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A political-economic view of the federal organization of work

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A POLITICAL-ECONOMIC VIEW OF THE
FEDERAL ORGANIZATION OF WORK

by

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Bachelor of Arts
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1973

Master of Arts
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ABSTRACT

A Political-Economic View of the Federal Organization of Work

by

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Using a comparative historical review of changes in the organization of work, this study analyzes the changing organization of federal work in relation to the organization of work in the private sector. Following a break in 1883 with the simple control wielded by political appointees running federal agencies, federal work became more tightly controlled through a greater bureaucratic organization of government work. However, a continuing influence of private work practices on federal work, such as the incorporation of the principles of scientific management, suggests not only a relationship between private and federal work practices but one that is stronger than a mere copying of management styles, such as that which is occurring in the contemporary control of work through the use of externalized work forces. The 1980s
were characterized by a reorganization of work in the private sector. Core work forces were shaved by outsourcing work to private contractors, moving work offshore, and/or creating temporary and partial jobs without beneficial employment contracts. In the 1990s the federal sector has been following the corporate lead by downsizing primary work forces and outsourcing or privatizing the work. Following three views of power, the social pluralist perspective, the structural Marxist conception, and an instrumentalist image of power, the connection between the private and public organization of work will be analyzed by looking at the introduction of scientific management into federal work and identifying civil service reform legislation and its proponents and then attempting to trace their social connections to private industry. Such an analysis may not only lend empirical support to a particular way of seeing the interaction between the economic and political structures but also may provide insight regarding the construction of the social organization of federal work.
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PREFACE

This study is about federal employment, a labor force that is often maligned by the public, used as a pawn in political struggles, and, in my view, neglected by critical research which centers its concerns around relations in productive work seeking an understanding of the broader social relations between labor and capital. Notwithstanding the public's general disaffection for its civil servants, abuse meted out by politicians seeking to gain political advantage, or disregard by social researchers, federal employment offers an interesting view of the interrelatedness of industry and government which, albeit slightly removed from labor-capital relations, is no less influenced by those relationships.

As a salaried worker in the competitive federal service for over 30 years, I have felt the public derision and am acutely aware of the political vagaries which tend to influence, almost on a daily basis, all aspects of federal employment from benefit packages to work processes. The early years of my tenure with the federal government were spent performing the traditional women's work of secretarial and various typing clerical duties. The last 25 years have been
spent performing an array of work in a defense agency's employment offices. My inside view of federal employment has enabled me to gain first-hand experience in bureaucratic work practices, ranging from documenting the division of labor by classifying and grading position duties to determining workers' qualifications for positions and assisting supervisors with rewarding exceptional work or removing employees for misconduct. Disciplining and removing employees is not as difficult or time-consuming as it is often portrayed, providing the rules are followed. I have also learned on-the-job how unreasonable hierarchical authority may be when decisions do not follow the rules or workers are discounted and how equally irrational labor representatives may become when personal troubles are pursued rather than work force issues.

On the other hand, my training as a sociologist causes me to objectify my experiences, attempting to make sense of them in a larger context. Specifically, the work I have performed does not seem too different from that in the private sector. So, while it may take an "act of Congress" to realign federal employment practices, they seem awfully similar to those in private industry. And, despite the safeguards of rules for employers and for workers, the instability that has recently been introduced into the federal work place is reminiscent of the changes that occurred in private industry in the 1980s.
The federal civilian employment for executive branch agencies included about 3,067,200 employees in 1990, reduced to 2,725,100 in 1996 and today still declining (U. S. OPM 1998: 3). Thus, the question that moves this research is whether or to what extent work practices of the private sector become implemented in the federal sector.

To answer this question, the approach that will be attempted will be to compare aspects of private employment with competitive federal service employment which requires employees compete for work based on merit. Although the competitive service does not cover all federal employment, it presents the classic federal employment situation. The significance of the competitive service is that it is established in law and requires additional legislation to change it. With this in mind, it is understandable that another typical feature about federal employment is reform. The Budget and Program newsletter of October 3, 1997, pointed out that in the last 50 years a total of 141 major reform statutes have been passed (FEDS 1997). Despite the plethora of civil service reforms available to study, this study will focus its analysis on the scientific management that was introduced in the private employment sector around 1910 and the recent flexible work arrangements initiated with the creation of a contingent labor force in the 1980s. Scientific management represents a serious concern with controlling
workers' behaviors to assure that all their activities at work would be realized as productive labor power. On the other hand, the more recent flexible work arrangements with workers who are weakly affiliated with employers seems to represent the opposite. There is no need, for example, for businesses to concern themselves with temporary workers' behaviors. If these marginal workers are not working to capacity, they will be replaced by someone who will exert maximum effort. The application of the principles of scientific management and the expansion of contingent work occur within the context of firms maximizing profits.

The federal government is not a profit-making enterprise and need not use the same employment methods, yet it does. There were four themes in the 141 major reform statutes that were passed in the last 50 years, one focused on scientific management (a push for a tight hierarchy, specialization, clear chains of command), and another addressed cutting red tape or "liberation management" letting managers do their job which could allow an influx of marginal workers into the federal work force (FEDS 1997). Inasmuch as reform is a continuing saga, this research can only provide a glimpse into its processes.

