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ADMINISTRATION IN THE FEDERAL GOVERNMENT

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DR. HUNTER: Admiral Hague and gentlemen: The war economy like ancient Gaul is divided into three parts: economic, political, and administrative. Each of these parts presents its own problems and its own difficulties and the interactions between them add greatly to the problem of running a war economy.

Of the three, I suppose the economic one taken by itself--if that were possible, which of course it isn't--could be taken care of without too much difficulty. At any rate many economists feel that this sector presents no great difficulties. As a result of our war experience we know what needs to be done and how to do it in the economic field; that is, if the necessary political authority is given.

Now provided this political authority is in many ways the least manageable of all three sectors, it is the area in which the arts of leadership and of persuasion rule. We study it but we can't do much about it.

This morning it is with the third aspect, the administrative aspect, that we are concerned. In my opinion it is in the field of administration that we meet our greatest difficulties in mobilizing and managing the war economy; greatest because of our lack of experience, the brevity of our experience in dealing with the problems of big government; greatest because of the nature of our private enterprise economy and the long tradition of "government hands off"; greatest, too, because of the overwhelming magnitude and complexity of our economic system.

In dealing with the vital area of Federal administration we are very fortunate in having as our speaker Professor James W. Fesler, Cowles Professor of Government, Yale University. We are fortunate because he is one of the ablest of the younger political scientists who have been coming to the front in recent years; fortunate, too, because he combines with an understanding of the Government in its formal and theoretical aspects first-hand experience and observation of Federal administration during the period of World War II, occupying, as he did, certain strategic positions first in the Office of Production Management and then in the War Production Board. Along with his other accomplishments, Professor Fesler was the directing and guiding hand in that able and illuminating analysis of our wartime production experience, a study with which most of you are familiar by this time, "Industrial Mobilization for War."

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We feel very fortunate in finally having Professor Fesler here. We have tried at various times in the past to get him as a lecturer but other commitments have prevented him from coming. For that reason we are particularly glad to have him with us this morning. Professor Fesler.

DR. FESLER: Dr. Hunter, Admiral Hague, and gentlemen: It is a pleasure to be with this group. I didn't know whether it would be or not when the invitation reached me in Salisbury, Southern Rhodesia, South Africa. Washington seemed, and was, far away and it appeared doubtful that two weeks after returning I could get my mind off Africa and onto problems of American administration. My task, nonetheless, is to discuss with you some of the developments of the last 25 years in Federal administration.

A generation is a short time in the affairs of a nation and in the affairs of the world. Yet the last 25 years have been so transforming that the Nation and the world of 1927 come to mind only with difficulty. Our focus on that age is diffused by nostalgic romanticism. The age appeals to some of us as the happy product of the return to normalcy after the First World War. It was an age of a business civilization, a weak Presidency, a noninterventionist domestic economic policy, and a foreign policy that seemed concerned mainly with tariff protection of our "infant" industries, with stabilization of governments in Latin America, with brave pronouncements for peace and disarmament, and with the avoidance of entangling alliances. What has happened to public administration in the past generation is intelligible only as a reflection of the change from the world and Nation of 1927 to the world and Nation of 1952.

We have, in an apt political phrase, moved the Capital of the United States from New York to Washington. We have no longer a "business civilization" in the sense that this phrase defined the society of 1927. The Federal Government has no longer a noninterventionist domestic economic policy. Indeed, the Federal Government now accounts for 23 percent of the Nation's total output of goods and services. Our foreign policy has been transformed to one reflecting world leadership with political, economic, and military responsibilities--a stark contrast with our isolationist "sit this one out" approach of the 1920's. During the past 20 years we have substituted for the normalcy of the halcyon 1920's an almost unbroken series of emergencies: depression, defense, war, inflation, cold war. Indeed, emergency appears to have become the new kind of normalcy.

National emergencies tend to favor improvisation by the Government. Yet with all our improvising, our "putting out of fires," our apparent activation by events instead of deliberate activation of events, we have emerged with a discernible pattern of domestic and foreign policy and, most important, with an acceptance of the idea that the Government should consciously plan a strategy for anticipating and meeting domestic and foreign emergencies at the operational level.

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The dramatic change in the Federal Government's role has inevitably posed the question of the ability of the Government to equip itself administratively for the new tasks. The answer to this question depended upon two developments: the forward movement of thinking among students of administration and the actual adoption of new administrative approaches by the Government itself. These are interpenetrating areas of advance: The world of scholarship endeavors to contribute the broad theoretical foundation on which must rest any consistent pattern of administrative institutions; the world of actual administrative practice provides the experimental laboratory in which we can test and compare a variety of promising ideas and select those that are worth preserving.

The development of scholarly thinking about public administration on a significant scale can be dated from 1927, for at that time the first American Textbooks on public administration were just off the presses. The few students of the subject at that time had inherited scattered literature from the civil service reform movement of the 1880's, the municipal reform movement of the turn of the century, the industrial engineering movement fathered by Frederick W. Taylor in the early 1900's, and the efficiency and economy movement fostered by taxpayers' associations with special effect on state government reorganizations in the 1910's and 1920's.

Congress was regarded as the originator of policy; and administration, as the implementer. Politics and politicians were regarded as "bad." The goal of better administrative organization was economy and efficiency, both interpreted narrowly as means of reducing government budgets. The business corporation was regarded as efficient and, therefore, as the model for the Government. The problems appeared simple and their solution was to be found in the application of "principles of public administration" that were readily discernible by men of reason.

Part of the solution lay in keeping politics out of administration, establishing a body of permanent neutral civil servants protected against spoils, and setting up control and watchdog agencies largely independent of the Chief Executive and especially of department heads.

