becomes cabinet department; created from Veterans Administration</td>
</tr>
<tr>
<td>1986</td>
<td>Goldwater-Nichols Department of Defense Reorganization Act  • reorganizes Department of Defense</td>
</tr>
<tr>
<td>1985</td>
<td>Civil Aeronautics Board is eliminated  Balanced Budget and Emergency Deficit Control Act (Gramm/Rudman/Hollings)</td>
</tr>
<tr>
<td>1980</td>
<td>Paperwork Reduction Act; establishes Office of Information and Regulatory Affairs</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th>ACTIONS</th>
<th>STUDIES/COMMISSIONS/PROPOSALS</th>
</tr>
</thead>
</table>
| **1978** | Federal Emergency Management Agency established by combining Office of Civil Defense with related functions in other agencies  
Civil Service Reform Act  
Ethics in Government Act |
| **1977** | Department of Energy created [containing agencies/ functions of Energy Research and Development Administration, Nuclear Regulatory Commission, Federal Energy Administration functions moved to or absorbed by Department of Energy, Economic Regulatory Administration]  
Carter establishes the Presidential Reorganization Project within the Office of Management and Budget; recommendations include:  
• creating Department of Energy [established 1977]  
• creating Department of Education [established 1979]  
• creating Department of Natural Resources [not implemented] |
| **1976** | Government in the Sunshine Act |
| **1974** | Freedom of Information Act Amendments passed;  
Privacy Act passed |
| **1972** | Consumer Product Safety Commission established |
| **1970** | Environmental Protection Agency created  
Occupational Safety and Health Administration created [Department of Labor]  
Domestic Council and Office of Management and Budget [previously Bureau of the Budget] established in the Executive Office via reorganization plan  
Federal Pay Comparability Act |
<table>
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<tr>
<th>ACTIONS</th>
<th>STUDIES/COMMISSIONS/PROPOSALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1969</td>
<td>Nixon creates Advisory Council on Government Organization [Ash Council]; Ash Council produces several memos between 1969-1971; recommendations include: • reorganizing Executive Office to create a Domestic Policy Council and to create Office of Management and Budget from Bureau of the Budget [Nixon implemented through a reorganization plan in 1970] • reorganizing current executive branch environmental functions [Environmental Protection Agency created by reorganization plan in 1970] • abolishing Departments of Agriculture; Interior; Commerce; Health, Education and Welfare; Housing and Urban Development; Labor; and Transportation, and transfer functions of those departments, and related independent agencies, into 4 new ‘super-departments’ of Natural Resources, Economic Affairs, Human Resources, and Community Development [not implemented] • creating new staff officers for program administration and coordination [not implemented]</td>
</tr>
<tr>
<td>1967</td>
<td>Heineman Task Force submits reports to Johnson; recommendations include: • reorganization of executive branch into new, larger ‘super-departments’ including departments of Social Services, National Resources, Economic Affairs, Science and Environmental Preservation, Department of Foreign Affairs, and Department of National Security Affairs [none of these changes implemented] • expanding the Executive Office and the president’s staff, to include new offices of program coordination and program development [not implemented]</td>
</tr>
<tr>
<td>1966</td>
<td>Department of Transportation is created [includes Federal Highway Administration, Federal Railroad Administration, Federal Aviation Administration, National Transportation Safety Board, St. Lawrence Seaway Development Corporation, United States Coast Guard] Freedom of Information Act President Johnson forms his second Task Force on Government Organization, chaired by Ben Heineman [Heineman Task Force]</td>
</tr>
<tr>
<td>1965</td>
<td>Department of Housing and Urban Development is established Equal Employment Opportunity Commission created</td>
</tr>
<tr>
<td>Year</td>
<td>Actions</td>
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<tr>
<td>1964</td>
<td>President Johnson forms Task Force on Government Reorganization [Price Task Force] recommendations include: • creating new executive departments regarding Housing and Community Development [Department of Housing and Urban Development established in 1965], Transportation [established in 1966], Education [created by Carter in 1977], Economic Development [not implemented] and Natural Resources [not implemented]</td>
</tr>
<tr>
<td>1962</td>
<td>President Kennedy proposes the Department of Housing and Urban Development in a reorganization plan; House rejects. [eventually implemented in 1965]</td>
</tr>
<tr>
<td>1961</td>
<td>President’s Advisory Committee on Government Organization [PACGO] makes recommendations to Eisenhower, • including reorganizing the executive branch by creating new, larger departments (i.e. departments of Natural Resources and Transportation) and merging related functions therein; Eisenhower does not propose reorganization; [Department of Transportation created by Johnson in 1966]</td>
</tr>
<tr>
<td>1959</td>
<td>Congress establishes the Advisory Commission on Intergovernmental Relations</td>
</tr>
<tr>
<td>1958</td>
<td>PACGO submits Defense Department reorganization bill to President Eisenhower, giving Secretary of Defense a unified staff and more authority to manage the different service branches; Congress passes bill</td>
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<tr>
<td>1957</td>
<td>Congress appoints U.S. Joint Federal-State Action Committee; releases report 1960</td>
</tr>
<tr>
<td>1956</td>
<td>Government Budget and Accounting Procedure Act</td>
</tr>
<tr>
<td>1955</td>
<td>Second Hoover Commission releases report; recommendations include: • creation of a Senior Civil Service [not implemented]</td>
</tr>
<tr>
<td>ACTIONS</td>
<td>STUDIES/COMMISSIONS/PROPOSALS</td>
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<tr>
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</tr>
<tr>
<td>Department of Health, Education and Welfare created by Eisenhower through a reorganization plan [incorporates functions of Federal Security Agency]</td>
<td>President Eisenhower gives his Special Advisory Committee official status; it becomes the President’s Advisory Committee on Government Organization [PACGO]</td>
</tr>
<tr>
<td>Congress forms Commission on the Organization of the Executive Branch [Second Hoover Commission]</td>
<td>Congress forms Commission on the Organization of the Executive Branch [Second Hoover Commission]</td>
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<tr>
<td>Eisenhower forms Rockefeller Committee on DoD Organization; Committee issues Report of the Rockefeller Committee on Department of Defense Organization; recommendations include:</td>
<td>Recommendations include:</td>
</tr>
<tr>
<td>• consolidating functions of the Munitions Board, the Research and Development Board, and the Defense Supply Management Agency in the Secretary of Defense [implemented in 1953 via reorganization act]</td>
<td>• increasing the president’s staff and strengthening the Executive Office and Bureau of the Budget regarding administrative management [Truman implemented through reorganization plan]</td>
</tr>
<tr>
<td>• creating 6 additional Assistant Secretaries and a general counsel; increasing authority of chair of Joint Chiefs of Staff [implemented in 1953 via reorganization act]</td>
<td>• increasing authority of department heads over internal department organization [department head of Civil Service Commission strengthened through a 1949 reorganization plan]</td>
</tr>
<tr>
<td>Congress forms Commission on Intergovernmental Relations, chaired by Meyer Kestnbaum, directed at issues of federalism; issued report in 1955; few changes made</td>
<td>• forming Department of Social Service and Education [Department of Health, Education and Welfare created by Eisenhower in 1953]</td>
</tr>
<tr>
<td></td>
<td>• increasing unification of military establishment, reorganizing National Security Council [Hoover Commission supported the amendments to the 1947 National Security Act that became the 1949 National Security Act]</td>
</tr>
<tr>
<td>President Eisenhower creates Special Advisory Committee on Government Organization</td>
<td>• restructuring the Departments of Agriculture, Interior and Commerce and reorganizing the functions therein [not implemented]</td>
</tr>
<tr>
<td>Budget and Accounting Procedures Act</td>
<td>• reorganizing State Department [implemented]</td>
</tr>
<tr>
<td>Reorganization Act passed, giving Truman authority to initiate reorganization plans</td>
<td>• centralizing authority over accounting in the Treasury Department [not implemented]</td>
</tr>
<tr>
<td>National Security Council and National Security Resources Board moved into Executive Office of the President under a reorganization plan</td>
<td></td>
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<tr>
<td>ACTIONS</td>
<td>STUDIES/COMMISSIONS/PROPOSALS</td>
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<td><strong>1947</strong></td>
<td>Congress forms Commission on Organization of the Executive Branch of the Government [Hoover Commission], a bipartisan commission to examine reorganization</td>
</tr>
<tr>
<td>Congress passes National Security Act of 1947, taking steps to unify military services</td>
<td></td>
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<tr>
<td>• National Military Establishment created [Department of War and Department of the Navy moved within NME; Department of Air Force established within NME]</td>
<td></td>
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<tr>
<td>• National Security Council created</td>
<td></td>
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<tr>
<td>• National Security Resources Board created</td>
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<tr>
<td>• Munitions Board created</td>
<td></td>
</tr>
<tr>
<td>• Research and Development Board created</td>
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<tr>
<td>• Central Intelligence Agency established [under National Security Council]</td>
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<tr>
<td><strong>1946</strong></td>
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<tr>
<td>Atomic Energy Commission established as an independent regulatory commission</td>
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<tr>
<td>Congress passes Administrative Procedure Act, unifying procedure in administrative agencies</td>
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<tr>
<td><strong>1945</strong></td>
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<tr>
<td>National Intelligence Authority established [precursor to Central Intelligence Agency]</td>
<td></td>
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<tr>
<td>Federal Employees Pay Act</td>
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<tr>
<td><strong>1942</strong></td>
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<tr>
<td>Office of Strategic Services established [precursor to National Intelligence Authority]</td>
<td></td>
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<tr>
<td>War Production Board [until 1945] [WPB took over Advisory Commission to the Council of National Defense, Council of National Defense, National Defense Advisory Commission, and Office of Production Management, each 1940-41]</td>
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<tr>
<td><strong>1939</strong></td>
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<tr>
<td>Congress passes Reorganization Act giving President Roosevelt reorganization authority over the executive branch and authorizing six executive assistants</td>
<td></td>
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<tr>
<td>Under Reorganization Act, Roosevelt submits a reorganization plan creating the Executive Office of the President, and moving into it the Bureau of the Budget [from the Department of Treasury] and National Resources Planning Board</td>
<td></td>
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<tr>
<td>• Federal Works Agency established by Roosevelt through a reorganization plan [until 1949] [under WPA] [recommended by Brownlow Commission?]</td>
<td></td>
</tr>
<tr>
<td>• Federal Loan Agency established by Roosevelt through a reorganization plan</td>
<td></td>
</tr>
<tr>
<td>• Federal Security Agency established by Roosevelt through a reorganization plan</td>
<td></td>
</tr>
<tr>
<td>• Social Security Board moved to Federal Security Agency</td>
<td></td>
</tr>
<tr>
<td>• United States Public Health Service moved to Federal Security Agency [from Treasury]</td>
<td></td>
</tr>
<tr>
<td>• Office of Education moved to Federal Security Agency [from Interior]</td>
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</table>
### ACTIONS

