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The Role of Performance Measurement in the Public Administration Discipline:

Then and Now

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The Role of Performance Measurement in the Public Administration Discipline: Then and Now

The origin of this paper is in an assertion I made in another paper to the effect that performance measurement was central to the discipline of public administration in the early twentieth century. A reviewer objected that I had not demonstrated this claim and I agreed. To demonstrate it would require another paper, not just a short extension of that paper, so I removed the assertion. This is that other paper. Originally it concerned the relationship between performance measurement and the public administration discipline; however, as it developed it has come to concern budgeting and reporting – with a performance or results focus – and the discipline.

In the next few paragraphs, I make some fairly uncontroversial assertions about the origins of the Americanⁱ discipline of public administration. I make them for two reasons, one is to inform those readers who may be unfamiliar with these matters and the other is to set the context for an argument that is not so familiar. Those readers who are familiar with these contextual claims should be alert to nuanced differences between my account and those found in the works of others such as Dwight Waldo or Laurence Lynn (Lynn 1996; Waldo 1948, 1955; White 1965a, 1965b, 1965c; White and Schneider 1965).

The American discipline of public administration arose in an unprecedented period of governmental experimentation. In the large scope: The entire nineteenth century saw expanded electoral franchise. The first half of the century saw expansion of democratic institutions through election of a great variety of state and local officials. Jacksonian political theory offered, in principle, all citizens of ordinary intelligence an opportunity to participate in government through governmental employment, thereby

establishing the underlying justification for what is now called “representative bureaucracy.” The second half of the century saw organization of government through extra-legal methods – primarily the local and state political parties – which led to corruption and incompetence. The experience of these faults led to serial reform movements that ultimately led to replacing a decentralized and representative government with a much more hierarchical, coordinated and expert government. The rise of the American discipline of public administration at the beginning of the twentieth century is found in the academic support for the hierarchical, coordinated and expert government.

Thus, the American discipline of public administration arises in a political controversy between democratic control of government and competent achievement of governmental ends. We are sometimes misled to believe that the solution ultimately achieved, strict hierarchical government, was universally accepted. It was not. In his early writings, Frank Goodnow appears to recommend parliamentary government (Goodnow 1893). E. Dana Durand, who was a professor at Stanford in 1900 and the director of the US Census Bureau in 1910, argued in favor of giving city council, not the mayor, more power (Durand 1900a, 1900b). Others who offered alternatives to the singular executive model included John Commons and Clinton Woodruff, who was the Secretary of the National Municipal League (Commons 1902; Woodruff 1903). The commission form of city government, which was popular for about a decade around 1910, assigns executive power to a small legislature rather than to form a strict executive hierarchy.

Nevertheless, there was considerable intellectual support movement towards executive government. There was a shift from a negative to a positive view of the role of

government. For example, Albert Shaw speaks of socialistic objectives of government without moral rancor. These socialistic objectives include such ordinary services as the delivery of a safe water supply (Shaw 1897). Second, Frank Goodnow argued that hierarchy, even corrupt hierarchy, provides the coordination that democratic decentralization has rendered impossible at the local level in the United States (Goodnow 1900). Third, there was the development of an anti-legislative view, the essential element of which is that even honest legislators are subject to the wasteful and ineffective influences of pork barrel and logrolling (Maxey 1919). Fourth, there was the conceptualization of the policy-administration dichotomy, which allowed for a safe assignment of administrative tasks to hierarchical institutions while reserving policy activity to democratic institutions (Goodnow 1900; Wilson 1887).

These broad arguments for hierarchical, that is, executive, government were needed because weighed against them was the concern that hierarchy led back to autocracy. The American Revolution had been a war against arbitrary rule by a monarch. The Jacksonian revolution had overturned the vestiges of Hamiltonian and Jeffersonian rule on the thesis that the United States was headed towards a governmental aristocracy. These ideas were still live at the end of the nineteenth century. So, the reemergence of executive government, which was bound to be viewed as the reemergence of the rejected aristocratic Hamiltonian government, required special explanation.

To meet this need, the intellectuals of the progressive era, particularly Frank Goodnow, reframed the issue of governance from a matter of autocracy and democracy to one of responsible vs. irresponsible government. In the old frame, hierarchy looked like autocracy, thus the presumption was against it. In the new frame, either hierarchy or

“democracy” could be either responsible or irresponsible. “Responsible,” in this usage, has a special meaning. It refers specifically to accountability to a higher authority. That higher authority is the sovereign, which in the democratic metaphysic can only be the people at large. Goodnow argues that a decentralized over-checked government in which no one in particular could ever be held accountable for any particular decision – that is, democratic government with numerous minor elective executive offices, logrolling and numerous other faults associated with divided government – is *de facto* irresponsible government. The reformers recommended a hierarchical government where the chief executive stands out in the electors’ vision and can be held personally accountable for the acts or failures of government. They called this arrangement responsible government. Thus, hierarchy, with its uncomfortable resemblance to monarchy, could be responsible government under the right circumstances.

