

Herbert Hoover at the National Press Club, March 10, 1954



Herbert Hoover, March 10, 1954. National Press Club Archives

The 31st President of the United States, Herbert Hoover (1874-1964), addressed the National Press Club eight months after President Dwight D. Eisenhower appointed him to lead a commission to study and make recommendations for the reorganization of the executive branch. Hoover had chaired a similar commission during Harry S. Truman's administration that sought ways to promote efficiency and economy within federal agencies and thus save taxpayers money. Congress and President Truman implemented approximately 70% of the first Hoover Commission's recommendations. Yet, according to a report approved by Hoover, many problems remained unsolved. The second commission, the study contended, documented "a picture of a sprawling and voracious bureaucracy, of monumental waste, excesses and extravagances, of red tape, confusion, and disheartening frustrations, of loose management, regulatory irresponsibilities, and colossal largesse to special segments of the public, of enormous incompetence in foreign economic operations, and of huge appropriations frequently spent for purposes never intended by the Congress." With enhanced powers to investigate and recommend broad structural changes in order to streamline operations, end the overlapping of functions between multiple federal units, and resolve conflicts among them, the second commission promised more radical change than its predecessor—if its recommendations would be followed.

Hoover had overseen reorganization efforts during his eight-year tenure as Secretary of Commerce during the Harding and Coolidge administrations (1921-1929) and during his one term as President (1929-1933). Influenced by his strong Quaker upbringing and

experienced as a successful mining engineer and an acclaimed administrator of relief programs during and after World War I, Hoover identified himself in the 1920s as a Progressive intent on fostering a “New Era” in public-private relations in order to resolve modern economic and societal problems. He encouraged voluntary cooperation between self-governing associations of responsible individuals engaged in private enterprise. A well-run federal bureaucracy of experts, Hoover believed, should provide information, education, guidance, and regulatory force to insure fairness, but otherwise not interfere with private enterprise or local government. His vision promoted managerial efficiency based on engineering methods tested in the science and business worlds. Many of his views from the 1920s continued to inform his work in administrative reorganization during the 1940s and 1950s. In 1955, after the second Hoover Commission ended its work, Hoover summed up its philosophical foundations: “It’s very simple—that the whole social-economic system of this country is based on private enterprise, properly regulated to prevent unfair competition and to prevent monopolies; that the Government should provide those services which people cannot do for themselves.”

A vocal critic of the expansive New Deal and Fair Deal “welfare state” programs of his Democratic Party successors in office, Hoover argued that these policies endangered core American values by stretching the reach of coercive federal force into areas that previously were the responsibility of state and local governments responsive to their constituents. “The survival of free men rests on local government,” he declared in a speech prior to beginning his work on the commission. Hoover also thought that government competition with private sector businesses—a condition he characterized as “creeping Socialism”—stifled individual initiative and endangered the nation’s economic health. His commission identified some 3,000 examples of such competition. At its most extreme, the commission recommended that many federal lending initiatives should be liquidated, made self-supporting, or merged with private banking enterprises.

President Eisenhower, despite being the Republican Party’s first president in 20 years, failed to support the commission’s most significant reforms. Although Eisenhower sought to stop federal expansion, he valued bipartisan consensus and courted moderate and liberal voters. While more than 60 percent of the second Hoover Commission’s 314 recommendations were enacted—resulting in the reorganization of the Defense Department to emphasize civilian control, modernization of the federal budget system, and the reduction of government competition with private enterprise—many proposals reflecting Hoover’s core philosophy of limited government were ignored. Herbert Emmerich, a public policy analyst who worked on the commission, judged, “Not a single major permanent program resulting from the years of depression, recovery, war, and reform was abolished as a result of this prodigious inquiry.”

Most subsequent presidents have continued to undertake extensive reorganization efforts. During the Johnson and Nixon administrations, the major concern was to better integrate informational and managerial tasks of the executive branch. Initiatives by Presidents Carter, Reagan, and Clinton, however, harkened back to some of Hoover’s

ideas by seeking to decrease big government and manage it more efficiently in response to strongly felt voter concerns.

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