Trends in Centralized Control of the Executive Branch

JAMES A. GAZELL

School of Public Administration and Urban Studies, San Diego State University, San Diego, California 92182-0367

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One purpose of this essay is to review the major federal regulatory accomplishments and shortfalls in the area of health and safety and to assess where we are headed in order to suggest desirable directions for regulatory reform. The thesis of this paper is that the most persistent, conspicuous, and pervasive effect on regulation today has been centralization, which broadly denotes the expansion of federal executive responsibilities, primarily at the presidential level, and extensive governmental rules. The author posits that this trend has moved through three notable stages. First, President Franklin Delano Roosevelt created a paradigm for centralization within the executive branch of the federal government to enlarge the position of the national government in regulating American life as he confronted broadened domestic and foreign responsibilities. Second, there was a long span from Truman’s stewardship to that of Carter, characterized by enshacement of, and accretions to, FDR’s model and by an acceptance of the vastly augmented role of the federal government in American society. Third, President Reagan carried centralization to its furthest point yet, structurally and managerially, but for a different ultimate purpose: a reversal of a nearly half-century tradition—a deregulation of the federal government’s position in America’s economic life while increasing it in the areas of national defense, internal security, and personal morality. In the conclusion the writer contends that the precedent of Mr. Reagan’s centralizing efforts will weigh heavily on his successors as they seek either to perpetuate his priorities or to magnify the national government in a fourth stage.

INTRODUCTION

In 1939 a famous public administration historian, Leonard White, declared: “The march of power, constitutional, political, and administrative, to Washington has been one of the important governmental phenomena of the last 50 years” (White, 1939). Over the last half century this trend toward centralization has persisted and turned out to be perhaps the most salient development in modern public administration. Examinations of this growing tendency may have been the most significant contributions from the management literature of the 1930s to a deeper understanding of the field. Moreover, the frequent subsequent analyses of this development have made

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an indelible imprint on the evolution of the profession and left it with a permanent legacy.

In this paper centralization focuses on the expansion of authority and regulation by the national government, particularly the federal executive branch (and even more specifically the presidency), over economic, military, and social functions (Gazell and Pugh, 1988). As political scientist Florence Heffron points out, "Centralization measures the degree of concentration of decision making in the organization. Maximum concentration is achieved when all decision-making power is concentrated in one individual" (Heffron, 1989). This article focuses exclusively on the latter view of centralization. Its thesis is that over the last half century there has been a powerful trend by most presidents to centralize control over the national executive bureaucracy, efforts which have proceeded through three notable stages: (1) the efforts of President Franklin Roosevelt to expand the role of the federal government in regulating national economic and international activities; (2) a long span of consolidation and incremental expansion; and (3) the drive of one chief executive, Ronald Reagan, to centralize further—but with a much different overall goal: to deregulate the federal government in America's economy while simultaneously extending it in the realms of national defense, internal security, and personal morality—in short, a challenge to the legitimacy of what had become the traditional aim of presidential centralization.

BACKGROUND

From its provenance as a field of study and practice, public administration has made the concept of centralization a prominent part of its heritage. Scholars and professionals alike acknowledge the early seminal contributions of Woodrow Wilson, Frank Goodnow, Frederick Taylor, Max Weber, William Howard Taft, William WIllooughby, and Charles Beard among others (Waldo, 1980). One of their collective management contributions was that they saw a strong need for centralization at all levels of government but particularly at the federal executive level. They were acutely conscious that this overall development had been taking place abroad, particularly in Europe. Furthermore, they knew that the economic and international responsibilities of the United States were slowly increasing as this country was becoming an industrial society with more activity in world affairs.