Hierarchy and the closely associated idea of expert executive government led to the origin of the public administration discipline. Initially, there was a focus on the top executive, which was the elective mayor in the late 1800s, although, even in the 1890s, there was an awareness of European practices in France and, especially, Germany, where the chief administrative officer was a career professional, not an elective officer (Goodnow 1887, 1888, 1889, 1890, 1893; Shaw 1889, 1897). The perception was that the mayor needed to be “responsible” so that the voters could hold him accountable for the actions of city government. To be responsible, he needed to hold enough unimpeded power that he could not blame others for matters that did not go well. Thus, he needed to be able to hire and fire without interference from city council and he needed primary control over city fiscal resources. He also needed to be in office long enough to learn the

ropes and accomplish something (Steffens 1957). Frederick R. Clow quotes Nathan Matthews, Jr., mayor of Boston from 1891 to 1895, “[B]elieving that the first duty of the public officer charged with the disbursement of millions of dollars of the public money was to search the printed reports of the city government for accounts that would show the cost, from year to year, of equipping and maintaining the various departments of municipal services, I was amazed to discover that practically there were none” (Clow 1896). The idea of learning to be mayor suggests that there is a profession of governing. While merely a suggestion in this early thought, it emerged into the foundation of the discipline of public administration.

There was a particular setback for government reformers that seems to serve as an epiphany in their thought. This setback was the failed reelection of Seth Low for mayor of New York in 1903. Low was the anti-Tammany mayor of 1901 and he served for two years. During this time he accomplished less than he hoped and made enemies. Some of these failures may have been a result of Low’s personality, although he had been viewed as a successful mayor of Brooklyn before its merger into greater New York. With Low’s failure, the good government reformers shifted their thinking once again. First they had sought to place good men in elective offices. Then, as with Low, they had sought to place competent men into well designed important elective offices. After Low, they sought to structure things so that government would be competent throughout. Thus, it is reasonable to surmise that Seth Low’s defeat for reelection in 1903 is a critical motivating factor, the ultimate event that led to the formation of the public administration discipline (Burks 1912a, 1912b).

After Low's defeat, the view became that government, not simply a small number of elective government officials, must be competent. While this view is not necessarily a repudiation of Jacksonian democratic theory for the street sweeper or the policeman on the beat, it established a ranking, we could say an aristocracy, of governmental roles. High ranked roles clearly were not compatible with the Jacksonian view. The essential feature of the new aristocracy was competence. Competence was found in the ability to fulfill one's instrumental role in government. Beginning in the late 1800s, but expanding rapidly after 1910, competence was achieved through university or university-like training.ⁱⁱ

Some early innovators in training for public services included the Training School at the Bureau of Municipal Research (1911), which was affiliated with Columbia University, the City College of New York (1916), Georgetown University (1920), the School of Citizenship at Syracuse University (1924), the University of Michigan, and the University of Chicago (Beard 1916; Ogg 1924; Reed 1930). Early disciplinary academics were also associated with such institutions as the University of Chicago (Charles Merriam), the University of Pennsylvania (William H. Allen and Frederick Cleveland as students; Leo S. Rowe), Harvard (A. Lawrence Lowell and William B. Munro), Princeton (Woodrow Wilson) and Johns Hopkins (W. W. Wiloughby and Frank Goodnow). One of the founders of the New School was Charles Beard, who was also the director of the Training School at the Bureau of Municipal Research. Many early academics were affiliated with political science, although disciplinary boundaries were not strong in 1900, so they could easily be published in multiple disciplines. This early training and academic focus formed the core of the subsequent discipline.

Disciplinary Constraint

As shown in this account, a serious concern throughout the period leading to the origin of the American public administration discipline has to do with unconstrained executive power. The nineteenth century solution to this problem had been to create serious legislative oversight, to distribute power to numerous minor executive officers, and to constrain the executive to a merely ministerial role whenever possible. The defects of this solution had led back to larger executive power, but not without trepidation. Thus, the twentieth century discipline arose under the fear of executive power. Goodnow's formula to relieve this fear is responsibility in form of answerability.

In 1906, the Bureau of City Betterment was formed as under the auspices of the Citizen's Union in New York City. In 1907, this unit was reorganized and made independent under the name Bureau of Municipal Research. The Bureau of Municipal Research is one of a handful of institutions organized to implement the good government agenda that generally fell under the auspices of the National Municipal League. Other organizations included the National Municipal League itself (formed in 1894) and the municipal statistics division which was assigned to the Department of Labor in 1898 and then the Census Bureau when it was funded on a permanent basis in 1902 (Meyer 1910). These institutions took a lead in setting the agenda for the newly forming discipline, none more so than the Bureau of Municipal Research.

