TAXES AND THE SHORT BALLOT

TWENTY-FIVE GOVERNORS RECOMMEND ADMINISTRATIVE REORGANIZATION

BY H. W. DODDS

THE movement to consolidate and simplify state administrative organization was never so promising as to-day.

More than half the legislatures which assembled last January were advised by executive message to undertake reorganization. All these recommendations point the same direction—towards elimination of numerous departments and bureaus in favor of single heads chosen by the governor. The explanation of awakened gubernatorial interest in administrative reform is simple. Taxes are high. Indications are that state and municipal taxes will be higher. But prices have fallen and will fall lower. One who is not a prophet nor the son of a prophet can foretell that high taxes will be less popular than ever. Even a newly elected governor knows that the people believe him to be the head of the state government. In view of the effectiveness of the economy plea in the last campaign he will undoubtedly confess to a feeling of uneasiness. Accordingly we find in a majority of executive messages unequivocal demands for economy followed by constructive suggestions for eliminating waste through administrative reorganization.

PLANS BEING CONSIDERED

In a number of states specific plans are before the legislature, prepared by official or civic agencies. A complete reorganization scheme for Arizona was drawn up under the auspices of the National Municipal League by Mr.

A. E. Buck, and is being transmitted to the legislature accompanied by a special message from the governor. Two plans were proposed—one without constitutional changes for immediate action, and one requiring constitutional revision. The latter plan would consolidate some fifty administrative offices and agencies into ten departments, each with a single head appointed by the governor. The governor and auditor would be the only elective officials and their terms of office would be extended from two to four years. About ninety different officials under the existing arrangement would be abolished and their functions transferred to the directors of the ten proposed departments and two or three subsidiary boards.

A special joint committee of the Ohio legislature has proposed, after two years' study, a simplified plan for that state. Dr. Don C. Sowers was the executive secretary of the committee, and with the help of a corps of experts is responsible for the report. Although it is yet too soon to know what action will be taken by the legislature, both houses have appointed special committees to co-operate with the governor. The retiring governor and the new incumbent urged reorganization in their messages. Governor Davis has called in as consultant Mr. George E. Frazer of Chicago, who helped Governor Lowden with the new Illinois code. Two years ago, when the special Ohio committee was appointed, the governor was Democratic and the legislature

Republican. Now that both are Republican it remains to be seen whether the zeal of the legislature has survived unabated. The plan as proposed by Dr. Sowers reduces the elective officers from six to three; leaving only the governor, lieutenant-governor, and auditor. Activities now performed by thirty-six independent boards and commissions would be combined into thirteen major departments with heads appointed by the governor. Boards would be retained for the health and education departments and the industrial and public utilities commissions would constitute departments. A new department of finance would take over many of the functions of the present auditor. The plan is in accord with the best principles.

Governor Hart of Washington has had a complete administrative code introduced which will abolish seventy existing offices, boards, etc. Their functions will be taken over by ten departments under single heads chosen by the governor. In nearly every instance the departmental directors appoint their subordinates. The governor and directors constitute an administrative board with certain general powers over the various departments. This is an interesting recognition of the governor's cabinet. The bill is declared to be an emergency measure to take effect immediately in order to bring the cost of government within the possible revenues of the state. At this writing the bill has passed the house and is before the senate.

In Michigan, following Governor Groesbeck's message outlining limited departmental consolidation, a joint legislative committee has been authorized. The resolution suggests an exhaustive investigation. The governor's recommendations, however, are marred by his proposed administrative board of five elective officers with

supervision over administration and expenditures. The Michigan Community Council Commission has gone further than the governor and prepared a complete scheme of consolidation. Their proposed organization chart as published shows ten departments under directors appointed by the governor, and only two elected officers, the governor and auditor, the latter being also the lieutenant-governor, who is to appoint three unpaid inspecting boards. The plan suggests a painless method of extirpating the lieutenant-governor. It is yet too early to know how much of this plan will be accepted by the legislature. The Detroit Bureau of Governmental Research was consulted in preparing the report.

Governor Hyde of Missouri devoted a prominent place in his inaugural address to the principles of administrative reform. The legislative program for consolidation announced by the state Republican committee groups the large number of independent activities into seven departments and two state boards. Bills are to be introduced carrying out these principles. They probably will be violently opposed as ripper legislation.

In California Governor Stephens has sent a special message to the legislature supporting eight bills for the consolidation of state agencies. The governor pays high tribute to the efficiency commission, which reported two years ago, and asserts that the higher efficiency of the department of agriculture, reorganized along the lines laid down by the commission, warrants the legislature in proceeding further. The California Taxpayers' League has been very active for several years and will again present a comprehensive plan to the legislature.