<table>
<thead>
<tr>
<th>Year</th>
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<tbody>
<tr>
<td>1935</td>
<td>Federal Bureau of Investigation (previously Bureau of Investigation) established</td>
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</table>
| 1936 | President Roosevelt forms the President’s Committee on Administrative Management, led by Louis Brownlow [Brownlow Committee] to study management of government. Major recommendations include:  
- Expanding the White House staff, providing 6 executive assistants to the president [implemented by Congress in 1939 Reorganization Act].  
- Creating an Executive Office of the President, to include responsibility for planning, budgeting and civil service through the Civil Service Administration, Bureau of the Budget, and National Resources Planning Board [Executive Office containing Bureau of Budget and National Resources Planning Board created by Roosevelt under his authority under the 1939 Reorganization Act].  
- Strengthening the personnel system in the executive branch by expanding civil service “upward, outward, and downward.”  
- Increasing the president’s fiscal management power by giving him authority over expenditures, and providing Congress with a post-audit.  
- Strengthening managerial agencies especially dealing with budget, efficiency and planning and personnel. |
| 1937 | Senate and House formed Select Committees on Reorganization and began study of reorganization with the Brookings Institution in order to reduce costs and overlapping. |
| 1938 | Roosevelt’s executive and judicial reorganization bills defeated in Senate. |