It is with great appreciation and respect that I thank the members of my committee for their assistance and support in this project. But I am most grateful for their patience.
and acceptance that research is a human endeavor. They encouraged me more when I was undergoing the additional stress of being directly affected by the National Performance Review downsizing as well as experiencing illness in my family. I would particularly like to thank my committee chair, Dr. Parker, for rekindling my sociological interests and bringing to my attention the sociology of work.
CHAPTER 1

INTRODUCTION

This study generally seeks to establish whether the economic structure helps to organize the state structure by influencing the organization of work at the federal level. Specifically, however, it is concerned with work practices; it will consider significant changes to employment practices in private industry to see to what extent they are subsequently adopted by the federal government and then attempt to identify how this comes about.

The thesis of this study is not new. Since Marx first pointed out that the state is a superstructure rising from and protective of its economic base, the connection between capitalism and its state apparatus has been framed from various points of view. A commonly accepted view sees the state attempting to resolve the contradictions of capitalism by playing an economic role. In addition to regulating, directing and stimulating the economy to assure a good business climate, the state operates to redistribute costs of doing business by providing, through taxation, such things as infrastructure to enable industrial production and
distribution and social welfare assistance to maintain a reserve army of workers consisting of the working poor and unemployed (Gottdiener 1990; Harvey 1990; Carnoy 1984; Hodson 1978). A recent example of state involvement in improving the business climate was the extensive deregulation carried out by the Reagan administration which, according to Useem (1989), signaled a return of corporate America to ownership power. Another assertion sees the hegemony of a capitalist driven political system administering the society in support of capitalist development rather than the political economy rising from citizens making democratic choices (Reich and Edwards 1978).

While these views illuminate the involvement of the political system in the economic aspects of society, another notion, the ruling elite thesis, suggests why and how this takes place. Economic elites are part of and/or influence the state apparatus to an extent that there is a ruling class consisting of upper class and corporate elites which guarantees state policies coincide with the needs of the capitalist class (Domhoff 1996; Dye 1995; Mills 1956). It is this latter argument that activates this study.

The approach Domhoff (1983) advanced in his study of how a power elite dominates business, government and society, used by Domhoff (1986-87), Brents (1987), and Jenkins and Brents (1989) to reveal class conflict in the development of social programs such as Social Security legislation as well as the
formation of labor legislation such as the Wagner Act (Domhoff 1990) will be used in this study. Civil service reform legislation enacted since the Civil Service Act of 1883 will be reviewed in relation to significant changes in industrial and/or corporate personnel management, most notably scientific management which occurred early in the twentieth century and the more recent fragmentation of work which distinguished private employment practices during the 1980s.

Frederick Winslow Taylor's (1947) principles of scientific management were an innovation to extract labor from labor power. To capture more productive work per worker, Taylor recognized a need for management to identify the most efficient way of performing each work task, to standardize tools to assist in carrying out the most effective working method, and then to induce each worker to perform in that manner using up all the labor power. In addition to standardizing methods, tools, and materials, getting the worker to continuously engage in working activity requires rewards that fit with the person's goals or ambitions which can often be achieved by earning more money.

Directly applying the principles of scientific management was difficult, however, as most workers were more precocious than Taylor's Pennsylvania Dutchman, Schmidt, who was taught to load pig-iron according to Taylor's principles; they resisted the stop watch method of working (Edwards 1978; Aitken 1960; Nadworny 1955; Thompson 1914). Nevertheless, the
principles were implemented. In blue-collar work, for example, Henry Ford integrated Taylor's principles with machine control in his automobile assembly plant and despite a high turnover of immigrant workers was able to get individuals responding to capacity by minimizing their tasks and bringing the work to them on an assembly line to which they had to respond. And time and motion studies have occurred in many other types of work since they were first introduced by Taylor.

The significance of scientific management, however, is more extensive than charting the times and motions of a person performing work. It redefined the labor-management relationship, with management taking over decisions regarding the way work was to be done and employees performing the work according to management's direction. By separating the mental labor regarding work processes from the worker, work processes became the concern of supervisors and personnel departments in determining the most effective selection, training, manipulation, pacification and/or adjustment of workers to work processes (Braverman 1975). The implementation of the principles of scientific management saw a concomitant increase in the white-collar work force as specialists were enlisted to oversee selection, training, etc.

On the other hand, there is no need for time and motion studies or manipulating workers to perform to capacity with the rise in the use of workers who are hired conditionally to
produce short-term results and then are terminated. Known as contingent labor, this system operates in a similar way to the early piece work, which owners did not find profitable because often the machinery was operating below capacity. Contingent labor is hired for specific results.

The working relationship which adheres in contingent work varies and normally reflects less than full-time work commitment. It may be temporary, full-time employment for a specified period of time; intermittent or on-call work; part-time work that is either temporary or permanent but is less than full employment; or full-time work that is leased, contracted and/or subcontracted to others for completion. Regardless of type of work status, the worker's primary purpose is to perform a specified type of duties and then leave when the work contract expires, the work is completed, or management otherwise decides to terminate the association. In many cases management does not have to train these workers, supervise their work, or manipulate them with rewards, and the workers often, such as with subcontractors, provide and maintain their own equipment. Consequently, contingent labor stands apart from the traditional, core work force with its strong affiliation with the employer, implicit long-term contract, and being considered as part of the firm or corporate family; contingent laborers are external to the organization which requires the work be accomplished.