Sometimes the Bureau of Municipal Research is credited with introducing the idea of governmental budgeting in the United States. This claim is incorrect, the idea of budgeting was widely known and understood in the decades leading up to the end of the

nineteenth century (Clow 1896, 1901; Goodnow 1893; Shaw 1897). As Leonard White has shown, Alexander Hamilton understood the basics of governmental budgeting in the late 1700s (White 1965a). This budgetary practice was not institutionalized at the federal level and a truncated form of budgeting that looked more like *ad hoc* appropriating eventually came to be the normal federal practice. The degree to which state and local governments exhibited budgetary practices as opposed to *ad hoc* appropriating is not well documented, but the general state of affairs in 1900 reflected a large amount of *ad hoc* appropriating and tradition bound irrational budgetary practices.

Goodnow's formula for responsible government called for better planning than *ad hoc* appropriation. Government can only be responsible if it is thinking, and *ad hoc* appropriating looked too much like chaos. While the Bureau of Municipal Research did not introduce budgeting, it did go to considerable trouble to reform budgeting, initially in New York City. The budgetary reform consisted of realigning the budgetary categories to match program objectives. Thus, in the pre-reformed budget, money went to the organization, but could not be linked to particular purposes. In the reformed budget, money went to units within the organization that were rationally aligned with particular purposes.

Due to the zealous nature of the reformers and a general distrust of government, which was always at risk of passing back into the hands of corrupt politicians, these budgetary reforms got out of hand and soon developed into one of the more pernicious devices of the twentieth century, the line item budget, which might be better named the line item *appropriation*.ⁱⁱⁱ In the mean time, the reformers became more and more closely aligned with government itself. As a consequence of their closer relationship with

government and their experience of the undesirable effects of line item budgeting, public administration disciplinarians developed a second wave of budgetary reform, which they labeled executive budgeting. The executive budget used the principles of line item and program/policy focus to develop the budget, but was careful to use something akin to the lump sum device for appropriation. This allowed for application of the rational technical skills being taught in the new academic programs, while still permitting executive discretion.

This series of events makes sense primarily in the context of Goodnow's political theory. Initially, reformers were feeling their way along and developing something that makes the organization competent and responsible. The organization was competent because there were clear instrumental links between funds and purposes for which they were spent. It was responsible because the sovereign – the people – were provided the ability to know how their taxes were used and, in principle, the ability to control that use. However, the line item appropriation^{iv} clouded responsibility. Use of funds were restricted, not because the purpose was not approved, but because a particular good or service was judged not useful by a non-expert legislator. The administrator was not allowed the discretion necessary to accomplish the aim for which he had been employed. The solution proffered was another budgetary reform, one that divided the system of estimation, which continued to rely heavily on technical analysis, from that of appropriation, which was designed to leave the administrator greater discretion. Only by allowing the administrator such discretion was the administrator made responsible for his or her action. With discretion restrained, the administrator could shift responsibility to those who restrain him. They, in turn point to each other and back to the mismanagement

of the administrator. *No one would be answerable to the sovereign.* Thus, the line item budget is not merely an annoying device for budget execution; it is a failure of governance, creating the very situation it supposedly protects against, irresponsible government.

Acting out of an acute awareness of their political theory, the early twentieth century reformers remedied this situation by removing the impediment. That is, they designed a new budgetary system that put the onus of responsibility onto their preferred candidate, the head of the executive branch of government. Thus, they reformed their first reform by proposing executive budgeting. Executive budgeting looks a bit like the lump sum appropriating these reformers set out to eliminate. What had happened is that the reformers gained appreciation for the role of discretion in assigning answerability to the executive. An executive who is hemmed in by a wide array of legislative mandates is answerable only for complying with the mandates, not answerable for the actual results of action. However, when relieved of such mandates, she or he is given the ability to act with initiative and achieve the ends of public policy. Under those circumstances, he or she can be asked to account for how s/he has progressed to those ends. To achieve that end, the executive had to be freed from petty mandates. Thus, the line item budget was rejected in favor of broader, more purpose-oriented budgeting. In reality, executive budgeting went beyond this level, giving policy initiative to the executive. Conceptually, this initiative has important consequences for public administration, the heir to these practices.

This budgetary history shows that the members of the nascent public administration discipline were very much alert to the link between their political theory

and its practical implications for administrative practice. From the very early activities at the Training School at the Bureau of Municipal Research, the education supplied through the public administration discipline has always included attention to budgeting. Thus, this rapid and focused reform in budgeting reflects clear attention to the role of administration in attaining responsible, that is, answerable, government. When this new discipline changed its attention from local government to the federal government, one of the first matters it took up was the budget. And, what it sought to do was establish an executive budgeting system. The Budget and Accounting Act of 1921 (modeled after the executive budgeting pioneered by the Bureau of Municipal Research and promoted by W. F. Willoughby a colleague and sometimes rival of Frederick Cleveland), followed by the Roosevelt's relocating the Bureau of the Budget into the new Executive Office of the President in 1939 did just that. The principle players in 1939 were the natural heirs to the original members of the public administration discipline. Throughout this 40 year period, the discipline was focused on a political theory of responsibility linked to the idea hierarchy with the head of the pyramid answerable to the voters. This view remains embedded in the understanding of American democracy today.