### STUDIES/COMMISSIONS/PROPOSALS

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td>1935</td>
<td>National Labor Relations Board established</td>
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<tr>
<td>1937</td>
<td>Roosevelt submits executive reorganization plan, based on Brownlow Commission Report, to Congress.</td>
</tr>
<tr>
<td>1938</td>
<td>Roosevelt submits judicial reorganization plan to Congress.</td>
</tr>
<tr>
<td>Year</td>
<td>ACTIONS</td>
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</table>
| 1934 | Federal Bureau of Investigation [previously Bureau of Investigation] established  
National Labor Relations Board established  
Federal Communications Commission established [previously Federal Radio Commission] |
| 1932 | Congress passes Economy Act, granting President Hoover the first peacetime statutory reorganization authority to submit reorganization plans to Congress subject to a legislative veto  
Hoover submits 11 reorganization plans to Congress; Congress rejects all proposals |
| 1930 | Veterans Administration created as independent agency  
• replaced earlier temporary units of Veterans’ Bureau (1921-30), Bureau of Pensions (1833-1930), National Home for Disabled Volunteer Soldiers, Bureau of War Risk Insurance (1914-21) [elevated to cabinet status 1989] |
| 1927 | Federal Radio Commission established |
| 1924 | | Joint Committee on Reorganization issues report; among recommendations:  
• recommends moving the newly created Bureau of the Budget out of the Treasury Department and under the direct control of the president [eventually occurs 1939]  
• recommends moving the GAO to Treasury [not implemented]  
• recommends creation of a department of defense [eventually established 1949], a department of education and welfare [eventually established 1953], and an expanded commerce department |
| 1921 | Budget and Accounting Act passed by Congress  
• creates General Accounting Office as a legislative agency, and the Bureau of the Budget [later Office of Management and Budget] as an executive agency in the Department of Treasury |
<p>| 1920 | Federal Power Commission established |
| 1918 | Congress passes Overman Act, providing president reorganization authority for war-related matters |
| 1914 | Federal Trade Commission created as an independent regulatory commission |</p>
<table>
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<tr>
<th>Year</th>
<th>ACTIONS</th>
<th>STUDIES/COMMISSIONS/PROPOSALS</th>
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<tr>
<td>1913</td>
<td>Department of Commerce and Department of Labor created</td>
<td></td>
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<tr>
<td>1911</td>
<td>President Taft’s Inquiry into Re-Efficiency and Economy (established 1910) becomes Commission on Economy and Efficiency [Taft Commission] [report 1912] among Commission’s recommendations: • proposal of an executive office of the president containing a Bureau of Central Administrative Control, a Central Division of Budgeting within the Bureau of Central Administrative Planning, and a reorganized Civil Service Commission [the Executive Office of the President would be created in 1939] [the Bureau of the Budget created in 1921 in Department of Treasury; moved to Executive Office of the President in 1939]</td>
<td></td>
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<tr>
<td>1908</td>
<td>Bureau of Investigation formed [becomes Federal Bureau of Investigation in 1935]</td>
<td></td>
</tr>
<tr>
<td>1906</td>
<td>Bureau of Immigration and Naturalization created Department of Agriculture created</td>
<td></td>
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<tr>
<td>1905</td>
<td>President Theodore Roosevelt establishes Commission on Department Methods, chaired by Charles Keep [Keep Commission]; commission lasts until 1909; among Keep Commission recommendations: • proposed a General Supply Committee to centralize government purchasing [was established as General Services Administration in 1949] • proposed an Interdepartmental Statistics Committee [established by Roosevelt through executive order]</td>
<td></td>
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<tr>
<td>1903</td>
<td>Antitrust Division created in Department of Justice Department of Commerce and Labor established</td>
<td></td>
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**SOURCES:**
<table>
<thead>
<tr>
<th>Year</th>
<th>Agency Name</th>
<th>Details</th>
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<tr>
<td>1994</td>
<td>Agriculture Service Agency</td>
<td>Consolidating farm programs of Agricultural Stabilization and Conservation Service, Federal Crop Insurance Corporation and Farmers Home Administration</td>
</tr>
<tr>
<td></td>
<td>Rural Utility Service</td>
<td>Department of Agriculture [previously Rural Electrification Administration in Agriculture]</td>
</tr>
<tr>
<td></td>
<td>Social Security Administration</td>
<td>Independent agency; previously under Health and Human Services</td>
</tr>
<tr>
<td>1993</td>
<td>Office of the American Workplace</td>
<td>Department of Labor</td>
</tr>
<tr>
<td>1991</td>
<td>Administration for Children and Families</td>
<td>Health and Human Services [created when Family Support Administration merged with Office of Human Development Services]</td>
</tr>
<tr>
<td></td>
<td>Federal Transit Administration</td>
<td>Previously Urban Mass Transportation Administration</td>
</tr>
<tr>
<td>1990</td>
<td>Rural Development Administration</td>
<td>Department of Agriculture</td>
</tr>
<tr>
<td>1989</td>
<td>Federal Housing Finance Board</td>
<td>Independent agency [taking on responsibilities of Federal Home Loan Bank Board]</td>
</tr>
<tr>
<td></td>
<td>Fossil Energy Office</td>
<td>Department of Energy</td>
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<td></td>
<td>Office of Environmental Management</td>
<td>Department of Energy</td>
</tr>
<tr>
<td></td>
<td>Office of Thrift Supervision</td>
<td>Department of Treasury</td>
</tr>
<tr>
<td></td>
<td>Resolution Trust Corporation</td>
<td>Until 1995; functions transferred to FDIC</td>
</tr>
<tr>
<td></td>
<td>Department of Veterans Affairs</td>
<td>Became cabinet department; created from Veterans Administration</td>
</tr>
<tr>
<td>1988</td>
<td>National Institute of Standards and Technology</td>
<td>Department of Commerce [previously National Bureau of Standards]</td>
</tr>
<tr>
<td>1987</td>
<td>Bureau of Export Administration</td>
<td>Department of Commerce</td>
</tr>
<tr>
<td>1986</td>
<td>Family Support Administration</td>
<td>Health and Human Services [included in Administration for Children and Families 1991]</td>
</tr>
<tr>
<td>1985</td>
<td>Civil Aeronautics Board eliminated</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Office of Environment, Safety and Health</td>
<td>Established in Department of Energy</td>
</tr>
<tr>
<td>1984</td>
<td>Office of Commercial Space Transportation</td>
<td>Department of Transportation</td>
</tr>
<tr>
<td>Year</td>
<td>Agency/Service</td>
<td></td>
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</tr>
<tr>
<td>1983</td>
<td>United States Information Agency [previously International Communication Agency]</td>
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<tr>
<td>1982</td>
<td>Minerals Management Service [Department of the Interior]</td>
<td></td>
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<tr>
<td>1981</td>
<td>Maritime Administration [transferred to Department of Transportation from Commerce]</td>
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<tr>
<td></td>
<td>Regulatory Information Service Center</td>
<td></td>
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<tr>
<td>1980</td>
<td>International Trade Administration [Department of Commerce] [previously Industry and Trade Administration]</td>
<td></td>
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<tr>
<td>1979</td>
<td>Department of Education [previously Office of Education] [absorbing educational functions of Department of HEW]</td>
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<tr>
<td></td>
<td>Department of Health and Human Services created [absorbing Department of HEW with exception of education functions]</td>
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<tr>
<td></td>
<td>Office of the Federal Inspector for the Alaska Natural Gas Transportation System</td>
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<td></td>
<td>Office of Personnel Management established [previously United States Civil Service Commission]</td>
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<tr>
<td>1978</td>
<td>Federal Emergency Management Agency established [by combining Office of Civil Defense with related functions in other agencies]</td>
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</tr>
<tr>
<td></td>
<td>Copyright Office [Library of Congress] [reorganized]</td>
<td></td>
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<tr>
<td></td>
<td>International Communication Agency [previously United States Information Agency] [becomes United States Information Agency 1983]</td>
<td></td>
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<tr>
<td>1977</td>
<td>Animal and Plant Health Inspection Service [Department of Agriculture] [reestablished; previously established 1972] [duties transferred to Food Safety and Quality Service]</td>
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<tr>
<td></td>
<td>Department of Energy established</td>
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<tr>
<td></td>
<td>Federal Energy Regulatory Commission established [previously Federal Power Commission]</td>
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<tr>
<td></td>
<td>Economic Regulatory Administration [Department of Energy]</td>
<td></td>
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<tr>
<td></td>
<td>Food Safety and Quality Service [Department of Agriculture] [taking over programs under by Animal and Plant Health Inspection Service and Agricultural Marketing Service]</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Health Care Financing Administration [Health and Human Services]</td>
<td></td>
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<tr>
<td></td>
<td>Industry and Trade Administration [Department of Commerce] [becomes International Trade Administration 1980]</td>
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<tr>
<td></td>
<td>Mine Safety and Health Administration established in Department of Labor [previously Mining Enforcement and Safety Administration in Department of Interior]</td>
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<tr>
<td></td>
<td>Office of Neighborhoods, Voluntary Associations and Consumer Protection</td>
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<tr>
<td></td>
<td>Office of Surface Mining Reclamation and Enforcement created in Department of Interior</td>
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<tr>
<td></td>
<td>Research and Special Programs Administration created in Department of Transportation</td>
<td></td>
</tr>
</tbody>
</table>
Federal Election Commission [reconstituted]

