

Life Among the Bureaus



The effort to legislate and govern America out of the Depression has created a new type of bureaucracy and bureaucrat in Washington. A survey of their organization, power and purposes throws new light on the New Deal revolution.

By Anthony North

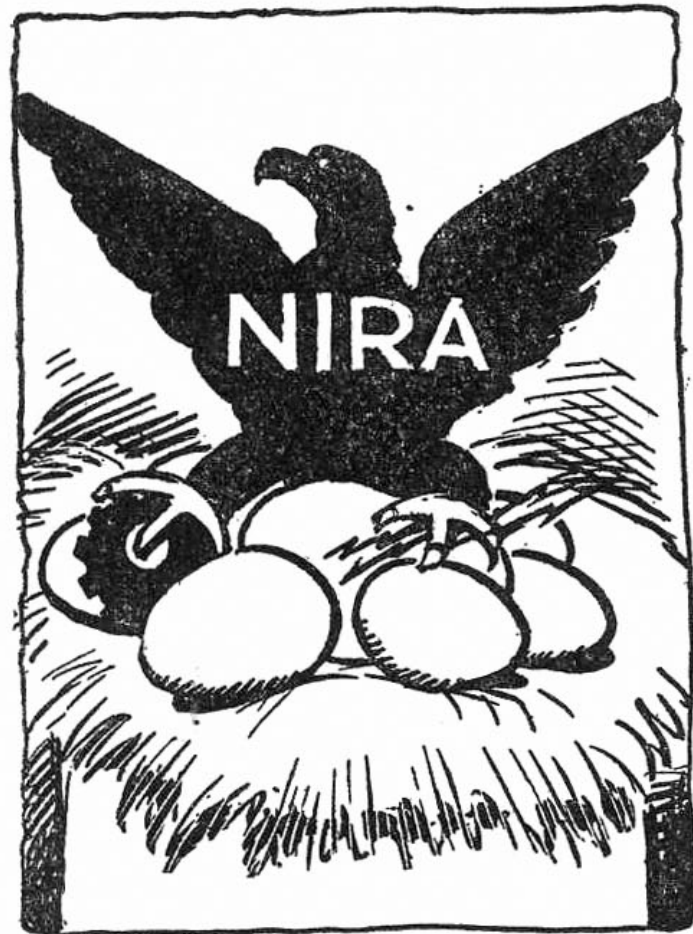
A TOTAL of 17,576 different letter combinations is possible from the twenty-six letters of our alphabet. The available supply of alphabetic designations for the new American bureaucracy therefore is still far in excess of the inventive genius of those who believe that America can be socially planned out of the errors and sins of her recent economic past. Although we already have two CCC's—a beginning of confusion—a ramble through the maze of the new divisions and sub-divisions of governmental functioning at Washington cannot produce any evidence that France has lost her supremacy in bureau production. Nor has the American product achieved anything approaching the obtuse autocracy of the Russian Soviet bureaucrat. But there is no real cause here for chagrin upon America's part. The New Deal is still young.

There is, however, a significant characteristic of the American scene to be observed from the Washington Front of today. If we cannot point with our "bigger and better" pride at the sum total of our ABC functionalism, nor yet to anything approaching an effective interlocking feature, such as is to be found in the bureaucracies of other countries, we can at least marvel at the fecundity and the self-reproducing powers of our "one-year-olds." Take PWA. Of its legal paternity in the halls of Congress there can be no doubt. But watch closely and observe how two bureaus suddenly appear where one was before, and note how PWA becomes not PWA alone but CWA as well. But this parturitional process does not then stop, for no sooner has an entirely new organization come into existence by the simple change of the prefix initial than a new metamor-

phosis begins at the other end of the new organization, and behold now we have a third bureau—CWS. Twenty-six such organizations alone have been hatched from the original NIRA.

How do they do it?

In the last analysis these alphabetically designated units in the beehive of our government are but the symbols of change, of new direction. Neither their



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A B C D E F G H

number nor their names are really important to any social critique of the purpose, intent, or value of New Dealism. They are important alone as the setting in which there is beginning to function a new ruling class in America.

Two young friends who lately interrupted their endeavors to achieve Masters degrees in a certain eastern college to follow their favorite professors into the Washington breach and to the saving of America meet on Pennsylvania Avenue.

"Why, Joe, I haven't seen you in a long time. Where've you been? Not gone the way of all good professors, I hope?"