In addition to the plans here noted, a number of governors are recommend-

ing partial reorganization sound in theory, which, if adopted, will pave the way for complete reform later.

REORGANIZATION AS A MONEY SAVER

The governors hold out no alluring prospects of lower taxes. No sane observer expects this in view of the expanding scope of governmental activities. What our governors hope for is greatly increased efficiency in the work of the state, a result, hard perhaps to measure in dollars and cents, but real, nevertheless, and one which will serve to maintain the state's credit before the taxpayers. Realizing that the administration of state affairs is scattered among several scores of departments, boards, commissions, etc., they are painfully aware that theirs is a responsibility without power. In sheer self-protection a wise executive favors simplification of administrative machinery at a time when economy is on everyone's lips.

THE GOVERNORS SPEAK

Twenty-five governors discussed consolidation and the short ballot in their messages to legislatures convening in January. Three of these were retiring, and they spoke from the depths of experience. Thus Governor Goodrich of Indiana, who had seen four years of service, after referring to the belief that because the people elect a large number of public officials they control them, said:

The facts are that by the direct election of a large number of independent administrative officials, the public actually loses control of administrative agencies. The work of a large number of elected public offices and boards cannot possibly be subjected to continuous public scrutiny. . . . Elective offices, the duties of which for the most part are administrative, should be abolished. A large number of state boards should be eliminated, and the various functions of such

offices and boards should be consolidated with a few state departments which are responsible to one chief executive.

Governor Hyde of Missouri charged that decentralization, demanded by the political philosophy of fifty years ago, had aided in the development of invisible government and boss control as well as extravagance and waste. He, therefore, recommended "the reorganization of the various appointive administrative departments and their consolidation under as few responsible heads as is practicable." Governor Dixon of Montana spoke in the same vein:

Let us nominate and elect the chief executive of the state, then give him full power to name his assistants in administering the various departments of the state government, and we will know exactly where to place our finger in locating blame or praise. In that way only will we do away with this eternal pulling and hauling at Helena. In that way only will we get rid of these superfluous and overlapping jurisdictions of dozens of "state boards" and "commissions" with their army of tax-eating employees. In that way only can Montana secure efficient, economical government for our state affairs.

The "Chinese Puzzle" of state government in Montana is yearly becoming more and more complicated. We will never solve it until we cut the Gordian knot and enact the "short ballot" for elective officials.

A number of governors recommended that thorough plans of reorganization be prepared based on comprehensive surveys to be conducted by the legislature or special agents. The governors of Maryland and Kentucky have indicated that reorganization will have a prominent place on the program when their legislatures meet next year. The governors of Colorado and Michigan, although urging consolidation in many branches of the state administration, favored an administrative board of control with supervision over executive agencies. Co-ordination

through a central board is, however, an exceptional recommendation. For the most part, the governors are willing, even anxious, to accept full responsibility provided it is accompanied by authority commensurate with the position. Governor Dixon of Montana said:

Let us nominate and elect the chief executive of the state, then give him full power to name his assistants, and we will know exactly where to place our fingers in locating blame or praise.

Governor Cox of Massachusetts sees a growing tendency to look upon the governor as the head of the government, demands power to appoint his assistants and asks if it is not possible to carry further the spirit of the act of 1919.

COMMISSIONS AS EXECUTIVES

The executive messages of this year give added evidence that the board type of administrative head is not giving satisfaction. In all schemes for consolidation the abandonment of commissions for purely administrative purposes appears as an essential feature. Governor Miller of New York told his legislature, "A commission for

administrative work merely divides responsibility." Governor Preus of Minnesota particularly condemned ex-officio boards and commissions. Governor Blaine of Wisconsin, the one state wholeheartedly committed to the board type, recommends reduction in the size of commissions wherever possible.

IS CONSOLIDATION WORTH WHILE?

In a supplement to the November 1920 REVIEW, Professor Mathews outlined the success of the first two years under the Illinois administrative code. Nebraska's new code has been in force less than two years. Governor McKelvie testifies as follows:

The operations of this plan of administrative organization have proven its practicability. Not only has it added greatly to efficiency in the administration of the state's business, but it has effected a genuine economy in the cost of administrative government within these departments. Moreover it has provided for an adequate control over reporting, auditing and expending the public money, so that I am able to report to you that for the first time in years the cost of government in these departments has been kept within the appropriations made by the legislature, and a balance of \$135,644.80 will have been saved, to be returned into the various funds at the end of the biennium.