The legacy of these harbingers was accelerated in its overall effect by technological and cultural changes in the country at large. Centralization as envisioned by these founders of public administration was inescapable and their work facilitated the efforts of the next generation of writers and practitioners, who had received a respectable rationale for this development—namely, that centralization in government was necessary for its federal, state, and local units to carry out their expanding roles with greater effectiveness. Furthermore, the trend toward centralization had grown to the extent that by 1939 Leonard White observed that

the center of gravity of the American administrative system at its inception was in the local governments, it has passed beyond the states and is now in the national capital. . . . The results of the Civil War were decisive constitutionally; the arrival of "big business" was decisive politically and administratively. With the exception of the largest cities, there has been a notable centralization of authority within the states, as supervision and control of various sorts have been imposed on counties and municipalities. The commerce power and conditional grants to the states have been the principal means of extending national authority at the expense of the states. (White, 1939)
Expediting these developments was the Great Depression, which furnished White’s generation with the opportunity to apply the framework of centralization on specific structures and managerial approaches, most visibly at the presidential level. White’s intellectual associates supported these developments (President’s Committee on Administrative Management, 1937; Waldo, 1980). Their collective scholarly and practical efforts became the basis for the first of the three stages through which the evolution of centralization passed.

STAGE 1: ROOSEVELT’S PARADIGM

The gist of the first stage was the efforts of the post-Wilson generation of public administration luminaries and elected officials, such as President Franklin Roosevelt, to centralize not only at the national level but also within one branch at this level: the executive branch. Centralization of executive authority entailed considerable economic regulation. The resulting paradigm of centralization developed in two chronological phases. The first involved the creation of a vast set of organizations, which fell into three categories: patronage, regulatory, and redistributive—to use political scientist Theodore Lowi’s nomenclature. The patronage agencies simply represented an extension of a traditional mode of rewarding political supporters as well as a way of stimulating a depressed economy (e.g., the Civilian Conservation Corps, the Tennessee Valley Authority, and the Works Progress Administration). The regulatory organizations sought to impose responsibilities upon private interests (e.g., the Securities and Exchange Commission, the National Labor Relations Board, and an expanded Federal Trade Commission). The redistributive institutions signified the most drastic break with the past, for they endeavored to influence the milieu in which individuals and corporations operated (e.g., the Social Security Administration, the Federal Deposit Insurance Corporation, and the Federal Housing Administration). FDR staffed these new organizations with staunch New Deal supporters, a staffing maneuver that significantly departed from the traditional civil-service norm of politically neutral competence and that probably helped to prompt an erosion of the orthodox notion of a politics-administration dichotomy (Lowi, 1985).

The second chronological phase began in 1937 with the issuance of the most important orthodox management literature of the period, which held that regulatory and executive governmental agencies should be perceived not as largely autonomous units but as specialities within a broad federal executive organizational hierarchy, which would exercise oversight through rules framed by an expanded chief executive’s staff, the transfer of the Bureau of the Budget (BOB) from the Department of Treasury to the White House staff, and the authority of the President to appoint the head of the federal civil service. All together, there would be an Executive Office of the President (EOP) with a small span of control that would enable him to manage a greatly consolidated executive structure. Specifically, he could exert stronger control over the budgetary, personnel, and planning aspects of his administration (Gulick and Urwick, 1937; Mooney, 1947; President’s Committee on Administrative Management, 1937).

In 1939, two years after these scholarly contributions, much of what had been advocated came to fruition. Under President Roosevelt’s first of five reorganization plans pursuant to the 1939 Reorganization Act, many of the recommended changes took place (Wann, 1968). In 1948 Gulick credited the Executive Office of the Presi-
dent whose staff had more than doubled in the first 2 full years of its existence as a principal mechanism in coordinating America's efforts in World War II as well as in establishing concrete purposes and programs to carry them out. He saw the war experience as a vindication of centralization that he among others had advocated. "The Presidency," he exulted, "with the 1939 structural improvements, acquitted itself brilliantly" (Gulick, 1948).

SECOND STAGE: ENSCONCEMENT

The Roosevelt era had resulted in a quantum leap in federal executive centralization, ensconced institutionally in the presidency and composed of structural and managerial aspects. This centralized paradigm consisted of three institutions with which FDR's successors were to work: (1) the Executive Office of the President, (2) an enlarged role for the Bureau of the Budget within the EOP, and (3) the White House staff, which evolved into the political hub of subsequent administrations. The 36-year span between FDR and Reagan was marked chiefly by a consolidation of an incremental expansion upon the former's efforts to strengthen the regulatory role of the national government in American life (Benda and Levine, 1988).