"Not me," answers Joe, who will be twenty-seven years old in the not distant future. "I was sent over to help out in CWA. But I'm coming back to AAA soon."

"N'how are things going over in CWA?"

"Say, we've been busy," says Joe. "But we've got almost all our money spent now. 'N I tell you I want to get back to AAA, anyhow, 'cause that's where the whole problem is really going to be licked, you know. It's the guts of the thing."

"It's the guts of the thing, all right."

"Well, so long. I'll be seeing you," answers Joe and goes back to his temporary rescue work at CWA, where he functions efficiently throughout a long government day, which in the matter of length seems to have no respect for NRA regulations nor for the increasing frown of the Blue Eagle; where he is assisted by two efficient secretaries, three stenographers and four telephones into one of which he was once heard to bark, "I don't care what General Johnson says, Newark can't have five hundred thousand dollars to finish drainage on a job like that. The land is privately owned and the lease makes no mention of *intent to acquire*. You'll have to find another place to spend that half million dollars."

There you have the picture of a Junior Brain Truster in full operation. He is the new emerging type of bureaucrat, although he would strongly resent the designation, resent it mainly for its historic connotation. Certainly there is nothing in this new type that has anything in common with the old style government employee who was content to grow old in service and in a frayed office alpaca coat, constantly improving his efficiency at time-killing in the intricate art of sharpening pencils and letting Civil Service worry about his future.

It is true that in other times and under other circumstances, twenty-seven-year-old youngsters would not have been invited to enlist in government service quite so near the top. This is one of the phenomena of the Emergency. And it is an important one, because the little generically discussed group now acquiring the title of the Junior Brain Trusters represents a significant force in the actual administration of the New Deal. Their chiefs frequently have been too busy in conference and in planning to devote much time to routine administration.

The Junior Brain Truster is an industrious, if sometimes over-zealous worker. His intellectual integrity can hardly be questioned. He is never a conservative, although being human despite the rawness of youth, the practical problems of office are tending to move him from the Extreme Left (if that is where he happened to be standing) to a middle-ground Liberalism. He is conditioned in a measure by the abracadabra of the alphabet world in which he lives, but even more by the particular three-letter cell in which he functions. His preference is for

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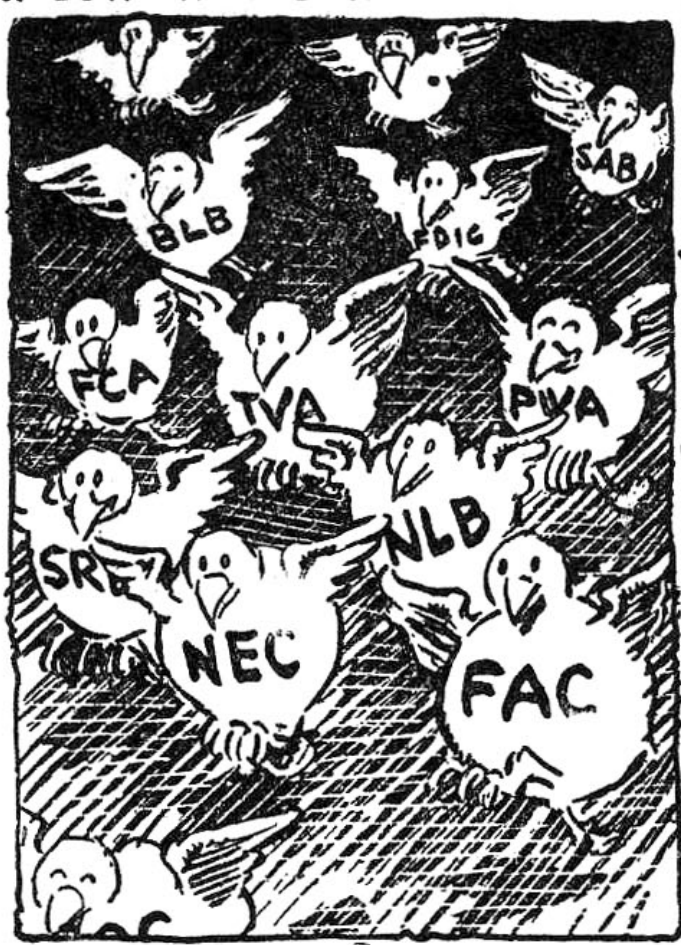
those bureaus which in the nature of their work come to the most serious grips with the larger social problems of the New Deal experiments. He prefers TVA to NRA, FSRC to FCA or RFC, and his real favorite of all is AAA. Salary is no consideration—well, hardly any. He is frequently the intellectual protege of his chief—a Senior Brain Trustee, a member of the Super-Cabinet, or at least a Special Administrator. This is a small but interesting point. The customary relationship between Bureau Chief and subordinate is non-existent here. The spirit of the college seminar continues, and although it has not yet had any noticeable effect upon Washington life, there are frequent informal meetings in restaurants and studio apartments where in heated but friendly discussion the entire American government is made over. The Constitution is seldom mentioned.