Federal Grain Inspection Service [Department of Agriculture]

Railway Association and Consolidated Rail Corporation [CONRAIL]

Federal Election Commission established

Materials Transportation Bureau [Department of Transportation]

National Highway Transportation Safety Administration becomes independent regulatory commission

National Transportation Safety Board [independent board] [previously autonomous agency within Department of Transportation]

Patent and Trademark Office [Department of Commerce] [previously Patent Office]

Commodity Futures Trading Commission [previously Commodity Exchange Authority]

Council on Wage and Price Stability

Bureau of Government Financial Operations established in Department of Treasury [created from Bureau of Accounts and Office of the Treasurer]

Energy Research and Development Administration established with some functions from Atomic Energy Commission, Bureau of Mines, National Science Foundation and Environmental Protection Agency [functions would be assumed by Department of Energy in 1977]

Federal Energy Administration established [functions assumed by Department of Energy in 1977]

Nuclear Regulatory Commission established with some functions of Atomic Energy Commission [functions assumed by Department of Energy in 1977]

Pension Benefit Guaranty Corporation

Pension and Welfare Benefits Administration [Department of Labor]

United States International Trade Commission [previously U.S. Tariff Commission]

Army Communications Command

U.S. Customs Service [renamed from Bureau of Customs]

Drug Enforcement Administration [Department of Justice] [merged Bureau of Narcotics and Dangerous Drugs, Office for Drug Abuse Law Enforcement, Office of National Narcotic Intelligence, and related functions of Bureau of Customs and Office of Science and Technology]

Federal Energy Administration [became Economic Regulatory Administration in 1977]

Mining Enforcement and Safety Administration [Department of Interior] [became Mine Safety and Health Administration in 1977]
1972

**Agricultural Marketing Service** [Department of Agriculture]
**Animal and Plant Health Inspection Service** [Department of Agriculture] [reestablished 1977]
**Bureau of Alcohol, Tobacco and Firearms** created in Department of Treasury [functions moved from Internal Revenue Service]

**Consumer Product Safety Commission** established

**Domestic and International Business Administration** [Department of Commerce][becomes Industry and Trade Administration 1977]

1971

**Employment Standards Administration** [Department of Labor]
**Farm Credit Administration**
**National Railroad Passenger Corporation** [AMTRAK]
**Occupational Safety and Health Review Commission**

1970

**Cost Accounting Standards Board**
**Environmental Protection Agency** [functions previously under HEW, Agriculture, Interior] [independent agency in the executive branch]

**National Credit Union Administration** [independent agency in executive branch]
**National Oceanic and Atmospheric Administration** [Department of Commerce]
**Occupational Safety and Health Administration** [Department of Labor]
**Office of Management and Budget** [previously Bureau of the Budget]