While there are a variety of categories comprising the
contingent labor force, they normally fall into three types: temporary work, part time work, and subcontracted work. Temporary workers are employed for a limited (temporary) duration which might be by project or by a predetermined length of time, not to exceed six months, for example. Regardless of the terms of the hire, the employee is an "at will" employee and may be terminated at any time. Temporary employees may be hired directly by firms or may be hired by a private firm specializing in providing temporary workers, a temporary help industry agency, which then places the worker with the business that has the work to be done. Although temporary work may include any type work, it has been found to be mostly constituted of unskilled industrial or clerical work. The varieties of work temporary employees may be hired to perform are endless, from that requiring a college degree (or multiple degrees in some cases like physicians or part time university instructors) to the unskilled "warm body" to perform industrial labor or clerical work.

Much of the contingent industrial labor is unskilled, strenuous, dirty, dangerous and/or boring--dead-end work in warehouses, as laborers in construction projects, or doing inventory work--the type of work which some "temps" believe a full-time employee cannot tolerate (Parker 1994: 118-9). Clerical work, too, readily lends itself to the use of contingent workers, and these workers are not happily adapting to working in this manner. They are skilled workers who are
unable to find more appropriate work. About the only certainty they find in the work are low wages, normally around minimum wage, and lack of benefits. The greater rationalization of clerical work has been occurring along with the general increase in white collar work which not only continues to expand but is also being moved offshore as computers, telephones and telefax machines allow delivery of completed work electronically.

Regardless of the category of peripheral worker, contingent labor generally reflects a division of work into portions of previous full time jobs and/or performance of work outside the work place with only tenuous ties to the employer. This method of buying labor is an equally significant transformation of the labor process. It denotes a break with the tenets of scientific management in attempting to control workers' behaviors.

Using contingent labor shifts management's focus from the labor process and how it is being carried out to the end product. This shift in focus, however, is a relatively recent phenomenon. In the history of American capitalism, employers have sought to exert greater control over the labor process and thereby ensure a greater profit margin. While increasing profit is an essential feature of capitalism and therefore paramount in private employment, it is not inherent in government work. It will therefore be of interest to this study to see the extent to which government work operates
according to these same principles.

To establish the linkages between private work practices and their public incorporation, this research initiated a preliminary search to identify civil service reform legislation that may be specifically related to scientific management and contingent work. Following that examination a more probing investigation to trace the origins of the reform legislation was accomplished. Federal legislation and executive orders effecting changes in civil service work practices provided the foundation from which to pursue their genesis in policy proposals flowing from commissions, committees, etc. It was anticipated that comparing different legislation over time could provide an internal check on the accuracy of the study's propositions. For example, should civil service legislation reflect similar ways of being developed at different times, a conclusion that civil service reform is linked to industrial/corporate interests would have greater validity.

Both primary or official documents, as well as secondary sources contained in historical or others' works, yielded information on how civil service work practices became defined as a problem which needed reforming, the process by which they were ultimately reformed, and the individuals involved in that process. These materials included supporting legislative documentation, i.e., records of congressional hearings, speeches, policy statements, etc., as well as historical
accounts and other available documents. The review attempted to locate key proposals, participants, and reform groups and/or organizations behind these actors, and from there to analyze the structural location of the individuals and/or organizations involved in the legislation.

Key concepts reflecting the major ideas or relationships pertaining to work pertinent to this research include power elite, scientific management, contingent labor, and civil service reform legislation.

Power elites are those active, working members of the upper class and the high level employees of institutions controlled by the upper class (Domhoff 1996: 31). Indicators of the power elite will be found in members' high social status such as having a relative listed in the *Social Register* attending prestigious schools or belonging to upper-class social clubs; being among the top earners in income and wealth or having ownership control in large corporations, serving as chairperson of or on a large corporation board of directors, holding top corporate or institutional positions. This information will be sought in *Poor's Register of Corporations, Directors and Executives*; *Who's Who in America*; and the *Social Register*.

Scientific management is that form of administering work processes that separates operations into their constituent elements, determines standards for time and activities...
required for each element, trains employees to work according to those standards and generously rewards those workers who achieve the standards (Gilbreth 1973). Indicators of scientific management will include time and motion studies, standard operating procedures, increase in number of supervisors/work leaders, establishment or enlargement of personnel offices to handle the requirements, and provision for a reward system related to productivity.

Contingent labor includes those workers whose relationships with their employers are characterized by a looser, nontraditional affiliation (Parker 1994). Indicators of employing a contingent work force include reducing the core work force, outsourcing work, and increasing the use of temporary, part time, or intermittent workers, and hiring federal workers outside the competitive civil service.

Civil service reforms pertaining to this study are formal changes in work methods which attempt to establish greater control over work, especially reforms addressing the principles of scientific management or the use of contingent labor. Civil service reforms of concern are those laws or executive orders which enact these changes by altering the basic Civil Service Act of 1883.

Comparing legislative developments, the ensuing analysis of the relationship between private and public work practices sought, first, to determine whether there is a direct or indirect connection between changes in private employment
practices and those in the civil service; secondly, to identify key individuals or groups most committed to civil service reform; and, lastly, to describe the extent to which the principal participants may be members of the power elite. This examination primarily covered the three periods surrounding the Civil Service Act, the implementation of scientific management, and the most recent National Performance Review.

Although the periods under review represent separate, chronological time frames which could be analyzed sequentially, only the legislative civil service reforms or formal attempts to reform follow in time order (Chapter 5). They begin at the end of the 19th Century with the passage of the Civil Service Act in 1883 and continue to the end of the 20th Century into the 1990s with the development of the National Performance Review. Scientific management, an attempt to administratively introduce reforms into federal work during the first two decades of the 20th Century, is dealt with separately and portrayed first (Chapter 4), out of its time order following the Civil Service Act.