In 1927 the Federal Government itself was a jerry-built organizational framework of Cabinet departments, non-Cabinet administrative agencies, independent regulatory commissions, government corporations, and agencies directly responsible to Congress. A heritage reaching back to colonial days favored diffusion of power within the executive branch. Although this tradition had had a greater impact on state governments than on the Federal Government, it was nonetheless true that this tradition, along with the frequent turnover of Presidents and department heads, had contributed to the autonomy of the little administrative kingdoms that many bureaus had become. This, coupled with the

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independence of regulatory commissions and congressional agencies, resulted in weak overhead organization for direction and coordination.

There was in 1927 a significant deposit of legislation about Federal administration. The most significant of this legislation was that establishing the Civil Service Commission, the Bureau of the Budget, and the General Accounting Office. These respectively reflected concern for an efficient personnel, an orderly method of estimating expenditures and revenues, and a watchdog, inspector-general function to assure honesty and legality in the handling of public funds. Important though these were as forward steps, their 1927 interpretation reflected a spirit that does not comport with 1952 administration.

The Civil Service Commission was emphasizing examinations of people who chose to apply for civil service jobs; it could thus "keep the rascals out," even if it did little to attract better people to apply and even if it showed little concern for what happened to recruits during the rest of their lives in the government service. The Bureau of the Budget, located in the Treasury Department, was contributing to orderliness in budgeting, but was emphasizing the saving of paper clips and the using of pencils down to their nubs as its approach to administrative efficiency and economy. The General Accounting Office, suspecting all administrators of disrespect for the statutes of Congress, devoted its efforts to the detailed review of vouchers and seemed to delight in disallowances of expenditures--meantime neglecting its broader responsibilities to perform a real postaudit and to report to Congress on the quality of administration.

In the past generation there have been major developments in both the study and the practice of Federal administration. The study of public administration has become a central concern of a large number of political scientists. Most of these write against a background of actual administrative experience in emergency agencies of the depression, war, and postwar periods. For 12 years the American Society for Public Administration has brought these students together with active administrators for the exchange of ideas both in meetings and in the pages of the "Public Administration Review." These students have also served often as members of the research staffs for official commissions on government reorganization, improvement of the civil service, and similar administrative reforms at Federal, State, and local levels of government.

Much of the contribution of these scholars must be regarded as somewhat negative in character--a circumstance explainable on two grounds: the short history of public administration as a field of serious scholarly study and the necessity of clearing away the brush before construction can start. It is fair to say that the field has been infused with skepticism about our ability to prescribe principles

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of public administration at this stage of our understanding. In turn this means that the principles and axioms laid down by the pioneers are no longer accepted as gospel. The vacuum created by this rejection has not been filled by substitutes acceptable to men who must act.

The contribution of recent scholars is negative only in the sense that there is lacking an agreed-upon set of universal principles. The humility this represents is itself a positive contribution. For we are started on the more difficult, but sounder, task of identifying the phases of administration that we need to diagnose more thoroughly; we are making careful studies of particular administrative institutions and problems; we are isolating the factors that an administrator should weigh in arriving at an administrative decision; and we are doing these things on the basis of a broad theoretical foundation that relates administration to the society whose ends it serves and that sees the individual agency in its particular setting of purpose, size of staff, stage in its evolution, pressure groups, congressional interests, and behavior patterns of fellow administrators.

The major directions of thinking are worth identifying, for they may well underlie administrative action in the years ahead. First, public administration is regarded as a social institution in a social setting, not as something abstracted from real life and describable by two-dimensional organization charts. It therefore cannot be explained, let alone be prescribed for, apart from consideration of the democratic and pluralistic society of which it is a part. This truth has been seen in bits and pieces, but rarely as a broad generalization conditioning the whole of administration.

We have known that civil service salaries are meaningful for the quality of the civil service only when their relation to nongovernment salaries is determined. We have known that qualifications for entry into the civil service should be related to the kinds of training that our educational institutions are prepared to give. We have known that government procurement of supplies should be related to market conditions and practices. But we have seldom given serious thought to the fact that a bureau whose activities benefit only one section of a country will be at a disadvantage in competing for appropriations with a bureau that has a nationwide clientele.

We have been only dimly aware that a bureau that benefits a well-organized interest group will fare better in getting the sinews for administration than a bureau whose benefits are diffused over unorganized consumers or whose function is to restrain rather than to confer benefits. Or, on a broader front, we have been aware that we were tending to prescribe an authoritarian administrative hierarchy for the service of a democracy, but we have not worried enough about how to reconcile administrative authoritarianism with the democratic spirit of our society and the democratic urges of our civil servants.

Second, the public administrator is regarded not merely as an implementer of policies determined by Congress, but also as the originator of policies that may be proposed for congressional adoption. With this is linked the older recognition that Congress must perforce legislate in broad terms and that implementation of statutes itself involves subordinate policy making. This calls for a sharp correction of prescriptions for administrative organization that see the hierarchy as an implement for the transmission of orders downward. The hierarchy is also the channel for the movement of ideas upward. More than that, it is not simply a channel with termini at the top and the bottom; it is, to change the metaphor, a linking together vertically and horizontally of a multitude of decision-making centers.

The decision-making process in administration consequently has become an important, albeit difficult, subject of study. The decision-making process requires the mobilization of relevant knowledge at the point where there rests the power to make a decision. More than that, it poses a basic problem in a democracy: how the concept of policy making by victors in popular elections is to be reconciled with a system of decision making by victors in civil service examinations.

Third, the people in public administration are regarded as people. We are wary of hypothecating an "administrative man" comparable to the economists' "economic man." We know, to begin with, that there are many kinds of human beings in administration: some able, some not so able; some honest, a few dishonest; some Republicans, some Democrats, a few Socialists, a few American Firsters, perhaps a few Communists; some selfless, some selfish; some ambitious and venturesome, some content with lifelong security and routine work; some zealous, some self-righteous, some aggressive, some self-doubting and indecisive.