President Truman consolidated Roosevelt's centralizing legacy in several respects. For instance, he supported the establishment of the Council of Economic Advisers (CEA), under the Employment Act of 1946, to present a picture of the country's economic status. The Council, in effect, assumed a key function of a forerunner from the FDR era: the National Resources Planning Board. The creation of the Council, as Theodore Lowi has pointed out, institutionalized presidential responsibility for the condition of the nation's economy, regardless of whether or not chief executives wanted it (Lowi, 1985). A year later the formation of the National Security Council (NSC) under the National Security Act of 1947 complemented the CEA, helping to institutionalize the President's international obligations and to coordinate the efforts of executive-branch agencies involved in national defense and foreign affairs. The NSC was further centralized under Reorganization Plan No. 4 in 1949, which placed it in the Executive Office of the President. Moreover, Truman approved the formation of an official personnel recruitment function within the EOP. Headed by Donald Dawson, this agency sought to locate a cadre of potential administration appointees outside of the traditional patronage system and to match such individuals with jobs utilizing their expertise—an innovation continued by successors (Moe, 1985).

Eisenhower's presidency witnessed further piecemeal centralization within Roosevelt's framework. It basically involved the filling of additional interstices. He moved the CEA away from its original objective of furnishing dispassionate economic advice toward a new purpose of making it broadly reflect the outlook of his administration. He wrought this change by concentrating CEA operations in its chairman (Arthur Burns) and by selecting Council members more on the basis of political and philosophical compatibility with his administration. By viewing the CEA as a staff arm, Eisenhower achieved informally what the first Hoover Commission had recommended—the replacement of the CEA by a White House Office of the Economic Adviser (Wyszomirski, 1982). He directed a more forceful move at the NSC where he sought to underscore his control over its staff by replacing its executive secretary (a presidentially chosen careerist in intelligence) with a special assistant for national security affairs, who not only ran the NSC but also served as a member of the Presi-
dent's personal staff (The Tower Commission Report, 1987; Wyszomirski, 1982). Furthermore, he took another step toward centralization by establishing Schedule C, which essentially concerned the creation of a layer of political appointees unprotected by civil service in the various departments and agencies. These officials were Eisenhower loyalists who shared his keen desire to impose his policy predilections on the operations of the federal executive branch—a strongly felt imperative after 20 years of Democratic domination (Moe, 1985; Macy et al., 1983).

The Kennedy and Johnson administrations may be viewed together since the latter represented a political and philosophical continuation and extension of the former. But two developments warrant at least passing recognition. One was the formation of a domestic policy council to coordinate these presidents’ policy planning but not implementation, since the council was already burdened with the first. Kennedy relied on Theodore Sorenson to perform these duties during the years of the New Frontier, Johnson, on Joseph Califano during the hectic time of the Great Society. Actually, what these two chief executives did was not to create a new, albeit informal, institution but to revive an ad hoc cluster of advisers that FDR first employed when he asked his trusted friends Benjamin Cohen, Tommy Corcoran, and Samuel Rosenman to discharge these duties.

A second development was the initiation of the planning, programming, and budgeting system (PPBS) in the federal executive branch. Kennedy started this system in the Department of Defense under the immediate supervision of his cabinet secretary Robert McNamara, who, with the President’s approval, used it as a device for gaining centralized control over the national defense budget. McNamara sought to place fiscal limits on weapons development and programs and, in effect, “say no” to some components on Pentagon “wish lists.” Aided by McNamara and his assistants Charles Hitch and Alain Enthoven, along with the RAND Corp. David Novick and Hoover Commission studies, the President succeeded in installing this centralized mode of decision making for defense during his first year: 1961. Johnson was so impressed with the success of PPBS in the Pentagon that by mid-1965 he had ordered its extension to the entire federal executive branch (Moe, 1985; Benda and Levine, 1986).

