During its first 150 years, the American republic was not thought to have "bureaucracy," and thus it would have been meaningless to refer to the "problems" of a "bureaucratic state." There were, of course, appointed civilian officials: Though only about 3,000 at the end of the Federalist period, there were about 95,000 by the time Grover Cleveland assumed office in 1881, and nearly half a million by 1925. Some aspects of these numerous officials were regarded as problems—notably, the standard by which they were appointed and the political loyalties to which they were held—but these were thought to be matters of proper character and good management. The great political and constitutional struggles were not over the power of the administrative apparatus, but over the power of the President, of Congress, and of the states.

The Founding Fathers had little to say about the nature or function of the executive branch of the new government. The Constitution is virtually silent on the subject and the debates in the Constitutional Convention are almost devoid of reference to an administrative apparatus. This reflected no lack of concern about the matter, however. Indeed, it was in part because of the Founders' depressing experience with chaotic and inefficient management under the Continental Congress and the Articles of Confederation that they had assembled in Philadelphia. Management by committees composed of part-time amateurs had cost the colonies dearly in the War of Independence and few, if any, of the Founders wished to return to that system. The argument was only over how the heads of the necessary depart-
The “Bureaucracy Problem”

The original departments were small and had limited duties. The State Department, the first to be created, had but nine employees in addition to the Secretary. The War Department did not reach 80 civilian employees until 1801; it commanded only a few thousand soldiers. Only the Treasury Department had substantial powers—it collected taxes, managed the public debt, ran the national bank, conducted land surveys, and purchased military supplies. Because of this, Congress gave the closest scrutiny to its structure and its activities.

The number of administrative agencies and employees grew slowly but steadily during the 19th and early 20th centuries and then increased explosively on the occasion of World War I, the Depression, and World War II. It is difficult to say at what point in this process the administrative system became a distinct locus of power or an independent source of political initiatives and problems. What is clear is that the emphasis on the sheer size of the administrative establishment—conventional in many treatments of the subject—is misleading.

The government can spend vast sums of money—wisely or unwisely—without creating that set of conditions we ordinarily associate with the bureaucratic state. For example, there could be massive transfer payments made under government auspices from person to person or from state to state, all managed by a comparatively small staff of officials and a few large computers. In 1971, the federal government paid out $54 billion under various social insurance programs, yet the Social Security Administration employs only 73,000 persons, many of whom perform purely routine jobs.

And though it may be harder to believe, the government could in principle employ an army of civilian personnel without giving rise to those organizational patterns that we call bureaucratic. Suppose, for instance, that we as a nation should decide to have in the public schools at least one teacher for every two students. This would require a vast increase in the number of teachers and schoolrooms, but almost all of the persons added would be performing more or less identical tasks.

and they could be organized into very small units (e.g., neighborhood schools). Though there would be significant overhead costs, most citizens would not be aware of any increase in the “bureaucratic” aspects of education—indeed, owing to the much greater time each teacher would have to devote to each pupil and his or her parents, the citizenry might well conclude that there actually had been a substantial reduction in the amount of “bureaucracy.”

To the reader predisposed to believe that we have a “bureaucracy problem,” these hypothetical cases may seem farfetched. Max Weber, after all, warned us that in capitalist and socialist societies alike, bureaucracy was likely to acquire an “over-towering” power position. Conservatives have always feared bureaucracy, save perhaps the police. Humane socialists have frequently been embarrassed by their inability to reconcile a desire for public control of the economy with the suspicion that a public bureaucracy may be as immune to democratic control as a private one. Liberals have equivocated, either dismissing any concern for bureaucracy as reactionary quibbling about social progress or embracing that concern when obviously nonreactionary persons (welfare recipients, for example) express a view toward the Department of Health and Human Services indistinguishable from the view businessmen take of the Internal Revenue Service.

Political Authority

There are at least three ways in which political power may be gathered undesirably into bureaucratic hands: by the growth of an administrative apparatus so large as to be immune from popular control, by placing power over a governmental bureaucracy of any size in private rather than public hands, or by vesting discretionary authority in the hands of a public agency so that the exercise of that power is not responsive to the public good. These are not the only problems that arise because of bureaucratic organization. From the point of view of its members, bureaucracies are sometimes uncaring, ponderous, or unfair; from the point of view of their political superiors, they are sometimes unimaginative or inefficient; from the point of view of their clients, they are sometimes slow or unjust. No single account can possibly treat all that is problematic in bureaucracy; even the part I discuss here—the extent to which political authority has been transferred undesirably to an uncontrollable administrative realm—is itself too large for a single essay. But it is, if not the most important problem, then surely the one that would most have troubled our Revolutionary leaders, especially those that went on to produce the Constitution. It was, after all, the question of power that chiefly concerned them, both in redefining our relationship with England and in finding a new basis for political authority in the Colonies.