Not only are there many kinds of human beings. We rather doubt that all the "good" ones are in staff, control, and auxiliary service activities and all the "bad" ones in operating activities--or vice versa. Finally, these are human beings and, with the help of the psychologists, we may not only be able to classify them by types for readier generalization about probable reactions, but we can bridge the types by some generalizations about motivations and incentives that are common to most human beings raised in a democracy and now employed in an administrative hierarchy.

We suspect that this kind of analysis will reveal that human beings prefer to be treated as human beings rather than as automatons, that a desire for participation, for being consulted, is common among them, that the real authority of a superior official is more than a factor of his formal status and involves skill in dealing with his fellow human beings.

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Fourth, the contemporary needs of public administration must be related to the times in which we live. There can be little doubt that a government with broad domestic and international responsibilities, with control over many of the levers that mean not only prosperity or depression for ourselves and the world, but life or death for all of us--such a government must be "big government"; it must be organized so as to assure broad planning and coordination of policies for mutual consistency and at the same time so as to assure delegation of decision-making authority down the hierarchy and out to the field.

The generation in which we were participants and of which we are now the heirs has witnessed not only a notable development of thinking about administration; it has seen also significant changes in Federal administration as a going concern. The ideas behind these changes have been an amalgam of the axioms and principles of the pioneers, the inchoate explorations of the younger scholars, the experience and intuition of career administrators, the defensive reactions of Congressmen, bureau chiefs, independent commissions, and interest groups and the categorical imperatives of the times in which we live.

Of necessity a review of the advances in public administration lays stress on the great benchmarks of the period: the prominent committees and commissions, the major statutory changes, the important Executive orders. But no one who has served in the Federal Government during the last few years can doubt that an equally significant development has been the yeast quietly at work within the various agencies, the steady efforts at self-improvement through critical analysis of organization and procedures, the cross-fertilization of administrative ideas among agencies, the constant inflow of new blood from outside the permanent civil service.

The great advances in Federal administration are, in my view, five: (1) the strengthening of the Presidency, (2) the strengthening of department heads, (3) the provision of methods for constant adjustment and improvement of administrative organization and management, (4) the strengthening of personnel, and (5) the new emphasis on the operating official. Yet the very itemization of what must appear rather mechanistic changes may disguise the fact that a new spirit has been infused into Federal administration--a sense of purpose, of vitality, of sharing in great affairs of the Nation and the world. The spirit of 1927 administration and the spirit of 1952 administration differ not merely in degree but in kind.

1. The strengthening of the Presidency is the combined result of the practice of its incumbents, the 1937 report of the President's Committee on "Administrative Management," and the 1949 report of the Hoover Commission on "Organization of the Executive Branch." The President's Committee was composed of Louis Brownlow, as chairman,

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Luther H. Gulick, and Charles E. Merriam, all distinguished students of government. They were aided by a staff composed largely of political scientists. Twelve years after the Brownlow Committee had reported, there came the Hoover Commission report. This Commission was headed by the only living ex-President, but one known to be conservatively inclined and likely to be wary of magnifying the powers of the executive branch. The commission members were evenly divided between the two major parties; they came from Congress, from the executive branch, and from nongovernmental pursuits. Only one political scientist was there to qualify the emphasis on men of practical affairs.

Much of the staff work was farmed out to committees of businessmen, to management consultant firms, and to similar nonacademic groups. Political scientists were used here and there, but they were seldom "on their own." I explain all this simply to put in sharp contrast the origins of the two reports--that of 1937 and that of 1949. For the remarkable thing is that they agreed so thoroughly on the role of the President and on the means for enabling him to play his role.

Both envisaged the President as a true Chief Executive responsible for managing the executive branch. Each saw this concept as an essential feature of responsible government, one which would firmly attach the bureaucratic twigs to the executive branch and that branch in turn to the trunk of government defined by the Constitution and laws. To end the anarchy of administrative relations seemed a reasonable objective that implied no degrading of Congress.

Both moved from this concept of the Presidency to the task of equipping the President with the tools for his job. Because his role was broadly seen as not only that of chief administrator but as that of a key center of policy formation, the organization and staffing of the Executive Office of the President, itself a daring new idea, ranged over both policy and administrative concerns. We need not trace the development of the Executive Office beginning in 1939, though we should note that in only about a dozen years we have come to accept this office as though it had always been with us.

Today the Executive Office includes the White House Office, staffed with general aides to the President; the Bureau of the Budget, the principal instrument for central attention to administrative management problems as well as for preparation and administration of the President's budget; the Liaison Office for Personnel Management; the Council of Economic Advisers, the principal staff agency for advice on economic planning; the National Security Council, the central point for coordinated consideration of foreign affairs, military affairs, and the economic sinews of security; the National Security Resources Board, designed as the principal staff agency for bringing to bear on economic mobilization planning the experience of World War II and the altered

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requirements resulting from our world position and technological advancement; and, for the cold war, the Office of Defense Mobilization, designed as the coordinating center for the mobilization activities of the several departments and agencies of the Government.

2. The strengthening of department heads is peculiarly the contribution of the Hoover Commission and, in my judgment, is its major contribution. Not all students of administration are prepared to accept its prescription of a firm line of authority from the President down to the lowliest civil servant; it may be too simple a conception of how to relate to one another a vast number of organization units existing in a pluralistic society and exposed to the manifold importunities of congressional committees, individual Congressmen, and interest groups. But, even so, it appears clear that there is little point in strengthening the President if he cannot deal with department heads having real authority within their respective bailiwicks.