President Nixon sought several incremental measures in the direction of seemingly ever further executive centralization, which stemmed from the recommendations of his Advisory Council on Executive Organization headed by industrialist Roy Ash. Nixon’s overall thrust was to fulfill this aim initially by substantial structural change. At first he sought to consolidate the 12 cabinet departments into 4 super organizations: community development, economic affairs, human resources, and natural resources. However, this proposal required the approval of Congress, which proved skeptical of what appeared to be a patent expansion of presidential power. Congress presumably would have found it more difficult to influence 4 departments rather than 12 with their entrenched network of interest group and legislative committee relationships. At the same time, the President’s span of control would have narrowed.

When Nixon’s structural initiative failed, he resorted to other mechanisms. One was an addition to the Executive Office of the President in the form of a statutory institution, the Domestic Policy Council (DPC), which had existed only informally under Kennedy and Johnson. The Council’s primary function was to coordinate all major social policy initiatives and to serve as a complement to the National Security Council. Another was the reconstitution of the Bureau of the Budget as the Office of Management and Budget (OMB). BOB had been under attack for its alleged inade-
quacy in managing Great Society programs, and both the Heineman Commission and the Ash Council had sought to strengthen BOB through the creation of a division within it: the Office of Executive Management. Under Reorganization Plan No. 2, OMB was to serve as the implementing and evaluating arm of the DPC and to help bring the entire executive branch into a greater degree of compliance with the President's policy orientations. Presidential centralization was most readily seen in the development of OMB's management side, which consisted of five divisions: Organization and Management Systems, Program Coordination, Executive Development/Labor Relations, Statistical Policy and Management of Informations Systems, and Legislative Reference (Moe, 1985; Benda and Levine, 1986; Wyzsomirski, 1982).

Although President Ford made no major centralizing efforts on his own but, rather, sought to carry some Nixon initiatives to their completion, Jimmy Carter sought in a variety of ways to centralize further his authority over the executive branch. For instance, he set up the Regulatory Analysis Review Group (RARG) whose members (major executive agency representatives and presidential economic advisers) examined particular regulations that imposed annual costs on industry in excess of $100 million. Carter extended his regulatory policy from actual rules to proposed regulations when he issued Executive Order 12044, which required (1) all recommended rules to be evaluated with respect to their overall economic effects (rather than merely their inflationary impact) and (2) agencies to consider lower cost alternatives. However, President Carter's Order was vague as to the location of final authority for settling disputes between RARG and executive agencies. Furthermore, he championed the passage of the Paperwork Reduction Act of 1980, which established the Office of Information and Regulatory Affairs (OIRA) as a unit with OMB to reduce the amount of data required from businesses and individuals (Benda and Levine, 1988).

In addition, he favored the creation of (1) Offices of Inspector and Auditor General in 13 executive-branch organizations to detect and prevent waste, fraud, and abuse and (2) two additional cabinet departments: Energy and Education (Benda and Levine, 1988; Benda and Levine, 1986; Moe, 1985).

However, Carter's main legacy was that he inadvertently served as a forerunner to the third stage in presidential centralizing efforts. This role fell to him as a result of the enactment of the Civil Service Reform Act of 1978, which would have greatly expanded his control over senior executive personnel but which, because of the size and complexity of the executive branch, was capable of only being partially realized before the expiration of his term. At that time he expected to be re-elected and thus to become its chief political beneficiary instead of an unintended boon to another—and vastly different—administration. Under the Act, the creation of the Office of Personnel Management (OPM) absorbed the rule making and administrative functions of the old Civil Service Commission. The Director of OPM was appointed and served at the pleasure of the President unlike the old Civil Service Commission commissioners who, although presidentially appointed, served fixed terms and were removable only for cause. The protection of civil servants was weakened through the separate formation of the Merit Systems Protection Board (MSPB) and the Federal Labor Relations Authority (FLRA). President Carter reinforced this dependency by massive budget cuts, which led to a two-thirds reduction in the size of the MSPB staff. The establishment of the Senior Executive Service (SES), proposed initially by the second Hoover Commission, allowed the President to create a cadre composed of careerists and political appointees (up to 10%) to occupy executive management positions previously held only by General Schedule (GS) employees. Retention in the SES
was based on performance as defined by the criterion of responsiveness to presidential direction (Benda and Levine, 1986; Foster, 1979; Sundquist, 1979).