There has been a high rate of mortality in office-holding among the junior appointees. Some good and conscientious men have been sacrificed upon the altar of mistakes made which someone had to pay for. It is significant, however, that this rate has been higher in what might be called the large, "industrial," non-intellectual sub-divisions, such as NRA and RFC. The heads which rolled in the case of the boner pulled in the premature announcement of the banking code is a typical case in point. But even the most critical of Washington observers have to admit that the chaos and inefficiency which marked the early stages of setting up the vast bureaucracy of the New Deal have been disappearing at a surprisingly rapid rate.



A good deal of this confusion was unavoidable. It was in the nature of change. Much of it grew out of the speed with which a new functional group was called into being, decked out with a brand new combination of letters and sent merrily on its way. NRA began moving into its quarters even before the Emergency Act which created it was signed. The birth of CWA was somewhat prematurely announced at a White House press conference even before the doctors had all agreed that it had any constitutional right to existence—and then it was too late. It was decided thereupon that it would always be considered the minor ward of PWA, living off the bounty of the \$3,300,000,000 inherited by PWA from the panic-stricken 73rd Congress. But the next session of that Congress had been convened but a few weeks when the lusty youngster was sitting up and asking for an appropriation of its own and the right to an indefinite and independent life.

From the NIRA there has spawned the "Governmental Alphabet" of EC, Executive Council; NEC, National Emergency Council; RFC, Reconstruction Finance Corporation; FCA, Farm Credit Administration; PWA, Public Works Administration; CWA, Civil Works Administration; FACA, Federal Alcohol Control Administration; NBPW, National Board of Public Works; NPB, National Planning Board; SAB, Science Advisory Board; CSB, Central Statistical Bureau; IAB, Industrial Advisory Board; IBRT, Inter-departmental Board on Reciprocal Treaties; FHLBB, Federal Home Loan Bank Boards; BLB, Bank Liquidation Board; TVA,



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Tennessee Valley Authority; FCT, Federal Coördinator of Transportation; CCC, Civilian Conservation Corps; ECPC, Executive Commercial Policy Committee; ITPC, Inter-departmental Trade Policy Committee; TCFC, Temporary Committee on Foreign Trade; FDIC, Federal Deposit Insurance Corporation; CCC (the first indication that we're running out of alphabet designations with the attendant curse of duplication)—this one standing for Commodity Credit Corporation; and the FSRC, the Federal Surplus Relief Corporation.

It should be noted that all of the above are not *part* of the NRA, but are the sprouting bureaus which arose alone from the planning of the National Industrial Recovery Act. The natural, functional divisions of NRA are the NIRB, National Industrial Recovery Board; LAB, the Labor Advisory Board; CAB, Consumer's Advisory Board; SRB, State Recovery Board; NCB, National Compliance Board, and the NLB, National Labor Board.