The department head was accurately described as the weakest link in the administrative chain of command. Oftentimes he presided over a loose confederation of bureaus lacking any common purpose, each created by statute, each having grants of substantive authority directly from Congress, each financed by funds specifically earmarked for it in appropriation acts, each with ties to congressional committees and interest groups that could be relied on to protest any invasion of bureau autonomy by the department head, each with its own field service uncoordinated with other field services of the department serving the same areas. Not uncommonly the department head's principal subordinates--his under secretary, assistant secretaries, and bureau chiefs--were not responsive to his leadership because he had had no decisive role in their appointment and could not readily remove or reassign them.

Congress has been known to look wryly at appropriation requests for the department head's immediate office, regarding them as unnecessary overhead expenses, especially if there was any mention of the office's engaging in planning or programming of departmental policies. In some departments the principal career men were united enough in strategy to offer the department head, albeit subtle, the choice either of "fronting" for their views and interests or of being excluded from the real flow of departmental business.

It would be folly to think that these well-embedded institutional arrangements could be wholly changed in a short time. However, actions have been taken by Congress, the President, and departments themselves looking toward the emergence of the department head as a real integrating force within his department and an effective connecting link between his department and the President.

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A third significant development has been the rethinking of arrangements for improving administrative organization and management. The administrations of Presidents Harding, Coolidge, and Hoover had amply established the proposition that any major reorganization of the executive branch proposed by the President would probably be defeated by Congress. Furthermore, the emergency beginning in 1929 brought a high birth rate of emergency agencies, many of which would need to be laid to rest and others of which would need to be permanently absorbed into the regular organization of the executive branch. Finally, there was a recognition that administrative reorganization and improvement of management could not be handled adequately by dramatic once-in-a-generation or once-in-a-decade recastings of the whole machinery of administration.

As the demands on government changed or emphases among old functions altered or new ideas about administration gained adherents, administrative changes would be needed here and there: now in this agency, now in that; now at a high level of the hierarchy, now at a point several levels down. Here, then, were a complex of considerations calling for a new approach.

The answers were as varied as the problems. On the broadest front the President's Committee on Administrative Management provided the concept of continuous reorganization, a striking departure from the static concept of the one-best-way of organization that had up to then been current. To give leadership in implementing this concept the Committee boldly placed responsibility on the President and he in turn gained staff assistance through the new division of Administrative Management in the Bureau of the Budget. To overcome the demonstrated indisposition of Congress to reorganize anything specifically and to capitalize on Congress' general commitment to the desirability of reorganization, there was adopted the device, relatively new to our constitutional practice, of the President's proposing reorganization plans which would become effective unless congress took positive action disapproving the plans within a designated time period.

The formula for such disapproval has varied from time to time, but the important continuing feature is the weighting of the scales in favor of the President's reorganization proposals. A further important strategic point has been the fact that continuous reorganization implies that the President will submit one proposal at a time, rather than an omnibus measure affecting all, or a large part of, the executive branch. Omnibus measures, it had been discovered, tend to link together in opposition all the interest groups and Congressmen who object to different parts of such measures. The one-thing-at-a-time approach reduces the likelihood of a large number of politically influential people feeling that their several oxen are being gored simultaneously and that they therefore should make common cause in opposition.

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Administrative improvement, it has been well recognized, is not just a matter of what the President and his Executive Office do. Their concerns are necessarily with the broad arrangements for the distribution of functions and bureaus among departments and agencies. Within the departments themselves there has come a great development of concern with intradepartmental organization and management. Part of this is reflected in the development of administrative assistant secretaries in the departments. An important index is the growth of departmental organization and management divisions. Equally important, I feel, are the attention being given these problems by bureaus themselves and the renewed appreciation of the role of operating officials in the improvement of management practices. The stimulation of this up-and-down-the-line attention to organization and management is a continuing responsibility of the Bureau of the Budget; the President himself has taken a supporting role in this work.

4. It would be presumptuous, with this audience, to dwell upon the importance of personnel to the quality of the work of the Federal Government. The gains in this field are by no means the product merely of the past generation. The establishment of the Civil Service Commission (CSC) in 1883 and the gradual extension of the merit system by a succession of Presidents and Congresses are basic facts upon which our modern personnel system is founded.

Nonetheless, the period since 1927 has witnessed a profound shift in thinking about personnel administration. The Commission of Inquiry on Public Service Personnel in 1935, the President's Committee on Administrative Management in 1937, and the Hoover Commission in 1949 have all expressed concepts that are out of harmony with much of the thought and practice inherited from the past. Underlying the earlier emphases in personnel administration were the historical roots of the CSC. It was the product of a reform movement that sought to keep politics out of the selection of civil servants. The approach has therefore been negative in orientation and has focused on selection among applicants rather than on the attraction of better applicants or the motivation of persons in the service to give of their best.

Along with this approach has gone a tendency to centralize the detailed work of recruitment, examination, and certification in the CSC itself, lest abuses creep in through the supposedly less reliable operating agencies. Emphasis was placed on specific jobs and the recruitment of persons who could perform the duties of these jobs immediately on appointment, little attention being given either to the desirability of recruiting persons fresh from college, as do many industrial corporations, or to the importance of testing candidates for promotional potential as well as for existing skills. The effort to make the whole process completely objective, together with the development of a corps of personnel technicians, led to a triumph of technique over purpose, a vast amount of paperwork, and an esoteric vocabulary that could simultaneously put to rout the operating officials and yet afford a flexible tool for the initiated.

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The succession of emergencies beginning with the great depression put strains on the personnel administration procedures of the Government. During this same period there grew up a body of highly critical literature calling for major shifts in the philosophy, organization, and procedures of personnel administration. The concept of a career service gained currency and, largely through the efforts of Civil Service Commissioner Leonard D. White, there began the series of attempts to recruit men and women into the civil service upon graduation from college for careers as administrators and as professional specialists. Today the Junior Management Assistant and Junior Professional Assistant examinations are the products of these efforts.