THIRD STAGE: REAGAN'S REVERSAL

The enactment of the Civil Service Reform Act foreshadowed the onset of a third stage: the advent of an administration that has used its provisions as one way among others to centralize the federal executive branch for a new overall purpose: a reversal of a post-Roosevelt tradition—the deregulation of the role of the national government in America's economy while simultaneously increasing it in the realms of national defense, internal security, and personal morality. Further executive centralization was a prerequisite for economic decentralization—or deregulation (Schick, 1975). To further this vision, President Reagan, upon his inauguration in 1981, proceeded along three avenues. One was the use of existing structures, staffed by highly committed partisans, who had been screened by the White House Office of Presidential Personnel (OPP). A few illustrations reflect this thrust (Benda and Levine, 1988).

He chose David Stockman as OMB's director, who strengthened the budget side of this agency, especially in presenting the President's first fiscal program with its emphasis on heavy cuts in politically vulnerable social programs (for instance, Aid to Families with Dependent Children but not Social Security) and substantial tax reductions tilted toward corporations and wealthy individuals officially to stimulate the private sector of the national economy but unofficially to promote general prosperity through what Stockman himself regarded as a trickle-down approach (Greider, 1981; Greider, 1982; Stockman, 1987).

Furthermore, Reagan promoted additional deregulation of the economy, which he entrusted to OMB through OIRA as a new and far-reaching function, for it would review all current and proposed rules and regulations—a task that had previously belonged to the executive departments and agencies themselves. This additional function stemmed from the work of Reagan's Task Force on Regulatory Relief, headed by Vice President George Bush, and culminated in two executive orders: 12291 and 12498. The first directed all agencies to conduct Regulatory Impact Analyses (RIAs) for all proposed regulations, which would be required to survive cost-benefit analyses by OIRA. The second demanded yearly regulatory programs from each agency and automatically stayed all proposed rules until OMB certified them as consistent with the President's policies and priorities (Benda and Levine, 1988). Moreover, the Administration, under its Reform '88 program, headed by Joseph Wright, Deputy Director of OMB (and later its final head), sought to enhance and centralize the technological capabilities of this agency in a spate of areas: computer purchases and planning, cash management, debt collection, procurement, travel, administrative overhead, real property, and business information retrieval (Benda and Levine, 1988; Benda and Levine, 1986; Cole, 1983).

For OPM Mr. Reagan chose a director and the latter's subordinates, the general counsel, executive personnel managers, regional representatives, and public affairs head among many others on a reportedly ideological basis—one strongly critical of the traditional belief in neutral competence. The area in which this predilection showed most clearly is the President's handling of the Senior Executive Service (SES), which experienced significant reductions in force (layoffs) and relocations of such employees as a method of pressuring them to resign or retire. By 1983 approximately
40% of these officials had retired. In addition, opportunities for personnel development were drastically cut back so that during this president’s first 6 years in office only 12 SES employees were able to peruse further administrative studies at the government’s own Federal Executive Institute (FEI). Furthermore, the Administration consented to a reduction in merit bonuses from 50 to 20%, although Congress, too, favored such a cutback, primarily in reaction to the widespread perception that such awards had been too lavishly granted. Permeating the SES was a profound distrust of careerists by political appointments who saw them as resistant, if not hostile, to Administration policy initiatives (Levine, 1986; Levine and Kleeman, 1986).

At the Offices of Inspector and Auditor General, which had been established in seven executive departments and six executive agencies, President Reagan in 1981 dismissed a dozen of these officials. It is widely believed that he took this action because he did not want the Inspectors General (IGs) to be exercising autonomous oversight with regard to his own appointees. Under the Civil Service Reform Act, the IGs were to report to Congress and to cabinet secretaries. According to one observer, Chester Newland, Mr. Reagan “exerted presidential control as the appropriate model rather than the statutory plan, [thus] limiting the potential for institutional independence of the IGs” (Newland, 1983). However, the President tempered his initial action by rehiring six of the IGs—but only reinstating three of them in their former positions.