The introduction of Frederick Winslow Taylor's scientific management had been occurring since his early experiments at Midvale Steel in the 1880s. And, while the exemplar of his work was an experiment in the maximum utilization of a worker loading pig-iron, major efforts were undertaken to extend his conclusions to all types of work. The division of the
conception and execution of work in blue-collar work found its way into white collar work. Offices exhibit a concern for efficiency (often reduced to time-and-motion studies) and frequently adopt an assembly-line method of work operation. Even prior to the present reliance on computers to perform clerical work, clerical tasks were being separated so that many individuals could execute work more effectively and efficiently by handling only one portion of an overall job such as the processing of insurance claims that Garson (1975) described. Of specific interest to the research on scientific management, however, are the federal employers who directly applied the principles of scientific management such as was done by the Army at the Watertown Arsenal in Massachusetts (Aitken 1960; Thompson 1914). Pivotal civil service legislation for this era, therefore, will be that which introduces principles of scientific management into the federal management of work.

Because the principles of scientific management are very compatible with the bureaucratic control of work, it is possible that no legislation was necessary to incorporate these methods. In that event, policies of the Civil Service Commission will be reviewed to ascertain whether they were incorporated as a matter of policy and, if so, how they were introduced.

The legislative reform analysis will start with the civil service reform of 1883 as established in the Civil Service Act
when the federal civil service was set up as a merit system and the Civil Service Commission was established to keep it on that course of action (22 Statute 403; 5 U.S.C. 632-33, 635). This reform presents the federal government breaking with conventional work practices to become a model employer. It is anticipated that its rules would reflect greater bureaucratic structuring not only because the rules are established in law but also to fulfill their purpose of providing safeguards against the spoils system in which simple control characterized supervision by political appointees. Further, in keeping with Mills' theory that a power elite did not fully develop until following World War II, it is expected that the architects of this law will reflect a different social positioning from those of later periods, especially those involved in recent reform legislation.

The last period of note is the present, starting in the 1980s when a proliferation of contingent work began replacing core work forces in the private sector through the 1990s when similar changes were effected in the federal sector. The National Performance Review which signaled the downsizing of the federal work force during the 1990s appears to be mimicking the employment trend set in the private sector. Legislation of concern to this period will include that which tends to remove federal work from the cover of the competitive civil service merit system of employment, aligning it more closely with the nature of work in the private sector.
CHAPTER 2

LITERATURE REVIEW

Nature of Work

The nature of work under American capitalism is punctuated by the changing methods for controlling the labor process. From the industrial period of the late 1800s, characterized by full employment of mostly blue-collar (factory and craft) workers, through the growth of factories into corporations with an emphasis on white-collar work (office work and most professionals) into the globally fragmented labor forces of the late 1900s, control over work in some form has been of concern. This dynamic of capitalism which seeks to improve management's ability to increase profits by extracting maximum labor from labor power has matured along with an expanding economy, changing in response to a better understanding of the labor process and/or the use of machinery in job accomplishment. Edwards (1979) has identified three major types of control over work--simple, technical and bureaucratic--and maintains that they, in their implementation, underlie a fourth method for controlling work, a segmented labor market.
Initially, control of workers is a simple process of an entrepreneur hiring people to perform work in a prescribed manner and when that does not occur taking appropriate corrective action. In larger businesses, however, such control by the owner is not possible and is, instead, carried out by the owner's representatives, the managers, superintendents or supervisors who direct work activities and take whatever actions are necessary to enforce the owner's rules. It is in this extension of simple control through representatives that we see the greater use of rules as well as hierarchical ordering of positions with workers in subordinate positions and management above them but below the owner(s).

Technical control of work is another form of control that evolves with the increased use of machinery in work accomplishment. Textile work, for example, is particularly adaptable to machine production but technical control is found in a wide range of production from assembly lines in automobile plants and steel mills to machine-paced clerical work. Machine monitored or paced work is able to speed up production as well as replace some of the supervisors found in extended simple control. The speed employed in using a hand loom, for example, resides largely in the operator; a mechanical loom, however, requires the operator to respond to the pace at which it is set. Thus in many situations, machinery could displace the need for supervisors; fewer
people would be necessary to represent an owner's interests in work accomplishment because machines are able to keep workers from "soldiering" or working below capacity; employees who cannot keep up with the pace set by the machinery are let go. The greatest benefit of technical control has been its productivity which pinnacles in assembly line work, but to the owner's detriment it brings workers with common interests together. It is during periods in which technical control is accelerated that labor union membership increases to promote workers' interests. However effective technical control may be for some work accomplishment, much work nevertheless still rests almost entirely with the worker. White-collar work, for example, until rather recently with the advent of computers and scanners to enter written material into data bases, has not been able to rely as heavily on technology to regulate work accomplishment.

The greatest regulative device present in white collar work has been bureaucratic control which started coming into focus in the use of extended simple control. Bureaucratic control, ensconced in the social relations of work, institutionalizes the exercise of hierarchical power and establishes the primacy of organizational rules in directing work, eliciting cooperation and enforcing compliance. Under this form of control meeting behavior and production objectives of the organization are to be rewarded and performance or behavior which does not support these
objectives is to be punished. Such outcomes occur not because a boss has said so or because a machine has set the pace, but because the rules dictate them.