The idea of decentralization of personnel activities both to the agencies and to the field received a considerable impetus during World War II; in 1949 it was strongly endorsed by the Hoover Commission and continues to be a major objective. From the President's Committee in 1937 came a strong plea for recognition of personnel management as one of the President's responsibilities for which he needed a single-headed staff agency alongside the single-headed Bureau of the Budget--instead of a bipartisan commission. The Hoover Commission did not go so far, but as a result of its recommendations the Chairman of the CSC has been given administrative direction of the staff.

There is now a greater opportunity for leadership and a reduced likelihood that administrative work will get bogged down by the inherent awkwardness of a multimember commission. The most important change that is in progress is the shift from a negative approach to a positive approach to the whole range of problems in finding, selecting, placing, and developing the human beings on whom the quality of Federal administration in the last analysis must rest.

5. The fifth major development in Federal administration during the past generation is a new emphasis on the operating official. Four factors combined in the past to reduce the scope of activity of the key men of the Government, those charged with responsibility for carrying through substantive programs called for by congressional statutes:

a. One was distrust of operating officials, dated from a time when they were casually selected perhaps with too little regard to ability and integrity; this distrust of course is reinvigorated in our own day by the discovery that some operating officials, usually outside the merit system, have abused their trust.

b. A second factor was the tendency of Congress to pass laws requiring uniform standards throughout the Government with respect to such matters as personnel administration and purchasing. Because such

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laws may operate against an operating official's particular interest in getting on with his particular job, it has often been thought necessary to centralize in a special agency all the details of functions to which uniform standards apply. The expectation is that such an agency will be sympathetically inclined toward these standards and will be free of the pressures to evade them that are common among operating executives.

c. A third factor has been the expectation that there will be greater economy and efficiency in having a central agency do all the purchasing for the Government, all the recruitment and examining of civil service applicants, and so on.

d. Finally, the professionalization of some of the government-wide functions, such as personnel administration and purchasing, has led to the belief that operating officials, being untrained in these specialties, would lack the technical ability to perform them competently.

Throughout the Government we have established control agencies to enforce uniformity; we have allowed staff agencies to acquire control functions; and we have set up auxiliary services to provide space, telephones, furniture, printing, and chart drawing, and these auxiliary services have tended to go beyond mere "auxiling" to control functions.

The accumulation of frustrations under this complex of arrangements has led to a renewed perception that the success of the Government depends upon the success of its substantive programs, not upon the success, separately considered, of control, staff, and auxiliary activities. These activities all have their legitimate place in an enterprise such as the Federal Government, but that is not so large a place as to sanction the confusion of means with ends. Control agencies can control through a system of broad standards, delegation of authority to operating units, and review of performance backed by the sanction of withdrawal of delegations in the case of untrustworthy operating units. Staff agencies can serve best by leaving decision making to the operating officials in the line of command, while aiding through advice on the wise use of this decision-making authority. Auxiliary service agencies can serve best by developing a modest view of their role at the same time that they find satisfaction in facilitating the performance of substantive responsibilities by the operating units.

The problem is more complicated than this brief analysis suggests; but, I am convinced that the pendulum needs to swing in the direction of greater opportunities for the operating official to use imagination and initiative in discharging his responsibilities for implementing his part of the total governmental program. It is my impression that as the

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result of recent changes in personnel, budgeting, and purchasing procedures, but more significantly as the result of a change of philosophy, the Federal Government is actually moving toward the renaissance of the operating official.

Important problems remain. Among these I select but a few. Paradoxically, some of the most important problems of public administration lie outside the field of public administration as it is traditionally defined. We need, for example, to consider the roles of Congress, congressional committees, and individual Congressmen in relation to administration. We need so to strengthen the organization and effectiveness of Congress that it can no longer be charged that in improving the quality of the executive branch we are upsetting the balance of power built into our Federal Government.

We need much more attention to civilian-military relations. Public administration has customarily concentrated on civil administration. Yet today when the Department of Defense accounts for over half of Federal expenditures and almost half of the Government's civilian employees, we must regard the administration of military affairs as a part of the whole that we neglect at our peril.

The relation of administrative agencies to outside interest groups requires constant reappraisal. We have accumulated much experience with the use of tripartite boards and commissions, industry and labor advisory committees, consumers' counsels, local farmer committees, grazing district advisory boards, price control and rationing boards, rent control boards, and industry and labor men in government posts. We know that some agencies become captives of the interests they are supposed to regulate.

The place and function of the independent regulatory commissions have never been determined in a fashion calculated to command an approving consensus in terms of the competing concerns of the executive branch, the Congress, the judiciary, and the affected private interests. Neither the President's Committee on Administrative Management nor the Hoover Commission spoke the last words on the subject.

At both the theoretical and practical levels, we need to worry about the projection of Washington into the field through Federal field services, through State and local governments operating as Federal agents, and through foreign missions. All who have had experience with field administration here or abroad know that we need some hard thinking about how to reconcile functional and territorial lines of command.

There can be no doubt that the generation beginning in 1927 has witnessed remarkable advances in Federal administration. But there can also be no doubt that great problems remain for analysis and, hopefully, for solution by the generation ahead.

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DR. HUNTER: Dr. Fesler will now answer your questions.

QUESTION: Do you think it is feasible to reorganize the executive branches of the Government, with a minimum number of departments, in order to take care of the peacetime functioning of the Government as well as to include industrial mobilization?