Closing the Loop

Elsewhere, I have shown that the practices of performance measurement arose at the Bureau of Municipal Research in 1906 and developed into something resembling their current form by 1912 (Williams 2003a). The very categories of governmental performance that Clarence Ridley examines in *Measuring Municipal Government* (1927b), which is clearly recognized as part of the modern performance measurement

literature, are also found in Henry Bruere's *The New City Government* (1912). A more thorough discussion showing this linkage can be found in Williams (2002), Williams (2003a), and Williams (2004). In addition to its development at Bureau of Municipal Research, early performance measurement can be associated with the municipal statistics division of the Census Bureau, that is, the other major institutional organ of the National Municipal League's effort to rationalize governmental finance (Fox 1972, 1977), and where W. F. Willoughby was employed in an earlier phase of his career.

Performance measurement arose at the same places and in the same time period as the Bureau of Municipal Research's (National Municipal League's) rationalization of governmental budgeting. The same principal players were involved, and these are among the principle players associated with creating a discipline of public administration. I have already argued that rationalized budgeting played a specific role in the political theory that led to the public administration discipline. It is not a large leap to suppose that performance measurement might do so, as well. But, what might that role be?

To answer this question, we must begin by eliminating a myth. The myth is that early performance measurement was strictly concerned with reducing the cost of government. No realistic account of early government research^v – that is the generic name under which performance measurement was conducted – can deny a value for dollars spent objective. Yet, it is equally unrealistic to argue that the value-for-dollars objective was the only objective sought. The critical objective pursued was to obtain good results at reasonable costs. I have demonstrated this in considerable detail in Williams (2003a). The chief component of this demonstration is that the innovators of government research distinguished between value-for-dollar concepts and results

concepts. They were perfectly aware of both (Allen 1907; Bachman 1912). There is evidence that they tilted towards value-for-dollars, perhaps more so after W. H. Allen and Henry Bruere left the Bureau of Municipal Research in the early 1910s. Nevertheless, they demonstrated an interest in results and an interest in the effects of government policy that went beyond narrow pecuniary aims.

The goal, or at least a goal, of the government research bureau was to assist government to organize its reporting function so that government reported its activities in a manner consistent with its budget. The budget itself was organized functionally, that is consistent with policy objectives. The functional budget was at the same time a policy device and a cost accounting device, although cost accounting was not very sophisticated^{vi} (Buck 1924; Buck and Watson 1926; Cooke 1924). As a budget device, the functional budget served to allocate public resources according to the policy preferences of the policy makers. While this allocation would be informed by assertions of program costs, it is, in principle, a utilitarian device allocating public resources to public policies in rough proportion to their importance to society as perceived by the elective representatives. To the degree that the functional categories are well aligned with policy objectives, a functional budget is a reasonable device for such a purpose.

As an early cost accounting device, the functional budget permits the assignment of expended funds to the purposes they served. While more sophisticated cost accounting does a better job than functional budgeting, functional budgeting does a better job than appropriation to multifunctional work units with no attention to the relationship between the work units and their policy objectives. Assigning expenditures to purposes is the less frequently discussed element of a comprehensive performance measurement system. If

performance is to be considered in economic terms, that is, in terms of value received for dollars spent, one must be able to associate dollars spent with policy objectives. If one only examines achievements, without considering dollars spent (or other resources consumed) to reach those achievements, there is no economic method of comparing achievements. One may find one achievement more pleasing than another, but it is not possible to know whether the society put more effort in achieving one or the other. Consequently, policy makers are not in a very good position to decide whether the policy results should be selected over other alternate policy results. The functional budget provided a rudimentary way to overcome this limitation by directly associating costs with particular program activities, which could be aligned with policy objectives.

With the functional budget serving as a cost accounting device, the pioneers of the public administration discipline were in a position to evaluate the costs of public policies. This capacity does not, by itself constitute a performance measurement system. What it is missing is an observation of the results of public policy activity. Early innovators divided such observations into three categories, observation of the activity or effort itself, observation of the product of the activity, and observation of the consequence of policy activity (Williams 2003a). In the first category, they were concerned about whether workers put in a full day's work and whether they actually performed the work they were supposed to be doing (Pultz 1912; Welton 1912). In the second category, they ask about the quantity of work produced (Hartwell 1908; Meyer 1910; North 1905). When work activity and product are observed, along with reasonably accurate cost data, what one is able to produce is productivity data. While the degree of accuracy may be debatable, it

is clear that the pioneers of the public administration discipline were interested in productivity data and were able to produce it under some circumstances.