OMB, OPM, and the IGs represent only the most publicized illustrations of presidential centralization of existing structures—certainly not the only ones. The President formed additional centralizing structures, which fall under three rubrics: the Office of Policy Development (OPD), a system of presidential and cabinet councils, and the Office of Planning and Evaluation (OPE). The OPD represented the Administration’s renamed version of the domestic policy council initiated by Kennedy and perpetuated under different titles by his successors. The OPD, like its precursors, sought to coordinate all social policy initiatives and functioned through a set of councils and a presidential cabinet. The former included the President’s Council on Integrity and Efficiency (PCIE), the Council on Management Improvement (PCMI), and the President’s Private Sector Survey on Cost Control (PPSSCC), better known as the Grace Commission. The latter embraced most notably the Cabinet Council on Management and Administration (CCMA) formed in 1982 and headed by then Presidential Counsellor Edwin Meese III. The CCMA served to coordinate all management reform undertakings, including those initiated by OMB under its Reform ‘88 program. The OPE sought to assess the performance of the various councils (Benda and Levine, 1988; Forum, 1983; Moe, 1985; Newland, 1983; Newland, 1985).

Overall, the President centralized control over the federal executive branch by reconstituting existing structures and creating a parallel hierarchy of his own. As analysts Peter Benda and Charles Levine have pointed out,

the Reagan Administration through its first term management and administration cabinet council, President’s Councils, Reform ‘88 programs, and the Grace Commission has provided an infrastructure for crosscutting executive branch management coordination and reform. It has proven quite effective in insuring centralized supervision of agency compliance with the Administration’s management reform agenda . . . (Benda and Levine, 1986)

Moreover, Levine has emphasized that these forms of centralization have enabled the President to place “more political appointees at lower levels in agencies and departments to direct policy . . .”—in short, to extend his reach wider and deeper (Levine, 1986).
President Reagan's centralizing network served to further purposes at odds with those of his predecessors. He used this infrastructure for three broad goals. One was to reduce the extent of federal regulation over the national economy—oil and gas, banking, communications, transportation, and social welfare (for instance, his "New Federalism" proposal to make welfare and medical care exclusively state responsibilities while federalizing food stamps) among numerous areas—and to enforce the loosening of federal direction. However, he occasionally tightened regulations (for example, eligibility for Social Security Disability benefits), but the net effect was mostly deregulatory. A second was the enhancement of national defense and internal security principally through significant personnel and budgetary augmentations at the expense of civilian departments and agencies. The estimated $1.5-trillion 5-year defense buildup was instrumental in making such expansions possible. A third area was that of personal morality, which encompasses a potpourri of efforts pursued with varying degrees of vigor. The most publicized initiatives include the ending of abortion coverage in the health insurance programs for federal civil servants except for life-threatening situations, which the Administration collaborated with Congress to bring about; extensive use of polygraph tests in national and internal security matters, especially to prevent leaks to the press; tightened security clearances, which were expedited in light of several embarrassing espionage scandals; widening drug testing, increasingly random and without probable cause; and proposed broad AIDS testing without tight restrictions. Moreover, outside the federal bureaucracy, the Reagan Administration intermittently sought a constitutional amendment to ban virtually all abortions and to allow what it regarded as voluntary public school prayer.

In addition, President Reagan pursued these goals not only through a centralized administrative apparatus for the executive branch but also through a rigorous ideological process for nominating judges loyal to the President's agenda. For instance, he allowed the establishment of the Office of Legal Policy, staffed by assistant attorneys general with initial responsibility for screening potential judicial candidates. These staffers (along with the attorney general, his deputy, the counselor to the President, and the latter's chief of staff) became part of the White House Judicial Selection Committee, created to examine and compare the records of potential nominees, to interview them at length, and to decide whom the chief executive should nominate (Benda and Levine, 1988; O'Brien, 1988).