DR. FESLER: It is a little hard for me to relate it to the industrial mobilization as you suggest. There is to begin with the basic theoretical problem of whether to move toward a large number of departments or toward a small number of departments. Ignoring the industrial mobilization factor, what you run into there is the span of control concept. For instance, there is the feeling that the President should have a small number of departments under him in order to reduce his contacts with subordinates. On the other hand he needs to have knowledgeable subordinates and each department needs to have a sense of unified purpose. These are both difficult to achieve with a large department because it tends to be an assemblage of rather dissimilar functions and a rather high semantic skill is required to identify some artificial common purpose to cover everything in the department whether it belongs there or not. So there is a basic problem whether you should have a large or small department. It is debated. There is a disposition now to emphasize unity of purpose, which tends toward a larger number of departments.

I feel that the span of control principle has been overmechanized. You may have read some writings which give associate span of control an actual figure, claiming that it has been empirically demonstrated that one man can supervise no more than six or eight other men. This is ridiculous because it depends on what the men are doing, and the kind of men, as to whether there is necessity for supervision and frequent contact. Of course you wouldn't have 1,000 people reporting to you. The tendency is not to have just a few departments, eight or nine positions in the Cabinet, but to have more than that. In estimates of this sort, the figures usually run perhaps to 20 departments.

On the industrial mobilization problem, it seems to me you would have to know how long the emergency will last, and none of us can say whether we are in a perpetual state of emergency, whether we are continually going to be mobilizing. If we are to be continually mobilizing, it would be a good idea to fold these activities into the regular departments. When a limited war is going on, a cold war, we do not establish a whole panoply of emergency agencies. Instead, for the long-range problem and for limited mobilization, the desirable thing would be to have most activities carried on by the regular departments.

I think there is a question of whether it is desirable to have departments with such disparity of size as we have at present, ranging from the Department of Defense, which, as I suggested earlier, represents

50 percent of the Federal Government down to the Department of Labor, a very small department. There is a concept that the President in order to maintain effective control needs to have around his Cabinet table men who represent roughly similar dimensions of responsibility. There has been some criticism actually of the organization of the Department of Defense, not on the grounds that integration was not a good idea but on the grounds that to create such a center of power would destroy the balance among the departmental pressures on the President.

QUESTION: You have mentioned the many advances made since 1927. I think it was a very fair treatment of it. But you failed to mention-- except to touch lightly on it in answer to the last question--the colossal problems inherent with a complex roster such as you have in the Federal Government at this time. Would you care to discuss some of the difficulties that are inherent in such a thing and some of the solutions?

DR. FESLER: I am not sure I quite perceive what you are after. If what you are saying is that because of the large number of civil servants we have a large problem of organization and management, I accept the fact that we are in the stage of big Government. We are not offered the alternative of turning the clock back to a time when the Government was rather inactive and had a small number of civil servants.

Problems of organization of a large number of people are somewhat different in degree certainly, some would say in kind, from those of organizing a small enterprise. For instance, Charles McKinley, one of my colleagues in the field, recently pointed out that in a city government of modest size it is feasible to have all the engineers in one department such as a department of public works. If difficulties arise between the engineer in charge of building sewers and the city health commissioner, or between the engineer in charge of building roads and the city planner, they can negotiate by crossing the hall or they can take their problems to the city manager or the mayor who will have the time to handle coordination. But when you get into large organizations such as the Federal Government, the emphasis should shift to organization by purpose. You then might conclude that you have enough posts to fill so that you can afford to have in each major-purpose agency a reasonable number of engineers. You don't have to economize by putting them all together in one department. Engineering is a means to an end, not an end in itself. So when you get into a large organization you put a different emphasis on how to relate purpose to professional specialty.

Now as soon as you get into large organizations you also get all the difficulties--which are found in large corporations as well as in large government--of having to do much of the business by paper instead of by face to face contact and of having to emphasize status, which is usually resolved in rather artificial terms of who can talk to whom.

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These two matters of doing business by paper and of emphasizing status of location and status in decision making are typical of large organizations. There is also the necessity of routing paper work through various centers. Not only is it impracticable for people to speak to each other but they can't jump a level in memorandizing. That means they have to route work through established channels.

This is the formal structure at least of large-scale organizations which leads to a tendency against action, both because you have a large passive group which is hard to get moving and because you have many opportunities on the way to get an idea vetoed. So there is a tendency to reduce or depress ideas moving up through the hierarchy. In the process of going up through five men, one is very likely to encounter at least one negative reaction. So there is the tendency to weight things on the side of negativism, that is, of inaction.

This is somewhat comparable to complaining about the complexity of the economy today as if this would get us any place and as if there were an alternative of going back to the golden age of the craftsman who took pride in his work and belonged to no labor union; when we didn't have large corporations; when there was the small enterprise which had pride in the community and didn't have absentee ownership. This is an alternative that is not really offered to us. So big government is with us. The problem is to minimize those deficiencies that go with any large organization.

QUESTION: Do I gather, sir, from what you said that there is no movement possible away from big government? What would you establish as the limiting factor of the size that our Government can attain in relation to the tax dollar, and so forth?

DR. FESLER: This is 1952, an election year, so after all I would say there is movement in the other direction also advocated. But I would call your attention to the fact that those who would hew to the middle of the road have accepted a very substantial part of the accumulated legislation of the past generation, and this legislation adds up to the big government. I think there are degrees of emphasis. It is a question of whether you will lean over to this side of the middle of the road or to that side of the middle of the road, the middle of the road being defined as 1952. But the accumulation of legislation is supported by the consensus of the people right now.