Productivity data bears two different messages for two different audiences. For the public manager it serves as an insight into the operation of the organization. Where productivity is increasing or, at worst, remaining constant, it communicates a suggestion of a satisfactorily operating organization. The manager can assign minimal attention to such operations on the assumption that resources are being used well and subordinates are making wise decisions with whatever authority they have been delegated. While the manager still wants to look into the operation from time to time, such productivity data free the manager to attend to other matters. Where productivity is decreasing, or where its increase has diminished, the manager is alerted to potential problems. Look here, the data say, something may have gone wrong.

For the external audience, productivity data report on the public manager's use of resources. When productivity declines, fails to improve at an adequate rate, or compares poorly with comparable entities, the public manager is open to challenge concerning his discretionary use of resources.^{vii} Thus, the relationship between the public manager and the external user is one of answerability. The manager answers for his use of resources by showing how productively he has used those resources.

The link back to the political theory is apparent, but before returning there, there is a third category of observation: of the consequence of policy activity. It is sometimes asserted that early public administration academics were not interested in public policy results (Bouckaert 1990, 1992; Stivers 2000; Waldo 1948). I have argued that there is substantial evidence that the very earliest innovators were interested in results, which

interest was one of their chief motivating factors. Their interest in results was probably not clearly distinguished from their interest in productivity. Frederick Cleveland was the longest lasting member of the original directors of the Bureau of Municipal research and he, more than the other two directors, was clearly linked to the National Municipal League's financial management initiatives. Still, he sought resolve the weakness in government financial management in order to improve government capacity, not to save money, or, at least he says, "It is commonly assumed that the taxpayer pays for graft and inefficient government. This fallacy has been skillfully used and taught by many a self-seeking demagogue.... If government is not efficient, it is not the taxpayer as taxpayer who suffers, but each individual member of the community as the beneficiary of public funds.... The subversions of revenues ... is a direct loss to the weak rather than to the strong" (Cleveland 1909). By confounding these two interests, the bureau directors made themselves easy targets for contemporaneous and subsequent criticism. However, it should be no surprise that they had such difficulties, they were innovators in these ideas. The various forms of performance are often confounded today, in fact, it is not hard to find a "performance" measurement system that confounds access to resources with results. If it remains easy to make such errors today, we should at least be understanding of lesser errors made while the concepts were still being worked out.

So, in an imperfect way, the pioneers of public administration theory sought to connect the results of public policy back to the plans made in the budget process. All of critical linkages were conceived to occur in the budget process coordinated through the device of the functional budget. Prospectively the functional budget provided planning that was linked to purposes. Retrospectively it provided a cost accounting and reporting

device that linked plans accomplishments as well as productivity back to decisions. The rational cycle was complete. The administrator proposed a budget, obtained approval through the appropriation, implemented the budget as approved, and reported back both productivity and accomplishment information that revealed how well he fulfilled the will of the sovereign. The device provided flexible discretion to the administrator while retaining decision authority with democratic institutions, particularly the legislature.

That was Then

I will suppose that I have shown the plausibility, if not the actuality, that performance measurement-like practices were central to the American public administration discipline as it formed as a response to the realization that the governmental problems of the late nineteenth century were not merely a matter of corruption. These practices were central because they contributed directly to the relationship between professional administrator and political representative of the sovereign. They closed the loop, making the administrator “responsible,” that is answerable, for his actions. Contrary to some of the misunderstandings of two generations later, early budgeting and performance measurement were devices for enhancing administrative discretion, although within clearly delimited scope. The design was strictly in the form of principal-agent. Within this scope, the objective of a device like the functional budget and a subsequent report of accomplishment is to free the administrator-agent to do what is desired without interference from numerous disruptive decision maker-principals. Such interference is the specific source of “irresponsible” government for which expert public administration is a cure.

It is significant that one of the chief voices linking performance measurement of 1910 to the modern era is Clarence Ridley. He was the executive director of the International City Managers Association (ICMA) from 1928 through 1956. As I have already discussed, without making much of a point of it, municipal government was the focal point of the early public administration discipline. This focus arose in part because corruption and failure in local government were among the chief motivators that led to the formation of good government groups in the late 1800s. Those good government groups became the motivation behind the eventual development of the discipline. As the executive director of the ICMA, Ridley was at the center.