CONCLUSION

Centralization has been the concept with the most persistent, conspicuous, and pervasive effect on regulation today because of its utility in strengthening the presidency to meet its expanded domestic and foreign-policy obligations. This impact has moved through three distinct stages: (1) FDR's paradigm; (2) a long hiatus involving a consolidation of, and (3) accretions to, his efforts; and President Reagan's use of centralization for an overall purpose different from a nearly half-century tradition: to reduce the role of the national government in some aspects of American life while expanding its position in others.

What message does this examination of the last 50 years or so hold for future presidents? Probably at least one significant lesson: that centralization continues to work, especially when coupled with greater politicization of the federal executive branch and the deinstitutionalization of some governmental functions (removal of some
from the hands of civil servants and placement of them in the grasp of partisan, zealous, temporary appointees). Analyst Terry Moe captured this implication of 50-plus years of presidential centralization when he wrote:

. . . Reagan did much more than continue an historical trend. In moving ambitiously down the paths of politicization and centralization, he built a set of administrative arrangements that by past standards proved coherent, well integrated, and eminently workable. Given the sobering experiences of recent activist presidents, particularly Johnson and Nixon, in their attempts—against great odds—to fashion a workable administrative framework, the Reagan effort emerges as a striking success. As such, it is a lesson that will not be lost on future presidents—who will have every reason to learn from and build upon the Reagan example in seeking to enhance their own institutional capacities for leadership. This places Reagan in a pivotal historical position, and could well establish him as the most administratively influential president of the modern period. (Moe, 1985)

Mr. Reagan's efforts will probably lead to a second period of administrative consolidation where his framework may be used either to continue his bifurcated purpose for the federal executive branch or to enhance again the role of the national government in American life. If his measures for privatizing and deregulating in the economic sphere are widely perceived as having been largely successful, his immediate successor is likely to feel compelled at least to retain them and possibly extend them, perhaps to the sale of federal governmental assets such as federal lands and facilities, electrical power, the postal system, the Naval Petroleum Reserve, Amtrak, the weather service, as well as a transfer of housing and interior-department obligations to the corporate sector. Housing and education vouchers could become realities modeled after food stamps. Successful local privatizing efforts with regard to police and fire protection and sanitation could reinforce this prospect.

However, privatization at any level has yet to run its course; and the verdict on such experiments is not yet in. But it is most improbable that there will be future privatizing efforts in the realm of foreign policy in the wake of the Iran-Contra scandal. Nor can a definitive judgment be rendered on the success of deregulation, although the benefits are still thought to outweigh the costs. There have been recent complaints that deregulation in transportation (for instance in the airlines industry) and environmental matters may have gone too far. Deregulation in oil and gas as well as in communications (for example, the breakup of the American Telephone and Telegraph Company) have not so far proven to be a general boon.

If future presidents wanted to deregulate, whether selectively or broadly, use of the Reagan administrative structure would serve as a ready model. If this new role for the federal government proves to have been mostly a failure and if any of his successors then opts to expand the role of the national government in American life as a matter of practicality, perhaps reinforced by ideology, Mr. Reagan’s mode of centralization is again at hand for a resurrected purpose. Centralization is a vehicle for reregulation as well as deregulation. One can imagine a prospective chief executive using Reagan’s administrative legacy to institute a form of industrial policy: the bringing together of corporate, union, and educational leaders in consortia to alleviate widely perceived crises in human resources, new plants and equipment, and infrastructure. The Reagan administration through its Department of Defense has already encouraged, in incipient form, such a development in the area of semiconductors (the 2-billion Semiconductor Manufacturing Technology Consortium) (Shannon, 1988). National planning redolent of Japan’s Ministry of International Trade and Industry (MITI) could arrive under presidential aegis. Therefore, the Reagan model could be
employed either at the onset of a fourth stage in the role of the national government in American society, especially if historian Arthur Schlesinger's theory of roughly 30-year cycles in the waxing and waning of federal governmental activity is correct (Schleslinger, 1986) or at a period of consolidation (the most likely prospect in the absence of economic collapse).