**Postal Rate Commission** [established as independent government corporation]

**United States Postal Service** [independent agency in executive branch] [previously Post Office Department]

1969

**Council on Environmental Quality**
**Office of Child Development** [previously Children’s Bureau][HEW]

1968

**Bureau of Narcotics** moved to HEW [from Treasury]
**Export-Import Bank of the United States** [previously Import-Export Bank]
**Government National Mortgage Association** [Housing and Urban Development]

**Urban Mass Transportation Administration** moved to Department of Transportation [renamed Federal Transit Authority 1991]

1967

**National Highway Transportation Safety Administration** [established as autonomous agency within Department of Transportation]
1966

**Department of Transportation**
- Federal Highway Administration moved to Department of Transportation
- Federal Railroad Administration [Department of Transportation]
- Federal Aviation Administration created from independent Federal Aviation Agency, placed within Department of Transportation
- National Transportation Safety Board created as autonomous agency within Department of Transportation [becomes independent board 1975]
- St. Lawrence Seaway Development Corporation moved to Department of Transportation
- United States Coast Guard moved to Department of Transportation [previously established 1915]

1965

**Administration on Aging** [Health and Human Services]

**Department of Housing and Urban Development** established [absorbing Housing and Home Finance Agency]

**Economic Development Administration** [Department of Commerce]

**Environmental Science Services Administration** created in Department of Commerce
- Weather Bureau, Geodetic Survey moved to Commerce within ESSA

**Equal Employment Opportunity Commission** created as independent agency

**National Endowment for the Arts** created

**National Endowment for the Humanities** created

**National Ocean Survey**

**National Weather Service**

1964

**Administrative Conference of the United States** established as independent agency

**Job Corps**

**Urban Mass Transportation Administration** created

1963

**Labor-Management Services Administration** [Department of Labor]

1962

**Army Strategic Communications Command** [STRATCOM] [previously Army Signal Corps] [becomes United States Army Communications Command 1973]

1961

**Agency for International Development** established [as autonomous agency within Department of State] [taking on functions of International Cooperation Administration, and certain functions of the Development Loan Fund and the Export-Import Bank]

**Agricultural Stabilization and Conservation Service** [Department of Agriculture]

**Arms Control and Disarmament Agency** [previously Office of the Special Assistant to the President for Disarmament]

**Federal Maritime Commission** [independent regulatory agency within executive branch] [previously Maritime Administration Federal Maritime Board in Department of Commerce]

**Peace Corps**

1960

**United States Commission on Civil Rights** [expansion]
1959

Civil Aeronautics Administration in Commerce renamed Federal Aviation Agency, made independent agency

1958

Federal Aviation Agency [previously Civil Aeronautics Administration] [becomes Federal Aviation Administration in Department of Transportation 1966]

National Aeronautics and Space Administration

1957

Civil Rights Division [Department of Justice]

Development Loan Fund established

United States Commission on Civil Rights

Federal Highway Administration created [previously Bureau of Public Roads]

1955

International Cooperation Administration [replacing Foreign Operations Administration] [replaced by Agency for International Development 1961]

Office of the Special Assistant to the President for Disarmament [becomes United States Arms Control and Disarmament Agency 1961]

1954

St. Lawrence Seaway Development Corporation established [moved to Department of Transportation in 1966]

United States Air Force Academy

1953

Commission on Organization of the Executive Branch of the Government [2nd Hoover Commission]

Department of Health, Education and Welfare [incorporates functions of Federal Security Agency] [becomes Department of Health and Human Services 1979]

Foreign Agricultural Service [Department of Agriculture]

Foreign Operations Administration [replacing Mutual Security Agency] [replaced by International Cooperation Administration in 1955]

Small Business Administration established

United States Information Agency [becomes International Communication Agency 1978]

1952

Federal Coal Mine Safety Board of Review

Internal Revenue Service

National Capital Planning Commission

1951

Mutual Security Agency [previously Economic Cooperation Administration] [until 1953]

Renegotiation Board [until 1979]
1950

**Maritime Administration** [Department of Commerce] [moved to Department of Transportation in 1981]

**National Science Foundation** created [as independent agency]

1949

**Department of Defense** established [previously National Military Establishment]
- executive departments of Army, Navy, Air Force become military, not executive, departments

**General Services Administration** [functions previously in Bureau of Federal Supply, Office of Contract Settlement, Federal Works Agency, Public Buildings Administration, National Archives, War Assets Administration]

**Patent and Trademark Office** [previously Patent Office]

1948

**Commodity Credit Corporation** [incorporated as a federal corporation within Department of Agriculture]

**Economic Cooperation Administration** established [until 1951] [functions replaced by Foreign Operations Administration in 1953]

1947

**Central Intelligence Agency** established

**Commission on Organization of the Executive Branch of the Government** [Hoover Commission]

**National Military Establishment** created [would become Department of Defense 1949]
- Department of Air Force established within NME
- Department of War moved to NME
- Department of the Navy moved to NME

**National Security Council** created

**National Security Resources Board** created

**Munitions Board** created

**Research and Development Board**

1946

**Atomic Energy Commission** [becomes Nuclear Regulatory Commission 1975]

**Bureau of Land Management** established in Department of Interior [replacing and combining functions of General Land Office and U.S. Grazing Service]

**Council of Economic Advisors**

**Farmers Home Administration** created [taking over remaining programs of Farm Security Administration]

**Office of Temporary Controls** [previously Office of Price Administration][until 1947]

**Social Security Administration** [previously Social Security Board]

**Committee on Fair Employment Practices** eliminated

1945

**National Intelligence Authority** [previously Office of Strategic Services]
1942

**Office of Strategic Services** [previously Coordinator of Information; becomes National Intelligence Authority 1945]

**Office of War Information** [until 1945]

**War Manpower Commission** [until 1945]

**War Production Board** [until 1945] [WPB took over Advisory Commission to the Council of National Defense, Council of National Defense, National Defense Advisory Commission, and Office of Production Management, each 1940-41]

1941

**Army Air Forces** [previously Air Corps] [becomes Department of the Air Force 1947]

**Committee on Fair Employment Practices** established in War Manpower Commission, then Executive Office (1943) [eliminated 1946]