To some, following in the tradition of [Max] Weber, bureaucracy is the inevitable consequence and perhaps necessary concomitant of modernity. A money economy, the division of labor, and the evolution of legal-rational norms to justify organizational authority require the efficient adaptation of means to ends and a high degree of predictability in the behavior of rulers. To this, Georg Simmel added the view that organizations tend to acquire the characteristics of those institutions with which they are in conflict, so that as government becomes more bureaucratic.
private organizations—political parties, trade unions, voluntary associations—will have an additional reason to become bureaucratic as well.

By viewing bureaucracy as an inevitable (or, as some would put it, "functional") aspect of society, we find ourselves attracted to theories that explain the growth of bureaucracy in terms of some inner dynamic to which all agencies respond and which makes all barely governable and scarcely tolerable. Bureaucracies grow, we are told, because of Parkinson's Law: Work and personnel expand to consume the available resources. Bureaucracies behave, we believe, in accord with various other maxims, such as the Peter Principle: In hierarchical organizations, personnel are promoted up to that point at which their incompetence becomes manifest—hence, all important positions are held by incompetents. More elegant, if not essentially different, theories have been propounded by scholars. The tendency of all bureaus to expand is explained by William A. Niskanen by the assumption, derived from the theory of the firm, that "bureaucrats maximize the total budget of their bureau during their tenure"—hence, "all bureaus are too large." What keeps them from being not merely too large but all-consuming is that fact that a bureau must deliver to some degree on its promised output, and if it consistently underdelivers, its budget will be cut by unhappy legislators. But since measuring the output of a bureau is often difficult—indeed, even conceptualizing the output of the State Department is mind-boggling—the bureau has a great deal of freedom within which to seek the largest possible budget.

Such theories, both the popular and the scholarly, assign little importance to the nature of the tasks an agency performs, the constitutional framework in which it is embedded, or the preferences and attitudes of citizens and legislators. Our approach will be quite different. Different agencies will be examined in historical perspective to discover the kinds of problems—if any, to which their operations give rise, and how those problems were affected—perhaps determined—by the tasks which they were assigned, the political system in which they operate, and the preferences they were required to consult. What follows will be far from a systematic treatment of such matters, and even farther from a rigorous testing of any theory of bureaucratization. Our knowledge of agency history and behavior is too sketchy to permit that.

Bureaucracy and Size

During the first half of the 19th century, the growth in the size of the federal bureaucracy can be explained, not by the assumption of new tasks by the government or by the imperialistic designs of the managers of existing tasks, but by the addition to existing bureaus of personnel performing essentially routine, repetitive tasks for which the public demand was great and unavoidable. The principal problem facing a bureaucracy thus enlarged was how best to coordinate its activities toward given and noncontroversial ends.

The increase in the size of the executive branch of the federal government at this time was almost entirely the result of the increase in the size of the Post Office. From 1816 to 1861, federal civilian employment in the executive branch increased nearly eightfold (from 1,033 to 36,673), but 86 percent of this growth was the result of additions to the postal service. The Post Office Department was expanding as population and commerce expanded. By 1869 there were 27,000 post offices scattered around the nation; by 1901, nearly 77,000. In New York alone, by 1894 there were nearly 3,000 postal employees, the same number required to run the entire federal government at the beginning of that century...
of course, staffed a larger military and naval establishment stimulated by the Civil War and the Spanish-American War. By 1901 there were over 44,000 civilian defense employees, mostly workers in government-owned arsenals and shipyards. But even those could account for less than one fourth of the increase in employment during the preceding 40 years.

What was striking about the period after 1861 was that the government began to give formal, bureaucratic recognition to the emergence of distinctive interest in a diversifying economy. As Richard L. Schott has written, "whereas earlier federal departments had been formed around specialized governmental functions (foreign affairs, war, finance, and the like), the new departments of this period—Agriculture, Labor, and Commerce—were devoted to the interests and aspirations of particular economic groups."

The original purpose behind these clientele-oriented departments was neither to subsidize nor to regulate, but to promote, chiefly by gathering and publishing statistics and (especially in the case of agriculture) by research.

Public Power and Private Interests

... The New Deal was perhaps the high water mark of at least the theory of bureaucratic clientelism. Not only did various sectors of society, notably agriculture, begin receiving massive subsidies, but the government proposed, through the National Industry Recovery Act (NIRA) to cloak with public power a vast number of industrial groupings and trade associations so that they might control production and prices in ways that would end the Depression. The NIRA's Blue Eagle fell before the Supreme Court—the wholesale delegation of public power to private interests was declared unconstitutional. But the piecemeal delegation was not, as the continued growth of specialized promotional agencies attests. The Civil Aeronautics Board, for example, erroneously thought to be exclusively a regulatory agency, was formed in 1938 "to promote" as well as regulate civil aviation and it has done so by restricting entry and maintaining above-market rate fares.