The ICMA actually plays a much more significant role than one might surmise from even these facts. The ICMA became the central membership organization for city managers. The role of the city manager is practically a summary of the struggle over competence in local government. In the early 1800s township government followed either the New England model of town meeting or the Southern model of representative councils. Executive roles were divided and elective. Eventually, the executive role was unified in the strong mayor in some localities, while councils came to look like bicameral state legislatures. The continued failure of this process led to other experiments such as assigning some local powers to the state, developing devices such as the New York City Board of Estimate, which ultimately fell under control of the mayor, forming of independent authorities, shrinking and unifying municipal councils, and forming the commission form of government. Many of these devices remain with us today and may seem to reflect natural developments of mysterious origin, but at the time of their origin, they reflected a struggle between executive and legislative led government. The ultimate

disposition of this struggle in large cities is the strong mayor-council government. In the great majority of other jurisdictions, the manager-council form of government prevailed.

The manager-council form of government is alleged to have been invented in Stanton, Virginia in 1906 almost by accident and then modified and promoted by Richard Childs. This story is both true to the facts and almost entirely mythical with respect to its intellectual basis. Childs borrowed the extremely small council of the commission form of government and grafted it onto the professionally managed government design that Staunton was observed to be using and then promoted it through his organization which had national scope. His promotion managed to get the practice adopted by enough municipalities to get the practice rolling. This much is well documented (East 1965; Stillman 1974). However, the story does not start in Staunton in 1906 nor with Richard Childs. The story starts at least 20 years earlier with the work of Frank Goodnow and Albert Shaw studying and communicating the municipal government practices of European countries (Goodnow 1893; Shaw 1897). Goodnow and Shaw are particularly admiring of the administrative practices of France and Germany, specifically, of the use of professional managers in local government. They provide the American audience considerable information about these practices and prepare the way for the concept of an administrative manager of local government. The Prussian practices under the title burgomeister are so similar to the city manager that later, in 1926, William Munro makes the comparison in reverse using the city manager as the comparative to reveal the role of the burgomeister to the American audience (Munro 1926).

We could imagine that this is a curious and obscure story that is not quite adequately credited in the history of the city manager. But is it important? First, we

should keep in mind the critical role of the city manager in the political theory of public administration. If the strong mayor is the archetype of the reformer's objectives before the Seth Low epiphany, the city manager is the archetype of the public administrator. The city manager is the mayor, but professionalized and removed from electoral politics. Furthermore, the city manager allows for a simultaneous strong executive design and something approaching parliamentary government. There is, on the Goodnow political theory, only one glaring defect with the city manager, which is that he is in no way directly responsible to the electorate. However, two elements of public administration theory have provided for this development. First, the policy-administration dichotomy allows the city manager to survive as an professional governmental expert, so long as he is an administrator rather than a policy maker. As late as the 1960s, and in spite of considerable evidence to the contrary, Richard Childs continued to argue that, in fact, city managers had no policy making role and that those who strayed into policy making were *behaving improperly* (Childs 1965; East 1965). Second, arose the closely related myth of political neutral competence. Competence was the characteristic that the university trained city manager was to bring and this competence was to serve the policies of any city council regardless of party. This is the language of political neutrality that is sometimes taught in graduate education even today, "regardless of party." This language is not really policy neutral, one can be a policy partisan while party neutral, not when the parties and the policies are closely aligned, but even in the late 1800s it was often remarked that national parties are not often closely aligned with local policy issues. Political neutrality is, therefore, a somewhat equivocal concept. Still, setting that issue

aside, competence within the framework of the policy-administration dichotomy allowed the city manager to be part of “responsible” government.

Both the fulfillment of this role and the achievement of the equivocation discussed above can be closely related to the budgetary activities and the loop back through measurement and reporting. In the budgetary role the city manager coordinates a budget proposal providing the expert guidance the council needs to fulfill its legislative role. Of course, in so doing he absorbs a tremendous amount of discretion. Try as we might to describe this as technical competence, we must acknowledge that administrators at the rank of city manager make policy recommendations in such quantity and scope that they are making *de facto* policy decisions, thus the equivocation. As John East’s account of the thought of Richard Child shows, the city manager is a thoroughly political position, in the sense of policy making, and has been from the beginning (East 1965).

So, one of the threads of responsible government has been questioned, perhaps cut. Our political theory may hang by the other thread, reporting back. Here, during the Ridley years, the ICMA made a serious effort to fulfill this role. Ridley inherited the intellectual work of performance measurement from Lent Upson^{viii} (Ridley 1927a) and developed the concepts as a professor at University of Chicago, as the executive director of the ICMA and as the editor of many ICMA publications (Vogel 1967). He also took on an assistant, Herbert Simon, with whom he published numerous articles on measurement (Lee 2003). Over time, measurement became a more and more technical activity, which suggests a new danger, which is loss of relevance for the public audience (Williams 2003b). However, throughout Ridley’s years at ICMA, the organization continued to promote communication of performance information to the public (Ridley

and Simon 1939, 1948). Thus, under Ridley's watch, performance measurement remained a component of responsible government, where the sovereign retain decision making authority while extending discretionary authority to their professional subordinates.