Bureaucratic rules not only order work but also establish and reinforce isolation of workers. Initially separated by their pay groups (salaried and wage workers), bureaucratic workers are further segregated by their occupations, types of duties, job classifications, pay levels, positions within the organizations, etc. in all types of work which are not only usually cleaner work but are oriented toward greater mental (rather than physical) exertion. Job security and career ladders are held out to workers who perform according to the rules, are dependable and predictable in their work, and internalize the organization's goals and values. Those employees who do not conform or perform according to the rules are removed, those who do are kept employed, and those who get good report cards get additional rewards through individual recognition or promotion. Under bureaucratic control management does not have to negotiate with employees or be the "bad guy," the rules dictate the conditions of work. Demanding demeanor and affection in addition to a hard day's work, bureaucratic control has come to characterize the American labor process. But despite bureaucratic control being perhaps the most effective form of controlling workers' productivity and compliance, Edwards (1979) argues that it, along with simple and technical control, contributes to the
rise of segmented labor markets which further act to control work.

The principal labor market breakout is found in the division between primary and peripheral work, permanent and full employment as opposed to loosely affiliated, semi-permanent and temporary work. Edwards (1979) posits further divisions in the existence of three labor markets rising from this process of segmenting workers by distinguishing among different types of work: a secondary market, distinguished by its casual or non-permanent nature and demands for labor in its most basic physical or intellectual form performed by peripheral or contingent workers; a subordinate primary market where unionized labor is taught skills to perform repetitive, routinized work tasks subject to machine pacing; and an independent primary market comprised of administrative managers, craft workers and professionals requiring education and/or experience credentials to be considered for this work. While the independent primary market is the most difficult to enter, its workers receive the highest pay and benefits as well as training and career ladders. Each labor market is further distinguished by its organization of work—bureaucratic control organizes the independent primary market; a mixture of technical control and union influence marks the subordinate primary market; and the largely unskilled work force in the secondary market is regulated by simple control.

Controlling the labor process occurs in the context of
businesses attempting to reduce labor costs to their lowest practicable level in order to increase profits. It is primarily derived from the continuing process of dividing work, a characteristic Weber (1978) identified with the growing rationalization of work and Marx (1906) saw in the early factories as craft workers became detail workers.

The division of labor, however, not only separates tasks for workers within a work place but enables them to be physically separated and apportioned to others outside the work place as the technology becomes available. Technology complements the division of labor. The globalization of textile work, for example, is a method by which management has been able to reduce labor costs by separating assembly work and distributing portions of it to countries where clothing may be assembled at a fraction of the U. S. labor cost while continuing to charge the consumer the same or higher price per item. Thus division of labor is a process that is used under capitalism to not only control work and globalize work processes but, as such, lends itself to the overall fragmentation and deregulation of work. Relocating work off shore may also extend sweat shops into social environments which do not have the long fought for rules assuring worker safety or rights to challenge arbitrary management actions.

Work is today being divided to such an extent that core work forces have been reduced while continuing needs as well as periodic increased workloads are met by hiring marginal
workers for wages only and terminating them as the workload dissipates or to expand profit margins. Not only are external workers paid less than those with full employment, they also lack benefit packages. And because their differences from full time workers in core work forces overshadow any common interests they may have, these peripheral workers are much less likely to form unions. Consequently, they are also cheaper labor because they are more tractable. Employers thus find marginal workers attractive for several reasons: they pay only for the work done and not for labor power; they are afforded flexibility in staffing, enlarging or decreasing the work force as desired; they are able to attract a highly skilled work force; and they are provided a method for avoiding unions (Christensen 1987: 17).

So beneficial has fragmenting work been to employers that in 1995 it was reported that corporations were eliminating more than 2 million jobs annually while new jobs that were established were mostly low paying with a tenuous relationship to the employer (Rifkin 1995). These new jobs, noted to be growing faster than full time work since the early 1970s (Parker 1994, du Rivage 1992, Belous 1989), created a contingent labor force between 1980 and 1988 that was expanding at a faster rate than the total labor force. Temporary workers in this tenuous force, for example, grew by 175% in comparison to the 14% growth of the total labor force (Parker 1993, Belous 1989). Further, it was estimated that
between one quarter to one third of the labor force now has only a loose affiliation with their employers (Parker 1993, Belous, 1989), a defining characteristic of contingent labor.

Contingent labor seems to be particularly adaptable to service work as opposed to traditional manufacturing work. Service work, activity that contributes to the welfare of others but does not produce a tangible commodity, has grown dramatically. It is comprised of both white-collar and blue-collar work and much of its increase has come from work that women had been performing in their homes as unpaid labor, such as food service, cleaning service, health service, etc. Health service, legal service and financial service may be comprised of mostly white collar work, whereas food service, cleaning service and household service contain work that is physically arduous and dirty. There is also a range of work within service industries. Health services, for example, range from the highly skilled and educated work of the doctor to that performed by nursing assistants who clean patients. In this way, the work of America has shifted from producing tangible commodities to providing services.

While the distinction between work that produces a tangible commodity from that work which does not characterizes the overall change in the nature of American work, service work has traditionally been white-collar work. The first individuals hired in factory offices to keep books were paid for labor power providing a service, while the worker on the
factory floor was paid for labor power used in manufacturing objects. Thus, while the identification of service work helps reveal the general makeup of work, it does not fully erase the distinction between types which have become known as blue collar and white collar.

As a general type, white collar work is cleaner work, allowing the wearing of street clothes, is more intellectually oriented exhibiting a greater variety of operations in the work and degree of autonomous decision-making, and is held in higher regard. Historically, white collar workers gained status above their consumptive power through descent, association and expectation (Mills 1951: 242). White collar work was given status because white-collar people intermingled and intermarried with members of the old middle class, and often provided a source of recruits for the old middle class. Starting with early industrialization, white collar work had been associated with that of the owner, such as when the bookkeepers who tracked factory financial transactions borrowed social status from their bosses because of their similarities and greater interaction (Mills 1951).