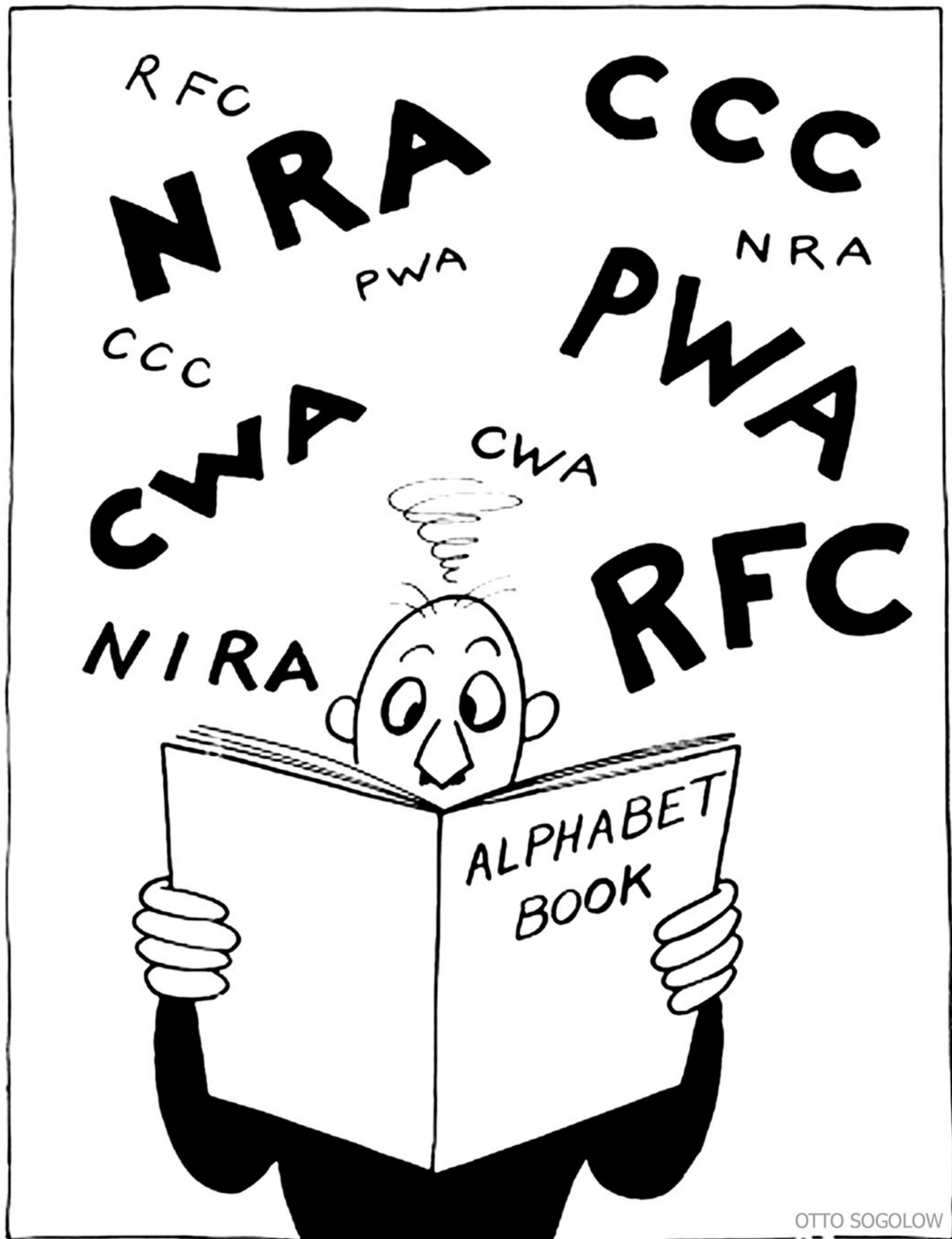
It would be too much either to expect or to assume that the altruistic, socially minded spirit of the modern, non-politically inclined Junior Brain Truster, or the intellectual sincerity of his college professor senior, thrown up into power, not through the force of the ballot, but solely as a demonstration, it has been pointed out, of Pareto's theory of the "circulation of the elite," should permeate in its entirety this vast network of bureaucratic organization from "corporation" heads to secretaries (but as far as secretaries go, of course, there is always "Robbie"). And in the matter of this myriad of bureaus it is not all just one big happy family. There have been many bitter, inter-bureau fights, the most bitter of them carried on by the chief administrators, seeking to retain or to recapture new functions and powers which developed from the splitting up of old bureaus into new groups. And too, within the encampment of the Emergency Bureaus on the banks of the Potomac, liberalism and conservatism cause as much strife as elsewhere in our world. But there is a remnant fact: there is one all-pervading coöperative spirit over the Washington of the current Administration. It has both its defenders and its detractors. It can be likened best to that jolly feeling known as war spirit.

As in the case of war, it is intolerant, selfish and undeviating. The loyalty of the workers reaches back as much in gratitude for the opportunity to serve and "to experiment" which comes from the White House, as it does to the personality in the White House.

But after all what is a bureau? Objectively, certainly it is a place under a roof where a lot of desks are put together and a lot of people, most of them engaged in routine clerical labor, are put to work at them. In the matter of size and material externals, the NRA Secretarial Pool will serve as a typical example. There are many such vast offices, where there is a high content of zealous labor being done in the good cause of Recovery. If there are many new faces—all new faces in fact—that's easily explained. We've had a change of administrations. If there are more desks, more office space filled, more workers than ever before, that is equally simple of explanation. Government is now the largest single industry of the United States.