**Coordinator of Information** [becomes Office of Strategic Services in 1942]

**Office of Price Administration and Civilian** [Office of Price Administration 1941][becomes Office of Temporary Controls 1946]

**Office of Scientific Research and Development** [previously National Defense Research Committee] [until 1947]

1940

**Bureau of the Public Debt** established in Department of Treasury [previously Public Debt Service]

**Bureau of Accounts** established in Department of Treasury

**Office of the Treasurer of the United States** established in Department of Treasury [moved to Office of the Secretary of the Treasury 1974]

**Civil Aeronautics Board** created from some functions of Civil Aeronautics Authority; abolished Air Safety Board

**Civil Aeronautics Administration** created from remaining Civil Aeronautics Authority functions, established within Commerce  [becomes Federal Aviation Agency 1959]

**Defense Plant Corporation, Rubber Reserve Company, Metals Reserve Corporation, Defense Supplies Corporation** established under Reconstruction Finance Corporation [until 1945]

**National Defense Research Committee** [becomes Office of Scientific Research and Development 1941]

**Selective Service System**

**United States Fish and Wildlife Service** [Department of the Interior] [previously Fish and Wildlife Service, Bureau of Biological Survey]

**Food and Drug Administration** moved to Federal Security Agency [from Agriculture]
1939

**Commodity Credit Corporation** [from independent agency to Agriculture]

**Bituminous Coal Division**

**Executive Office of the President** established
- Bureau of the Budget moved to Executive Office [from Treasury]

**Federal Works Agency** [until 1949] [under WPA]

**Federal Loan Agency**

**Federal Security Agency** created
- Social Security Board moved to Federal Security Agency
- United States Public Health Service moved to Federal Security Agency [from Treasury]
- Office of Education moved to Federal Security Agency [from Interior]

**Works Projects Administration** [until 1942] [under WPA]

1938

**Civil Aeronautics Authority, Air Safety Board** established [CAA becomes Civil Aeronautics Board 1940]

**FTC Expansion**

**FDA Expansion**

**Temporary National Economic Committee**

**Federal Crop Insurance Corporation** [Department of Agriculture] [becomes part of Agriculture Service Agency 1994]

1937

**Civilian Conservation Corps**

**Consumer and Marketing Service** [Department of Agriculture] [duties transferred in 1972 to Agricultural Marketing Service, Animal and Plant Health Inspection Service]

**Farm Security Administration** established in Department of Agriculture, taking over functions of Resettlement Administration [eliminated 1946; remaining functions absorbed by Farmers Home Administration]

**United States Housing Authority**

**Bonneville Project**

1936

**Commodity Exchange Administration**

**Division of Public Contracts**

**Rural Electrification Administration** [Department of Agriculture] [becomes Rural Utility Service 1994]

**United States Maritime Commission** [previously Shipping Board] [becomes Maritime Administration Federal Maritime Board 1950]

1935

**Bureau of Entomology and Plant Quarantine**

**Consumers’ Counsel**

**Federal Alcohol Administration**

**Federal Bureau of Investigation** [previously Bureau of Investigation]

**Federal Power Commission**
1934

National Labor Relations Board
National Youth Administration
Petroleum Conservation Service
Puerto Rico Reconstruction Administration
Resettlement Administration established [functions absorbed by Farm Security Administration 1937]
Railroad Retirement Board
Social Security Board [becomes Social Security Administration 1946]
Soil Conservation Service [Department of Agriculture]
Works Progress Administration [until 1939]

Bureau of Air Commerce [previously Aeronautics Branch] [becomes Civil Aeronautics Administration 1938]
Bureau of Mines – bureau functions moved to Interior [from Commerce]
Division of Labor Standards
Electric Home and Farm Authority
International Labor Office
Federal Communications Commission [previously Federal Radio Commission]
Federal Housing Administration
U.S. Grazing Service [included within Bureau of Land Management 1946]
National Archives and Records Service created as independent agency [moved under GSA in 1949]
National Agricultural Research Center
National Mediation Board
Prison Industries Fund
Securities and Exchange Commission
<table>
<thead>
<tr>
<th>Year</th>
<th>Agency</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1933</td>
<td>Agricultural Adjustment Administration</td>
<td>established within Department of Agriculture</td>
</tr>
<tr>
<td></td>
<td>Civilian Conservation Corps</td>
<td>[until 1940]</td>
</tr>
<tr>
<td></td>
<td>Commodity Credit Corporation</td>
<td>[transferred to Agriculture in 1939; incorporated in 1948 as a federal corporation within Department of Agriculture]</td>
</tr>
<tr>
<td></td>
<td>Employment and Training Administration</td>
<td>[Department of Labor]</td>
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<td></td>
<td>Farm Credit Administration</td>
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<tr>
<td></td>
<td>Federal Civil Works Administration</td>
<td>[until 1934] [under WPA]</td>
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<tr>
<td></td>
<td>Federal Deposit Insurance Corporation</td>
<td>[independent agency]</td>
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<tr>
<td></td>
<td>Federal Emergency Relief Administration</td>
<td>[until 1938] [under WPA]</td>
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<tr>
<td></td>
<td>Federal Surplus Commodities Corporation</td>
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<td></td>
<td>Home Owners’ Loan Corporation</td>
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<td></td>
<td>Immigration and Naturalization Service</td>
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<tr>
<td></td>
<td>National Labor Board</td>
<td>[until 1935; replaced by National Labor Relations Board]</td>
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<td></td>
<td>National Recovery Administration</td>
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<td></td>
<td>National Resources Planning Board</td>
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<td></td>
<td>Rural Electrification Administration</td>
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<td></td>
<td>Public Works Administration</td>
<td>[until 1939]</td>
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<td></td>
<td>Tennessee Valley Authority</td>
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<tr>
<td>1932</td>
<td>Bureau of Navigation and Steamboat Inspection</td>
<td>[previously Bureau of Marine Inspection and Navigation] [becomes United States Coast Guard 1942]</td>
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<tr>
<td></td>
<td>Federal Home Loan Bank Board</td>
<td>[functions assumed by Federal Housing Finance Board 1989]</td>
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<tr>
<td></td>
<td>Federal Savings and Loan Insurance Corporation</td>
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<td></td>
<td>Reconstruction Finance Corporation</td>
<td>[until 1957]</td>
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<tr>
<td>1931</td>
<td>Food and Drug Administration</td>
<td>[Department of Agriculture] [previously Food, Drug and Insecticide Administration] [moved to Federal Security Agency 1940]</td>
</tr>
<tr>
<td>1930</td>
<td>Bureau of Narcotics</td>
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<td></td>
<td>Bureau of Prisons</td>
<td>[Department of Justice]</td>
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<tr>
<td></td>
<td>United States Board of Parole</td>
<td>[Department of Justice] [later becomes U.S. Parole Commission]</td>
</tr>
<tr>
<td></td>
<td>Veterans Administration</td>
<td>[independent agency] [replaced earlier temporary units of Veterans’ Bureau (1921-30), Bureau of Pensions (1833-1930), National Home for Disabled Volunteer Soldiers, Bureau of War Risk Insurance (1914-21)] [becomes elevated to cabinet status 1989]</td>
</tr>
<tr>
<td>1929</td>
<td>Mount Rushmore National Memorial Commission</td>
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<tr>
<td></td>
<td>Office of Education</td>
<td>[previously Bureau of Education] [moved to Federal Security Agency 1939; becomes Department of Education 1979]</td>
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</tbody>
</table>
1927