White collar work, however, is not necessarily better work than more physically arduous factory or construction work. In fact, as white collar work has grown and become more technically controlled and deskilled, it has become more proletarianized. A declining need for extra education or experience in acquiring white collar skills, higher incomes
for blue collar workers, more mobility among people from the lower classes into white collar work because of achieving high school diplomas, as well as an influx of women into clerical work have removed many status differences between blue collar and white collar work. Concomitant with these changes is a lowered chance to borrow prestige, a decrease in real income, an increased threat of unemployment as more people are able to enter this type work, and a loss of skills as white collar work becomes more technically controlled and fragmented.

Much of the groundwork for the present fragmentation of work can be found in the early rationalization of clerical work between 1900 and 1910 when it was reorganized in a systematic manner and divided into departments of specialized functions. Following the rationalization of work, new technology such as the typewriter and adding machine contributed to further rationalization. While machines naturally allowed greater control over clerical work, Taylor's principles of scientific management were also applied for that reason. In 1919 the National Association of Office Managers was organized under Taylor's ideas. Office pools were subsequently developed to get maximum use of costly office machines, and by the 1920s companies were using time-and-motion studies. In other words, factory-like work procedures with compulsory rest periods set up to relieve fatigue were introduced into offices as they were expanding. By eliminating some work and simplifying the rest, a functional
breakdown of job operations was made in concert with a functional breakout of human abilities (Mills 1956: 196-7).

Following World War II office machine technology improved and generally allowed continued growth in the size of corporations. However, when corporate size no longer was profitable in itself, the technology was at a stage where it could accommodate the fragmentation of work that appears in clerical work such as that which Garson (1975) experienced at the insurance company where "hundreds of women sat typing up and breaking down sextuplicate insurance forms." Her job was endorsements:

--First, third and fourth copies staple together/ Place the pink sheet in back of the yellow/ If the endorsement shows a new mortgagee/ Stamp the fifth copy "certificate needed"

Other sections like coding, checks, filing, and endorsement typing did similar subdivided parts of the paper work. Ever section had a supervisor who counted and checked the work. She recorded the number of pieces we completed, and the number of errors we made, on our individual production sheets. These production sheets were the basis for our periodic merit raises.... Aside from counting and checking, the supervisors also tried to curtail talking and eating at the desks (Garson 1975: 157).

Not only does Garson's research document the distance clerical work had traveled from the way it was originally organized, but it also reveals features which make clerical work a prime candidate to be turned over to subcontractors, home workers, temporary help, part-time workers and, in some cases, with advances in computer technology, to become completely automated, as telephone voice mail has replaced reception and
operator duties. As work is further divided, the range of duties become more limited, and a new restricted and thus repetitive character lends itself to being easily picked up by a new worker without previous experience. As a consequence, the lower levels of white collar work are losing some of their defining properties: much of it does not require its previous intellectual orientation; there is less need to manage a variety of work operations; and decision-making has almost been eliminated. Higher levels of white collar work may retain these traits but much of this can be performed by peripheral workers through contracts.

Civil Service Work

Civil service work fits the definition of traditional white collar work but is also marked by many of the changes that have occurred in private industry. Executive, administrative, professional, managerial and clerical categories of white-collar work predominate in federal work because the state's primary business, besides securing the national defense, is creating social and economic legislation and then administering it. And, despite the weakening social status and class position of white collar workers as well as periods of anti-government bias, government work has retained a relatively high level of status. That one or more government job types continues to score in the upper quartile of occupational prestige rankings may be attributed to the
nature by which occupational status is accorded: restricted entry, important work requiring education/experience to qualify, full employment, and an association with military and/or political elites, some of whom may belong to the upper class.

Work in the federal service is restricted to U. S. citizens who pass tests to meet experience and/or educational requirements. Only those individuals who score well on Office of Personnel Management (OPM) entrance examinations will be referred to agencies for employment consideration. Agencies may then impose a further screening device and interview the job candidates. Once an individual scores high enough on both tests to be selected for a position, he or she is sworn in and becomes an employee in the competitive civil service. A first-year probationary period and three-year career-conditional status signify further on-the-job screening devices:

...to determine the fitness of the employee and [the agency] shall terminate his services if he fails to demonstrate fully his qualifications for continued employment (Federal Register 1996: 157).

After serving three years in a career-conditional status an employee automatically becomes a career civil service employee which means that civil service employment may be sought directly from agencies rather than retesting through the Office of Personnel Management.

Employment in this career or primary work force conveys
job security and fringe benefits. In addition to the workers compensation, social security and unemployment compensation programs mandated in some form for both public and private workers, career civil service employees at all levels are offered various fringe benefits: group life insurance, health benefits, a retirement program, a tax-deferred thrift savings plan, and various types of paid absences for holidays and personal reasons (such as annual leave, court leave, military leave) or illness (sick leave). In addition to restricted entry and benefit packages for workers, status may also be accorded because many elected and/or appointed officials may be members of the military/economic elite or upper class (Dye 1995, Domhoff 1983) which also tends to elevate the overall status of government work (Mills 1951: 242).