This is Now

So that was public administration in its formative years. The political theory of responsible government provided a sound justification for a hierarchical executive expert government that would be simultaneously consistent with democratic sovereignty. On this theory, political neutrality and the policy-administrative dichotomy were not mistaken empirical observations about the practice of government, they were critical normative conditions required to achieve adequate administrative discretion without violating democratic sovereignty. But now we have had 100 years of Paul Applebys, John Gauses, Michael Lipskys, etc. (Appleby 1949, 1970; Gaus, White and Dimock 1936; Lipsky 1980). The collective view of these scholars is that discretion is dispersed throughout the organization and is found in every decision made at every level. It is not too extreme to say that the point of employing thinking individuals is so that they will use discretion well. No matter how much the normative voices may prefer a policy-administration dichotomy, the empirical reality is that implementation inherently implies discretion and discretion inherently implies policy making.

What, then, of the theory that got us started? Is public administration illegitimate usurpation of the democratic sovereignty? One way to avoid the affirmative is to reject the political theory upon which it rests. Perhaps the responsible officer answerable to the

people as sovereign is an anarchic concept? This is not territory I propose to explore. An alternative is to seek legitimacy through some variant of the Jacksonian model, that is assign the administrators themselves the role of the microcosm. If the bureaucrats are the representatives, then their exercise of policy making discretion is not problematic. The representative bureaucracy is a widely recognized paradigm. However, this solution calls into question the barrier that has been raised against patronage. While patronage appears to be an illegitimate device for selecting competent administrators, it is not such a problematic device for selecting representative administrators. The expert administrator is employed specifically to supplant the patronage administrator. Patronage administrators are answerable to the people through their sponsors, so their discretion is not a democratic problem. However, expert administrators are protected from sponsors, thus they cannot be answerable to the people in this way. Perhaps the administrator represents directly, but the requirement of expertise certainly distorts this representation. The Jacksonian paradigm worked better when administrators were in fact from the general population. Charles Goodsell devotes a chapter of *The Case for Bureaucracy* to the evidence that bureaucrats are like the general population (Goodsell 1985); however, the evidence is likely insufficiently discrete. That is, health officials are likely in general like the population, but when you get to topics related to health, they may not be; police likewise on topics of crime.

Another solution is to question the concept of democratic sovereignty. Perhaps this idea, however appealing to common thought, is unrealistic in complex society. On close examination, a typical governmental agency may exhibit only a modest linkage between with democratic processes. Most decisions are made by administrators based on

technical rationale. Even many legislative decisions are made at the initiative of the agency or based on its advice after it has discarded many alternatives. A major theme of budgeting literature for the past half century or longer has been that agencies hold the upper hand because of their monopoly access to information, the point of which is that they exercise substantial control over this central policy process (Bendor, Taylor and Gaalen 1985; Blais and Dion 1991; Eavey 1987; Eavey and Miller 1984; Niskanen 1971, 1991; Wood and Waterman 1991). These views are, of course, controversial, but it is at least plausible that the budgetary process results in decisions that are predetermined, or at least severely restricted, by administrators. Perhaps there is no responsible state reporting to the popular sovereign.

Before giving up on the responsible state, let us examine the devices of responsibility created at the origins of the discipline. These devices consist of the budget and the report. As already discussed, the budget is, at least allegedly, co-opted by the non-elective expert administrators, raising questions about sovereignty. More concretely, in a typical scenario, the non-elective expert defines as much of his work as possible as technical, capturing what others might consider to be value decisions as matters of science instead. Safety engineers set minimum height of stair rails and maximum height of stair risers as matters of science. Welfare experts set income standards as matters of science. This “science” becomes captured in regulations and budgets. Through regulations, organizations can give their judgments the force of law. Through budgets they can select their own future, adding here and pruning there. In this way, the public administrator becomes the benign autocrat. They are benign in that they are likely committed to the objectives of their programs, thus, their error, if they exhibit one, is

what Herman Finer called “overfeasance” (Finer 1941), that is providing all too much of their particular service. But, they are autocrats, or, to use Goodnow's language, they are at risk of being irresponsible in that they appear to answer to no one.

However, the budget is only one side of the answerability loop devised by early public administrationists. The other side is reporting, not only performance reporting, but a variety of reporting devices including strict financial accounting and audits, to political devices such as the annual report. Each such report provides an opportunity for the public administrator to be answerable for a role in governance. Financial reports and the audit provide for strict accountability for money handling, that is to show that money has been managed honestly and, where there could be risk, wisely. In this way, the sovereign can see that tax dollars have not been stolen or misspent. The agency can also report on its overall activity in the annual report. Some early public administrationists considered the annual report to be the proper device for communicating performance information (Allen 1909; Allen 1907; Beyle 1928; Kilpatrick 1928; Ridley 1937; Ridley and Simon 1939, 1948), however, this report can also be used to communicate information about matters that may not be strictly performance related, such as information about the organization itself or information about potential new initiatives.