**Bureau of Customs** [autonomous agency in Department of the Treasury] [previously Customs Service in Treasury]

**Food, Drug and Insecticide Administration** [Department of Agriculture] [previously Bureau of Chemistry, Department of Agriculture] [becomes Food and Drug Administration 1931]

**Federal Radio Commission** [becomes Federal Communications Commission 1934]

1926

**Aeronautics Branch** created in Department of Commerce [becomes Bureau of Air Commerce 1934]

**Air Corps** [previously Air Service] [becomes Army Air Forces 1941]

**National Capital Park and Planning Commission**

1925

**Patent Office moved to Department of Commerce** [from Department of Interior]

**Bureau of Mines** – many functions moved to Department of Commerce [would be moved back to Interior in 1934]

1924

**Bureau of Home Economics**

**Bureau of Dairy Industry**

**Board of Tax Appeals**

**National Capital Park and Planning Commission**

1922

**Commodity Exchange Authority** [became Commodity Futures Trading Commission in 1974]

1921

**Public Debt Service** established in Department of Treasury [renamed Bureau of Public Debt 1940]

**Bureau of Public Roads** [previously Office of Road Inquiry] [becomes Federal Highway Administration 1957]

**Bureau of the Budget** [becomes Office of Management and Budget 1970]

**General Accounting Office** established as a congressional agency

**Packers and Stockyards Administration** [Department of Agriculture]

1920

**Federal Power Commission** [functions transferred to Federal Energy Regulatory Commission in Department of Energy in 1977]

**Women’s Bureau** established [in Department of Labor]

1919

**Public Debt Service** created in Department of Treasury [becomes Bureau of Public Debt in 1940]

1918

**Air Service** [becomes Air Corps 1926]

**National War Labor Board** [lasts until 1919]

**War Service**
<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td>1917</td>
<td>War Industries Board established [lasts until 1919]</td>
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<td><strong>1916</strong></td>
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<tr>
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<td>Employees’ Compensation Commission</td>
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<td>Farm Credit Administration</td>
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<td>National Park Service [Department of Interior]</td>
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<td></td>
<td>Shipping Board [becomes United States Maritime Commission 1936]</td>
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<td></td>
<td><strong>1915</strong></td>
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<tr>
<td></td>
<td>National Advisory Committee for Aeronautics</td>
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<td></td>
<td>United States Coast Guard established in Department of Treasury [combining Life-Saving Service and Revenue Cutter Service] [moved to Department of Transportation 1966]</td>
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<tr>
<td></td>
<td><strong>1914</strong></td>
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<tr>
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<td>Alaska Railroad Commission</td>
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<td>Federal Trade Commission</td>
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<td>Extension Service</td>
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<td></td>
<td><strong>1913</strong></td>
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<td></td>
<td>Commission on Industrial Relations [until 1915]</td>
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<td></td>
<td>Department of Commerce [previously Department of Commerce and Labor]</td>
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<tr>
<td></td>
<td>Department of Labor [previously Department of Commerce and Labor]</td>
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<td></td>
<td>Federal Reserve Board</td>
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<td></td>
<td>Commissioner of Internal Revenue [first able to levy taxes]</td>
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<td></td>
<td><strong>1912</strong></td>
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<tr>
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<td>Children’s Bureau established in Department of Commerce and Labor [included in Department of Labor in 1913]</td>
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<td></td>
<td>Bureau of Foreign and Domestic Commerce</td>
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<td></td>
<td>Panama Canal</td>
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<td></td>
<td>Public Health Service [later moved to Health and Human Services]</td>
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<td></td>
<td><strong>1910</strong></td>
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<tr>
<td></td>
<td>Bureau of Mines established in Department of Interior [many functions moved to Department of Commerce in 1925]</td>
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<tr>
<td></td>
<td><strong>1908</strong></td>
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<td></td>
<td>Bureau of Investigation [becomes Federal Bureau of Investigation 1935]</td>
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<td></td>
<td><strong>1907</strong></td>
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<tr>
<td></td>
<td>Reclamation Service removed from U.S. Geographic Survey [renamed Bureau of Reclamation 1923]</td>
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<tr>
<td>Year</td>
<td>Event</td>
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</tbody>
</table>
| 1906 | Bureau of Chemistry [Department of Agriculture] [becomes Food, Drug and Insecticide Administration 1927]  
Bureau of Immigration and Naturalization  
Department of Agriculture created  
National Park Service created [in Department of Interior]  
United States Secret Service established in Department of Treasury |
| 1905 |  
Forest Service [previously Division/Bureau of Forestry] |
| 1903 | Antitrust Division [Department of Justice]  
Bureau of Fisheries [previously United States Fish Commission] [becomes Fish and Wildlife Service 1940]  
Department of Commerce and Labor established [previously Bureau of Labor] [becomes Department of Commerce, Department of Labor in 1913] |
| 1902 | Bureau of the Census established  
Bureau of Plant Industry  
Reclamation Service established in U.S. Geological Survey of Department of Interior  
moved from U.S. Geological Survey 1907, becomes Bureau of Reclamation 1923]  
Public Health and Marine Hospital Service [previously Marine Hospital Service] [becomes Public Health Service 1912] |
| 1901 | National Bureau of Standards [becomes National Institute of Standards and Technology 1988] |
| 1893 | Office of Road Inquiry [becomes Bureau of Public Roads 1921] |
| 1891 | Bureau of Immigration  
U.S. Weather Bureau |
| 1888 | Department of Labor established as an independent department [previously Bureau of Labor in Interior] |
| 1887 | Interstate Commerce Commission established |
| 1885 | Bureau of Biological Survey [Department of Agriculture] [moved into U.S. Fish and Wildlife Service, Department of Interior 1940] |
1884