It would be difficult to select, for minute examination and comparison with a functional unit of a past administration, the typical New Deal bureau. In not a few there is considerable friction between different degrees and elements of thought as to how far the New Deal should really go. However, since the departure of Mr. Peek from Agriculture, AAA has achieved for most of the intellectual group at least a large amount of ideal perfection. No difficulty exists in selecting the typical bureau of the Hoover Administration. The great monument to bureau-

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cracy in the last Republican regime was the Bureau of Foreign and Domestic Commerce, in the Department of Commerce. This was the pet of Ex-President Hoover. It was early stricken with political elephantiasis and therefore in the matter of size it had nothing to be ashamed of even when compared to the largest of the New Deal bureaus. Its original motive was beyond question. It was to serve, not Big Business alone, but all business. It was not Big Business but little businesses which abused the privilege most. But its real failure was the glutting of the market with its own services, so that as time went on, more and more of the efforts of the office holders within it had to be devoted to "salesmanship of the service" in order that the bureau might justify its existence, and its workers remain employed. Symptoms of this deadly blight are nowhere observable today in the numerous bureaus called into existence by the National Industrial Recovery Act. The program is so vast, the limits of its intent so completely shrouded in the vague phraseology of the new idealism, that there appears to be plenty of work for all.

There are not really many outward material manifestations and changes in the Washington of today which adequately indicate the significance of this revolution in government—if revolution it be. At best, or at worst, Washington is not an hysterical town. The change—the difference—is in the air, in the spirit of things and of people. The disappearance of traditional formality up at the White House is perhaps not altogether an accurate or meaningful symbol. Certainly it is not a material marker, and is noticeable only by those who have past experience upon which to draw for the purpose of comparison. But there is one important new object in Washington which is symbolic. It should not be missed by the American business man on his Washington visit this year—and it probably won't be. It is the code bulletin board up at NRA headquarters. The visitor need only stand before this vast thing, covering a whole wall, floor line to ceiling, with announcements of codes, code hearings, codes in the making, codes to be made, and one glance should convince him that if we have been served that thing called a Roosevelt Revolution, it is in reality an accomplished fact.

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The most accurate estimate obtainable on the increase in workers on Federal payrolls to handle the services which the government has taken over from private interests (some say never to be returned) is 40,000.

The patchwork method of building the new government structure accounts in a measure for this increase—both in the number of employees and in the number of new bureaus. There is a typical example of this in NRA, and in the effort to achieve uniform conditions horizontally throughout a group of allied industries. Unwarranted surplusses, for example, were found in the electrical power and appliance field. It was then perceived that here was a case of “under-consumption” on the part of American home-owners. How solve the problem? With another bureau, of course. And so we have the EHFA—the Electric Home and Farm Authority. If pessimism over the eventual success of the NRA is developing, and it is developing not only in widely scattered parts of the country but also much nearer the home of its origin—yes, in Washington even—this disappointment is due in no small part to the realistic perception of the inability of all of these minor bureaucratic units ever to produce coöperatively and efficiently that much desired thing called Recovery.

Then there is the FSHC. This—the Federal Subsistence Homestead Corporation—belongs primarily in the classification of the social planning features of the New Deal. It seeks to provide, near industrial centres, subsistence farms on which workers may live, when factories are closed. But once in operation its relationship to AAA became clear, and in order to prevent conflict with one of the underlying purposes of AAA, namely to curtail all kinds of agricultural production, a significant shift of emphasis in the functioning of FSHC, in order to prevent the new subsistence farms from producing for the open market, was inevitable. Growth and constant change in size and kind of bureaus appears absolutely uncontrollable in this type of government.



And so finally it should be noted that as “central government” develops through the instrument of running out power lines of bureau control *from* Washington, it frequently becomes necessary to set up at the capital a counterbalancing organization to serve as a sort of check on the first bureau. This is particularly noticeable in the case of the NIRA, the National *Industrial* Recovery administration which necessitated two more bureaus—one to look out for the interest of the consumer in relation to industry, the other to protect the interests of labor. As centralization increases, more and more of these natural conflicts of interest, which normally could be adjusted individually and on a limited scale in the localities in which they originate, will have to be handled at Washington, indicating that perhaps we are merely at the beginning of an era of expanding bureaucracy, and that we are rapidly reaching a time when of the making of new bureaus there can be no end.

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