On this problem of deficiencies of large-scale organizations, great emphasis is being placed by scholars on humanizing administration through analyzing the problems of the face-to-face groups, emphasizing that the real work of the Government, or of any large organization, is done down at the bottom by these groups of 5, 10, or 20 who are working together

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They have a leader, a chief or something of the sort. The relations of these people with their chief are extremely important. Only if you make that kind of a study of the conditions under which these people will contribute their best will you be able to maximize the contributions of the human beings who make up the Government. That is the approach from the bottom up instead of the traditional approach from the top down. It is a complete departure from the idea that all men are atoms of equivalent performance, value, and reactions. It is a departure from the idea that you merely must have a formal organization. Formal organization has importance; you don't throw it out the window. But formal organization is conditioned by informal relations that develop.

On the other side there are the relations with clients. In government's relations with clients some emphasis has been placed on "one stop service." Let me take one example. I apologize to the Department of the Interior men present. If the Governor of Montana wants to make a geological survey he is likely to find that he can't get "one stop service" because the Geological Survey will have perhaps four representatives in the state, each of whom is independent of all the others. In the state of California, you may run into the same thing when the Governor wants to deal with the Department of the Interior or the Department of Agriculture. He could not find a representative of either Department as a whole, though some modest steps toward such representation have recently been taken by both Departments on the west coast.

Even at the local level, some of the citizens have discovered there were in their areas representatives of the Public Health Service of the Federal Government, the State Public Health Department, and a City Public Health Department. They asked that all three representatives be housed together in the area so the citizen can deal with all three if each of the three get involved in his particular kind of problem.

A number of things are developing with regard to customer relations which emphasize the humanizing of the job. One of the recommendations is the development of generalists instead of specialists within the Government. One of the problems is in personnel administration itself. There is a specialist for everything. You have to deal separately with four or five specialists in the Personnel Division of your agency. There is nobody who represents the whole Personnel Division to your unit. The development of a general representative idea, which is a difficult concept to work out, is one of the things needed both in the Government and in relation to clients. That would, however, mean abandoning some of the elaborate specialization that we have gotten accustomed to.

QUESTION: The previous speakers indicated that during an emergency, in the major departments and agencies, salary was no particular incentive

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for getting top-quality people. At the same time I read several articles recently making a comparison between department heads salary-wise with a civilian in similar types of occupation, showing quite a difference. Would you care to discuss that aspect of salary inducement for obtaining quality in the Government.

DR. FESLER: If you are talking about emergency plans, I think in a number of higher-level posts you have a problem that is difficult to get at. To have a rising man, let us say, in his 40's, in a private business corporation divorce himself from his career for two, three, or four years is very difficult because he is likely to lose out in the internal competition within his corporation, his preferment for promotion, and so on. He finds it difficult in going back to his company to arrive at the same position he might have risen to if he had stayed on the job and pleased the boss. So in some ways an inducement is necessary to get that kind of man. Furthermore, an inducement is necessary to get a highly paid corporation official who has made long-range commitments which are proportioned to his salary. If his company salary is stopped entirely and he shifts to a government salary, he simply cannot pay insurance, the upkeep of his house and the costs of his children's education to all of which he is committed, unless you want him to liquidate a good many of his commitments.

On the broader side, one starts always with the proposition that compensation is much more than salary. Compensations of a job require a broad interpretation and the Government has a great advantage, it seems to me, on this score.

Some of you may have read the writings of John Corson. He has had the experience of serving at different times in the Government and in private industry. He was the circulating manager of the Washington Post. He is now with a private consulting firm. He, I think, would testify that many a man in business cannot get as much "compensation" in the broad sense as he could get in the Government. When he was circulation manager of the "Washington Post," he has remarked that he would get a chance only once a year to make a decision of anything approaching the significance of the decisions he had made daily as director of the Old-Age and Survivors Insurance program of the Social Security Board.

Most people with imagination and ambition get satisfaction out of sharing in large public affairs, and from the fact that in public office they are relied upon for decisions that have a tremendous impact upon the public well-being. It is a great satisfaction to feel a sense of participation and contribution to the public welfare. Betty Furness doesn't get satisfaction out of selling the particular products she sells on television unless she can sell herself in the sense of performing a public service, something a man in private industry may sometimes have a great deal of difficulty in achieving. An officer of the U. S. Public Health Services knows that he is promoting public health but

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the merchant of a particular brand of soap may not as readily persuade himself that public health will be significantly advanced if people buy his product instead of that of a rival soap company.

QUESTION: Assuming that with big government also come greater problems of training by the Government, can you comment on the administrative thinking as to the relative merits of an institution like this where officers of more or less senior stature take a year as opposed to a shorter time of training--afternoons, two weeks off for training, things like that.

DR. FESLER: Obviously my party line is clear, with this audience. As a matter of fact, I take your question with some genuineness because I have the impression--I may be wrong--that some of you probably have attended some of the colleges here in town or the Department of Agriculture's Graduate School.

I have the feeling that the atmosphere is somewhat spoiled if the training takes place when the students are tired from a full day's work and the teacher arrives tired from a full day's work. Neither one therefore is giving the kind of concentrated attention that would be desirable, I would suspect. I know some very good teaching goes on in this area under those conditions but I would think that many of the teachers would feel their first obligation was to their government job and therefore would frequently arrive in the classroom wondering what in the world they would talk about that night; in other words they would not be adequately prepared to do a first-rate teaching job. I don't know whether this is entirely fair. But in a school such as the ICAF, from the student's standpoint, complete devotion for a number of months adds up to a greater net gain than getting bits and pieces from afternoon or evening courses or from two weeks off for training.

QUESTION: I was not asking the question facetiously because I understand some consideration is being given by the Government to also setting up this kind of institution at a high cost.

DR. FESLER: I don't know what has happened to the legislation, but general legislation was proposed authorizing government agencies to send their students to regular universities, which is also a way of getting consecutive training.

QUESTION: Considering the fact that we probably will always have special interest groups with us, a new agency once established tends to try to perpetuate itself, and also considering the contrariness of Congress, do you see any hope of streamlining government agencies along really efficient lines?