Bureau of Education [previously Office of Education] [becomes Office of Education again 1929]
Bureau of Labor established in Department of Interior [becomes independent Department of Labor in 1888]
Bureau of Marine Inspection and Navigation [becomes Bureau of Navigation and Steamboat Inspection 1932, United States Coast Guard 1932]

1883

United States Civil Service Commission established [becomes Office of Personnel Management 1979]

1881

Division/Bureau of Forestry created in Department of Agriculture [renamed Bureau of Forestry 1901] [becomes Forest Service 1905]

1879

United States Geological Survey established in Department of Interior

1878

Life-Saving Service established [becomes United States Coast Guard 1915]

1871

Bureau of Fisheries [independent agency] [moved to Department of Commerce]

1870

Copyright Office established [in Library of Congress] [reorganized 1978]
Department of Justice established [previously Office of the Attorney General]

1869

Bureau of Engraving and Printing [previously First Division, National Currency Bureau in Department of Treasury]

1868

Office of Education moved into Department of Interior [becomes Bureau of Education 1884]

1867

Office of Education established as independent agency [moved into Department of Interior 1868]

1866

United States Army Signal Corps reestablished [would be included in Army Strategic Communications Command, established 1962]

1865

Bureau of Refugees, Freedmen and Abandoned Lands within War Bureau [ended 1872]
United States Secret Service

1863

Office of the Comptroller of the Currency established [in Department of the Treasury]
<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1862</td>
<td>United States Army Signal Corps established [disbanded 1865] [reestablished 1866, would become Army Strategic Communications Command 1962]</td>
</tr>
<tr>
<td></td>
<td>Department of Agriculture established</td>
</tr>
<tr>
<td></td>
<td>Commissioner of the Internal Revenue</td>
</tr>
<tr>
<td></td>
<td>First Division, National Currency Bureau established in Department of Treasury [became Bureau of Engraving and Printing in 1869]</td>
</tr>
<tr>
<td>1849</td>
<td>Department of the Interior</td>
</tr>
<tr>
<td></td>
<td>• General Land Office moved to Interior [from Treasury]</td>
</tr>
<tr>
<td></td>
<td>• Patent Office moved to Interior [from State] [would be moved to Commerce 1925]</td>
</tr>
<tr>
<td></td>
<td>• Bureau of Indian Affairs moved to Interior [from War Department]</td>
</tr>
<tr>
<td>1846</td>
<td>Smithsonian Institution</td>
</tr>
<tr>
<td>1845</td>
<td>United States Naval Academy</td>
</tr>
<tr>
<td>1836</td>
<td>Patent and Trademark Office established in Department of State</td>
</tr>
<tr>
<td>1824</td>
<td>Bureau of Indian Affairs established in War Department] [would be moved to Interior Department 1849]</td>
</tr>
<tr>
<td>1812</td>
<td>General Land Office established in Department of Treasury [would be moved into Interior 1849]</td>
</tr>
<tr>
<td>1802</td>
<td>Patent Office [Department of State] [moved to Interior 1849] [becomes Patent and Trademark Office 1949]</td>
</tr>
<tr>
<td></td>
<td>United States Army Corps of Engineers permanently established [previously Corps of Artillerists and Engineers]</td>
</tr>
<tr>
<td></td>
<td>United States Military Academy established</td>
</tr>
<tr>
<td>1798</td>
<td>Department of the Navy established [previously under Department of War] [under Department of Defense 1947]</td>
</tr>
<tr>
<td></td>
<td>Marine Hospital Service established [becomes Public Health and Marine Hospital Service 1902]</td>
</tr>
<tr>
<td></td>
<td>United States Marine Corps established</td>
</tr>
<tr>
<td>1794</td>
<td>Corps of Artillerists and Engineers established [becomes United States Army Corps of Engineers 1802]</td>
</tr>
<tr>
<td>1790</td>
<td>Revenue Cutter Service established [becomes United States Coast Guard 1915]</td>
</tr>
<tr>
<td>Year</td>
<td>Event</td>
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<tr>
<td>------</td>
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</tr>
<tr>
<td>1789</td>
<td><strong>Department of State</strong> created [previously Department of Foreign Affairs] &lt;br&gt; <strong>Department of War</strong> created [becomes Department of the Army (under Department of Defense) 1947] &lt;br&gt; <strong>Department of the Treasury</strong> created &lt;br&gt; • Customs Service created [Department of Treasury] &lt;br&gt; <strong>Lighthouse Service</strong> [under United States Coast Guard 1939] &lt;br&gt; <strong>Office of the Attorney General</strong> established [becomes Department of Justice in 1870] &lt;br&gt; <strong>Post Office Department</strong> [becomes United States Postal Service 1971]</td>
</tr>
<tr>
<td>1781</td>
<td><strong>Department of Foreign Affairs</strong> created [becomes Department of State 1789] &lt;br&gt; <strong>Secretary of War</strong> created [previously Board of War and Ordnance] [becomes Department of War 1789]</td>
</tr>
<tr>
<td>1779</td>
<td><strong>Corps of Engineers</strong> created [terminated 1783]</td>
</tr>
<tr>
<td>1776</td>
<td><strong>Board of War and Ordnance</strong> created [becomes Secretary of War 1781]</td>
</tr>
</tbody>
</table>