Through reporting, the organization can answer to the public about what it has done with their governmental power and with their resources, can advise them of how these may be used in the future, and provide information about success both in terms of results achieved and comparative use of resources to achieve these resources. Also, through reporting, the public agency can answer directly to the public, not just indirectly to the public's representatives.

These remarks on reporting possibilities are relatively speculative and optimistic compared with the quite harsh assertions about the co-opted budgetary process. In part this speculation reflects the underexamined nature of public reporting (Mordecai Lee, personal conversation). Nevertheless, the optimism may not be justified. For example, the recent history of private sector financial reporting suggests a high risk of intentional obfuscation instead of openness. Regulators may have tilted towards the interests of management rather than the interests of report recipients. Public sector reporting could exhibit similar defects. If so, reports would not provide an opportunity for answerability.

Conclusion

In this paper I have proposed that public administration is critically linked to the notion of answerable government because, in its absence, the public administrator's exercise of discretion is a violation of democratic sovereignty. I have also argued that the public administration discipline arose around this political theory and this problem. I argue that this problem remains with us today and is more, not less, acute because the policy-administration dichotomy is incompatible with empirical reality. I propose that the two chief devices for resolving this problem within the practice of administration are budgeting and reporting, particularly reporting of results. I cite the existing body of literature on budgeting to argue that budgeting is co-opted out of the role of accountability. Consequently only reporting remains. By analogy to the private sector, reporting may be co-opted as well. If so, the upshot would appear to be that the administrator violates democratic sovereignty whenever he exercises discretion, which would seem to be almost constantly. This argument strongly supports the view that

reporting, such as performance reporting, is central to the discipline of public administration and to the legitimacy of public administration practice. No apparent alternative is compatible with both competent administration and standard American views of democracy.

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ⁱ I am deliberately emphasizing the American element of what I am discussing.

ⁱⁱ This division between the foot soldiers and the aristocracy remains with the discipline today, only a small number of public administration academics are interested in the entire body of public service employees. Most are interested in administrators, managers, or policy makers. Because the particular professions account for many specific skills, the discipline has often serviced staff roles such as budget analysts, personnel officers, and policy analysts. It also supports the general management skills needed by the technical specialist who has been promoted into a management role or who aspires to move into a senior policy making role.

ⁱⁱⁱ The line item budget has two major faults. First, it inappropriately encourages decision makers to focus too deeply into the organization, second-guessing decisions that better belong with managers. If the managers are really not to be trusted to make such decisions, they should be discharged, not monitored like thieves. When monitoring managers in this manner, decision makers ignore their real responsibility, the goals and major decisions of government. Second, line item appropriation is essentially unimplementable. Real time events overwhelm the best planning, appropriations in too

much detail lock funds into the wrong categories making them unavailable to meet the real needs that arise during the budgetary year.

^{iv} Line item appropriation appears to have developed from too closely linking the rational techniques of estimating the budget and recording its expenditure with the device of appropriation. It may also reflect a “control” objective related to curbing administrative discretion (both corrupt and otherwise).

^v Government research also involved a broader range of activities, which would now be called needs assessment, policy analysis, organizational analysis, management consulting, and whatever else might be needed to shore up the agencies and functions of government. These functional activities have become the discipline’s components. Not all of these can be linked to the theoretical source of the discipline, some simply served *ad hoc* pragmatic purposes. Yet, we have reason to think that performance measurement is part of the core theoretical discipline.

^{vi} There is little evidence of more sophisticated cost accounting before the direct participation by members of the scientific management community, and in particular Morris Cooke. Cook suggests, primarily through his criticism, that he introduced modest cost accounting sophistication in his role as a public administrator in Philadelphia in the mid-1910s. More developed cost accounting was introduced by A. E. Buck and William Watson in the 1920s (Buck 1924; Buck and Watson 1926), and there is spotty discussion of cost accounting in the ensuing decades. Quality cost accounting can be found in very little of local or state government today, except perhaps with government enterprises.

^{vii} All too often, such a challenge is taken as a forgone conclusion that the public manager is doing a poor job managing resources, but, of course, this is intellectually indefensible. First, we should note that cost data are poorly developed because they come from a functional budget, which likely does not correctly expense capital expenditures and may misclassify other expenses with respect to the public policy they actually serve. Second, policy objectives may vary in difficulty between jurisdictions. Third, the policy objectives themselves may only appear to be comparable between entities. And, fourth, delivery of the policy activity at the lowest cost may be so parsimonious as to undermine the fulfillment of the policy objective.

^{viii} Lent Upson directed the Detroit Bureau of Municipal Research for many years before going on to become a professor and the Dean at Wayne State University. He was directly associated with the origin of our system of national crime reporting in 1930.