DR. FESLER: I seldom talk about streamlining the Government along efficient lines. I think it is a matter of working here and there,

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trying to improve this situation, recognizing for the time being that the civilian functions of the Corps of Engineers can't be moved, and having a practical sense of "This is what you can achieve now, so let us improve at this point and hope that somehow, some day, the situation will be adjusted so we can do something on some of these other points where, supposedly, action is needed." I tried to indicate in my talk that the development of strategy for licking some of these problems lies in the development of the continuous reorganization concept, but you must so institute reorganization plans that you don't unite the various elements of opposition. A great deal depends, of course, upon the purpose. I think some of the major problems of public administration are outside public administration. Much depends on the President's ability to influence Congress to accept the reorganization plans--which in turn depends on what stage of his term of office he is in. President Hoover, for instance, suggested total reorganization of the Federal Government to the Congress, I believe around December of 1932. There were things that happened earlier in 1932 which rather reduced his influence with the Congress.

QUESTION: I confess, Dr. Fesler, that I think I learned more about the Hoover Commission report from you than from reading the report itself. There is one point you brought out on which I would like to have your further comments. You said that there were very few political scientists who were called in consultation or given responsible positions in preparing that report. How would the report have been changed if there had been more conferences with political scientists?

DR. FESLER: I suppose I should simply say that the main theme of some of the articles that came out in some of the political science journals was a surprise that it was so good; I don't want you to think this is a trade-union approach at all. It is that the whole operation was confusingly organized. The various task forces which were turned loose on problems were selected in various ways and included management consultant firms, committees of businessmen, and industrial consultants. In some cases--I am going back to the time before I knew what the report would say--I felt that I could write the reports some of these task forces would submit just from knowing the persons selected. The groups didn't appear to be composed of unbiased people; they appeared to have definite interests in particular answers being arrived at. The surprising thing was that the results were so good.

One of the points I should perhaps make--which I probably didn't emphasize enough--is that when they are called in to serve with the Connecticut State reorganization commission, with the Hoover Commission, or what not, political scientists have to fall back pretty much with a view to taking constructive action, on the traditional doctrines in their field--doctrine which are being undermined steadily by the advances in thought which are currently being made. But at present we are caught

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by the fact that we haven't developed a set of positive ideas in the newer framework of political science and therefore have to draw upon the older doctrines.

Judging from the 1937 President's Committee report, had political scientists prepared the Hoover Commission report there would have been much less emphasis on bureau reshuffling. There was a great deal of emphasis by the Hoover Commission report on moving this bureau from here to there and that one from there to here. The report, I think, could have been better written and more consistent than it was.

QUESTION: In a question as controversial as this, would it have been possible to get a completely unbiased committee?

DR. FESLER: I didn't say the Commission was biased. I would say it was constituted of members with many different viewpoints and for that reason every commissioner dissented at least once, some of them with great vigor. I would say it was not a biased commission, but the assignment of some of the task force jobs was to people who were not sympathetic with some of the substantive government programs. Therefore, the Commission reports got into policy matters which, after all, they weren't supposed to. "The Government ought to get out of the power business" was an obvious theme of one or two task force reports. I don't say the Hoover Commission as a commission was biased at all, but some of the task forces appeared to be.

QUESTION: Most of us here, I think, have been in positions where we have seen the improvement of government positions, such as distinction between staff services like statistics, the Bureau of Engineers statistical services, graphic sections as against the operator on the other side. Those of you who stand back and look at us from a distance, if we were going to rate ourselves from zero, are we getting up to 100, are we doing a good job? Managementwise are we making progress by having staff services in the Government. Maybe we are impatient or maybe we are doing a good job. I am speaking as a staff man and of the Armed Forces.

DR. FESLER: I haven't taken an intimate look at the armed forces. One of the things I suggested was that it would be considerably useful if more students of public administration would take more professional interest in studying the problems of the military services. My colleagues and I haven't done much of that. I did not mean my remarks to be an attack on staff services as such. In an organization as big as the Federal Government, we must have staff services. In fact, one of the encouraging developments in the Government has been the program staffs aiding department heads. When you talk about graphics and auxiliary services, there needs to be a philosophy which is not introverting and

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which is outgoing in the sense of a realization that the main thing is what is done by the people with substantive responsibilities.

The only function of the staff and auxiliary services is to make it possible for the people in operating positions to do a better operating job. Sometimes this means advising that the operating personnel should not go so far because what one man does may trespass on some other person's work. But there has developed, it seems to me, over the past generation--we are now getting out of it somewhat--an overemphasis upon the idea that somehow you have achieved the goal of government when you have made personnel procedures work very neatly and precisely, that it is in itself a goal. Actually, of course, it is no such thing. The goal is the achievement of substantive programs by the Government. In contrast to this emphasis on the more significant goals of the Government, there develops a natural ambition by the man in charge of the mimeographing branch or the graphics section, when he finds officials are coming to him, to set the priorities, that is, to say which mimeographing job will be done first, who will get a chart drawn first, and whose plea of urgency will be granted and whose rejected. He will come to enjoy this function so much that he will do it even when he doesn't have to. He will delay this or that man's work a bit to let him know who is in charge. It is one of the old rules of industrial mobilization that he who controls a scarce item has a leverage on the whole program and so holds a position of power; the same rule holds in administration. When space, telephones, travel authorizations, priority, or any other of the supplies and services are at a premium, the men in control of these are able to exact deferential treatment from operating appliances and to control instead of serve.

COLONEL BARNES: Dr. Fesler, on behalf of all of us I thank you for this very fine presentation and analysis on this important subject.

(5 Nov 1952--750)S/rrb

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