However, the election of George Bush as Reagan's successor suggests that a consolidation of his immediate predecessor's centralizing efforts will prevail (Duffy, 1989). On the one hand, President Bush, it is widely believed, had been elected to perpetuate the status quo, for the most part. The new chief executive was not expected to carry a different philosophical (or ideological) agenda to his office. On the other hand, he did not bring a zealous resolve to effectuate his immediate predecessor's political, economic, and social goals. For instance, a recent review of the new chief executive's first 7 months in office noted "a lack of ideological conviction" in him and characterized his decision-making style as "cautious," "reactive," primarily eager "to avoid mistakes" in crises, willing to negotiate "almost everything," and inclined "to split the difference" among alternatives (Duffy, 1989). Furthermore, President Bush's reported slowness in filling positions within his administration hampered his ability to concentrate his decision-making power (McQueen, 1989). Moreover, there has been no economic or international crisis to catapult him into a fourth stage.

Nonetheless, on the whole, the new president represents administrative continuity with his predecessor, although incremental reregulation has begun. A few important differences have started to emerge. One is that George Bush is slowly increasing the role of the federal government in the country's economic life while reducing it gradually in the areas of national defense, internal security, and personal morality. A degree of reregulation has begun, especially at the Department of Labor (e.g., more regulators for the Occupational Safety and Health Administration), the Department of Transportation (e.g., stronger emissions standards), the Environmental Protection Agency (e.g., orders to oil refiners to reduce gasoline evaporation rates to combat smog), the Food and Drug Administration (e.g., a budgetary increase), the Federal Trade Commission (e.g., enforcement of deceptive advertising laws), and the Federal Drug Policy Director (e.g., coordination of the anti-drug war) (Baker, 1989; Ingersoll and Stricharchuk, 1989; Washington Wire, 1989a; Weinraub, 1989). Persistently high federal budget deficits and international initiatives by the USSR's Gorbachev and President Bush have combined to reduce the salience of national defense and internal security. Apart from his administration's interest in returning the issue of legalized abortion to the states, he has shown little desire to use the national government to regulate further the morality of the American people. A second divergence has been less insistence upon philosophical conformity in the nomination of executive and judicial branch personnel. Nominees to the number two positions in the Department of Health and Human Services and in the Department of Justice have antagonized some of the President's strongest supporters (Washington Wire, 1989b). The new chief executive let his attorney general abolish the Office of Legal Policy, which had been set up by the previous administration to screen judicial nominees for congruence with President Reagan's view of the federal courts. Instead, Mr. Bush, through his White House counsel, has started to become involved in the selection process (Johnston, 1989). A third difference has been the emergence of a generally cooperative relationship with Congress, as evidenced by a bipartisan budget agreement, a nonmilitary aid package for the Nicaraguan rebels, the President's proposal to curb acid rain by increased business regulation, and a $166 billion bailout of the
nation's savings and loan industry (Duffy, 1989). As political commentator William Schneider recently observed, "Bush's agenda, in both domestic and foreign policy, is to de-ideologize U.S. politics. He wants to heal the poisonous divisions that have beset America since the 1960s and return to a politics of compromise and consensus" (Schneider, 1989).

But selective reregulation implies that under Presidents Carter and Reagan the pendulum had swung too far in the direction of deregulation and that threats to the gamut of public concerns (health, air, water, food, drugs, product safety, workplace security, travel, transportation, and environmental quality among other areas) have become widely visible. However, one may readily project a danger if selective reregulation becomes a strong rush toward general reregulation. Such movement may prove harmful in the long run if it is not based on "good science"—methodologically sound research results and data bases. If such an embryonic trend rests on highly isolated cases, an emphasis on worst-case (rather than most likely) scenarios, and seemingly endless testing, the ensuing regulations reflecting a zeal to protect the public from serious harm may deprive the nation of numerous beneficial products, hamper economic growth, and jeopardize the country's international competitive position. Heavy regulations may thus turn out to do more damage than good. Centralized presidential authority contains the potential for avoiding this result and for striking equitable balances in costs and benefits in pursuit of the public interest.

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