Although white-collar government work, like white-collar work generally, may gain status above its consumptive power, it does differ from private employment in the rigidity of its bureaucratic control, being based in law. Bureaucratic control in civil service work highlights codified rules, super- and subordination in hierarchical levels, and rewards and penalties in support of the rules in directing work, eliciting cooperation and enforcing compliance. The rules for federal employment are established in various titles of the United States Code (USC), with Title V providing core coverage of the majority of the competitive service. Work is stratified by occupation, types of duties, job
classifications, pay levels, and position within the organization; performance is only rewarded when it is aligned with the goals of the organization.

Besides five levels of pay grades for a Senior Executive Service, positions which exercise important policy-making, policy-determining or executive functions, federal work is currently broken out into 459 job series, 15 general schedule grades with 10 steps within each grade for white-collar workers, and for blue-collar (crafts and trades) workers 15-19 hourly wage grades with five steps within each grade. There are 15 grades each for blue-collar workers and work leaders and 19 grades possible for their supervisors.

Individuality is established and enforced through this fragmentation of work identities. Employees are further discouraged from group action because of legal constraints on union activities and by differentially rewarding or punishing employees. When employees do not follow agency or federal rules regarding performance (5 USC Chapter 43) or conduct (5 USC Chapter 73), they are disciplined or removed according to the rules (5 USC Chapter 43 for failure to perform or 5 USC Chapter 75 for misconduct). Employees who meet or surpass performance expectations may be rewarded with time off or cash awards, as the rules allow. While there are always ways for bending the rules through interpretation, federal work is bound to operate fairly uniformly throughout the competitive service even when there are supervisors who would wish to
exercise simple control and fire an employee or promote an employee when there are no higher level duties available for the person to perform.

Elements of simple control, like denying time off, watching an employee's every move or rewarding an individual who has a personal relationship with the boss can occur, but simple control by definition cannot occur in the competitive federal work force. At the outset, there is no entrepreneur making rules; the rules are in the law. If the boss were to take personal action outside the rules regarding personnel, an employee would have recourse, and probably prevail, through the administrative and/or federal court systems. Basically, all employees are to be treated according to work-related practices and may take claims of mistreatment to higher level officials.

On the other hand, when looking at all work performed for the federal service, to include work outside the competitive service, such as the work provided by service industries through contracts, then simple control could exist in the externalized work force. Janitorial work, for example, is one type of work that is often accomplished through contracts with private firms, especially small businesses, and would naturally lend itself to simple control. Additionally, higher level federal work such as editorial work, health services, librarian services, etc., which span the segmented labor market is contracted to private firms.
Also in this external work force, there is work contributed by nonappropriated fund instrumentality (NAFI) employees, individuals who perform largely service work for Defense agencies but whose services are not paid by funds appropriated by Congress; the businesses for which they work pay their wages. Examples of NAFI businesses include department stores, movie theaters, and food concessions (many of which have been contracted out) operated by the Exchange Services and an array of other facilities operated by the Coast Guard or individual Defense components such as officer and enlisted clubs, golf courses and other recreational facilities, and child care.

Congress ordains the operation of NAFI businesses and regulates the way they are paid, but with some exceptions does not appropriate monies to be used to hire employees nor does it regulate their personnel practices. The Department of Defense (DOD) Wage Fixing Authority, for example, surveys work in the larger communities and sets the pay according to the prevailing rates for similar work in the areas in which the work is performed. Individual agencies establish some uniformity in the way employees are treated, but it is much less regulated than the competitive service, so NAFI managers are able to act more in the manner of extended simple control. Thus, while peripheral work with which simple control is identified is primarily a work force external to the competitive civil service, it is nonetheless performing
Technical control in its pure sense of assembly-line mechanical presentation of fragmented work is not present in the competitive civil service. By definition technical control only emerges when the entire production process of the plant or large segments of it are based on a technology that paces and directs the labor process (Edwards 1979: 113). While there are large numbers of Department of Defense industrial workers in depot maintenance of armament systems whose work is paced by technical processes, they are also subject to bureaucratic control. Hence, technical control in its pure sense does not apply to federal employment. However, depending on the needs of the agency and the extent to which the agency has been able to invest in the necessary technology, elements of technical control in combination with bureaucratic control have been implemented in many types of work.

Any type of information-processing technology, in particular, is amenable to government white-collar work. Computers and communications technology perhaps account for the most widespread mechanization of government work, both of which are susceptible to work flow pacing and work output monitoring. Employees working in call-in centers, such as the Internal Revenue Service's help lines and the Defense Department's Field Advisory Services or its components' Personnel Centers which provide human relations services, may
have their work paced by the speed by which the connections can be made as well as have their calls monitored by management. In these situations, work performance may also be assessed electronically by the number of connections made and the length of each call. Thus, bureaucratically controlled work is becoming even more efficiently controlled with advancements in technology.

Whether the exercise of control in federal work has contributed to segmented labor markets is debatable, but it may have insofar as the federal government has been externalizing work which can be performed outside the auspices of the federal government and continues to seek ways to privatize more work. In 1996, for example, the Defense Department sought legislative change to repeal the 60/40 rule (10 USC 2466) which limits depot level work performed by private companies to 40 percent of the total. The objective was to contract out at least 50 percent of this work in the Army, Navy and Air Force. Legislative changes were also sought to repeal the requirement for public-private competition before transferring workloads in excess of $3 million to private companies. However, there are differences between the federal experience and Edwards' (1979) design. He specifies an independent primary market organized by bureaucratic control, a subordinate primary market where unionized labor and technical control prevail, and a secondary market of unskilled or low-skilled workers performed by
contingent workers regulated by simple control. While it is apparent that the core work force of managers, executives, professionals, clerical workers, etc., in the competitive civil service is organized by bureaucratic control and falls into the independent primary market, the parallel is not as clear in the case of the subordinate primary market.