Agriculture, of course, provides the leading case of clientelism. Theodore J. Lowi finds "at least 10 separate, autonomous, local self-governing systems" located in or closely associated with the Department of Agriculture that control to some significant degree the flow of billions of dollars in expenditures and loans. Local committees of farmers, private farm organizations, agency heads, and committee chairmen in Congress dominate policymaking in this area—not, perhaps, to the exclusion of the concerns of other publics, but certainly in ways not powerfully constrained by them.

"Cooperative Federalism"

The growing edge of client-oriented bureaucracy can be found, however, not in government relations with private groups, but in the relations among governmental units. In dollar volume, the chief clients of federal domestic expenditures are

The degree to which such grants, and the federal agencies that administer them, constrain or even direct state and local bureaucracies is a matter of dispute. No general answer can be given—federal support of welfare programs has left considerable discretion in the hands of the states over the size of benefits and some discretion over eligibility rules, whereas federal support of highway construction carries with it specific requirements as to design, safety, and (since 1968) environmental and social impact.

A few generalizations are possible, however. The first is that the states and not the cities have been from the first, and remain today, the principal client group for grants-in-aid. It was not until the Housing Act of 1937 that money was given in any substantial amount directly to local governments and though many additional programs of this kind were later added, as late as 1970 less than 12 percent of all federal aid went directly to cities and towns. The second general observation is that the 1960s mark a major watershed in the way in which the purposes of federal aid are determined. Before that time, most grants were for purposes initially defined by states—to build highways and airports, to fund unemployment insurance programs, and the like. Beginning in the 1960s, the federal government, at the initiative of the President and his advisors, increasingly came to define the purposes of these grants—not necessarily over the objection of the states, but often without any initiative from them. Federal money was to be spent on poverty, ecology, planning, and other "national" goals for which, until the laws were passed, there were few, if any, well-organized and influential constituencies. Whereas federal money was once spent in response to the claims of distinct and organized clients, public or private, in the contemporary period federal money has increasingly been spent in ways that have created such clients.

And once rewarded or created, they are rarely penalized or abolished.

Self-Perpetuating Agencies

If the Founding Fathers were to return to examine bureaucratic clientelism, they would, I suspect, be deeply discouraged. James Madison clearly foresaw that American society would be "broken into many parts, interests and classes of citizens" and that this "multiplicity of interest" would help ensure against "the tyranny of the majority," especially in a federal regime with separate branches of government. Positive action would require a "coalition of a majority"; in the process of forming this coalition, the rights of all would be protected, not merely by self-interested bargains, but because in a free society such a coalition "could seldom take place on any other principles than those of justice and the general good." To those who wrongly believed that Madison thought of men as acting only out of base motives, the phrase is instructive: Persuading men who disagree to compromise their differences can rarely be achieved solely by the parceling out of relative advantage; the belief is also required that what is being agreed to is right, proper, and defensible before public opinion.

Most of the major new social programs of the United States, whether for the dead of the few or the many were initially adopted by broad coalitions appealing to
general standards of justice or to conceptions of the public weal. This is certainly
the case with most of the New Deal legislation—notably such programs as Social
Security—and with most Great Society legislation—notably Medicare and aid to
education; it was also conspicuously the case with respect to post-Great Society
legislation pertaining to consumer and environmental concerns. State occupational
licensing laws were supported by majorities instead in, among other things, the con-
tribution of these statutes to public safety and health.

But when a program supplies particular benefits to an existing or newly created
interest, public or private, it creates a set of political relationships that make exception-
ally difficult further alteration of that program by coalitions of the majority.
What was created in the name of the common good is sustained in the name of the
particular interest. Bureaucratic clientelism becomes self-perpetuating, in the ab-
sence of some crisis or scandal, because a single interest group to which the program
matters greatly is highly motivated and well-situated to ward off the criticisms of
other groups that have a broad but weak interest in the policy.

In short, a regime of separated powers makes it difficult to overcome objections
and contrary interests sufficiently to permit the enactment of a new program or the
creation of a new agency. Unless the legislation can be made to pass either with little
notice or at a time of crisis or extraordinary majorities—and sometimes even then—
the initiation of new programs requires public interest arguments. But the same
regime works to protect agencies, once created, from unwelcome change because a
major change is, in effect, new legislation that must overcome the same hurdles as the
original law, but this time with one of the hurdles—the wishes of the agency and its
client—raised much higher. As a result, the Madisonian system makes it relatively
easy for the delegation of public power to private groups to go unchallenged and,
therefore, for factional interests that have acquired a supportive public bureaucracy to
rule without submitting their interests to the effective scrutiny and modification of
other interests. . . .

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1. What is the "bureaucracy problem?"

2. What are ways in which political power "may be gathered undesirably into bureaucratic hands?"

3. One of the most frequently mentioned attributes of bureaucracy is size. A large and unwieldy administrative branch makes problems of democratic responsiveness and efficient government operation more difficult to solve. Is a large bureaucracy, per se, a threat to the constitutional foundations of our government?