The technical control that generates the subordinate primary labor market depends on the performance of production work and heavy labor union influence. Except for the Defense Department, federal agencies are normally not involved in industrial work subject to technical control or to heavy labor union influence. Indeed, any union influence is indirect at best. Because blue-collar workers are paid at "prevailing rates" (according to a scale set from surveying similar work in the surrounding private sector), areas with heavy labor union activity like Las Vegas, Nevada, have higher wage schedules than those in other areas. Although these wages are set according to prevailing rates, they will never match the rates of the private sector since they are bureaucratically capped by the percentage of cost of living increase that is given to general schedule employees. Thus labor union influence in the private sector only tangentially affects control of these workers. And, federal unions are also limited in their influence. Regardless of whether they are dues-paying members of unions, federal employee bargaining units cover all employees who are not classified as management
officials or supervisors, professionals who have opted out, confidential employees (such as individuals engaged in purely personnel work or a secretary to someone who handles labor issues), or individuals involved in intelligence, investigative or security work which directly affects national security. In addition to limitations introduced by the breadth of employee interests, union influence is blocked because federal workers normally cannot bargain over wages, and work-stoppages are forbidden. The firing of the Federal Aviation Agency air traffic controllers who challenged the no-strike provision in 1981 reinforced this prohibition.

Unable to affect the structure of work, work processes or pay, federal employee unions generally concern themselves with negotiating over working conditions and handling employee grievances. Even given their general lack of power, bargaining units are being further disabled by the downsizing of federal agencies. Although the strongest union membership has been with blue-collar employees, between 1992 and 1997 federal bargaining units lost 164,487 members, mostly among blue-collar workers. Perhaps a peace offering during this period in which federal labor unions are being cut into pieces has been the Presidential Executive Order 12871 directing federal managers to form Labor-Management Partnerships to involve their bargaining units in operational matters. While there is not a great deal of change to core management rights contained in Title VII to the Civil Service Reform Act, some
agencies which have signed partnership agreements report improved labor-management relations generally and a reduction in grievances and unfair labor practices. In addition to the questionable influence of federal labor unions, all competitive civil service employees regardless of type work performed are supervised according to bureaucratic control. Therefore, it appears that the federal service does not contribute to the rise of the subordinate primary market characterized by technical control and union influence.

Since Edwards (1979) argues that forms of control undergird segmented labor markets, bureaucratically controlled federal work by definition does not support a secondary labor market with its emphasis on simple control. However, outside the competitive civil service individuals belonging to the secondary market in the private sector (characterized by casual or non-permanent work which demands labor in its most basic physical or intellectual form) are becoming more significant to federal work as more government work is being turned over to private contractors (privatization). Thus, when considering those in the "shadow government" of the unmonitored private contract service sector, simple control is being used in the performance of federal work, and therefore may contribute to the rise of a secondary labor market.

Overall, then, federal work seems to be taking on the characteristics of the general labor force. Except, there exists a sharper dividing line between its internal and
external labor markets than there is between core and peripheral workers in private industry. In private industry, temporary and part time employees are by definition external; in federal work, contingent workers may be a peripheral part of the internal competitive service as well as in the external federal labor force. For example, applicants for time-limited temporary positions (established to meet workloads lasting from a few months up to two years) or term appointments (for projects expecting to last more than one year and/or up to four years) also have to compete for these positions.

Even the lowest level clerical jobs may only be filled by individuals with competitive status or who compete through special programs like the Veterans Readjustment Act or successfully completing a three-year worker-trainee program. Often, applicants who have special status such as having previously held a career civil service position or having veterans preference and are seeking full employment are hired into these positions. Nevertheless, these competitive temporary workers are often paid less than competitive permanent workers when they are placed in the first step of their civil service grade, and they may not be considered along with permanent employees for promotion, and only with recent legislation have they been able to gain health benefits coverage after one year. Also, the rules were changed in 1994 to assure that these internal time-limited "temporary" positions were indeed temporary; now a position may not be
filled for more than twice at a maximum of one-year each or two years. Despite the marginal status of these internal peripheral workers, they, too, are supervised according to bureaucratic employment practices and therefore do not conform exactly to Edwards’ (1979) argument.

Nevertheless, relying on externalized federal work and exempting industrial work characterized by a mix of technical and bureaucratic control, federal work does seem to be generally divided by labor market segment along the line of Edwards’ framework. The following table attempts to categorize federal work as closely as possible to the correspondence Edwards (1979: 179) made between systems of control and labor market segments.

**FEDERAL SYSTEMS OF CONTROL**

<table>
<thead>
<tr>
<th>MARKET SEGMENT (JOBS)</th>
<th>SIMPLE CONTROL</th>
<th>TECHNICAL CONTROL</th>
<th>BUREAUCRATIC CONTROL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Outside</td>
<td>(Production</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Competitive</td>
<td>Work)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Service)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SECONDARY</td>
<td>N/A</td>
<td>N/A</td>
<td>lower level clerical,</td>
</tr>
<tr>
<td>lower wages,</td>
<td>Service</td>
<td></td>
<td>gardeners, warehouse</td>
</tr>
<tr>
<td>dead-end jobs,</td>
<td>Contracts</td>
<td></td>
<td>workers, drivers, etc.</td>
</tr>
<tr>
<td>low-skills</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SUBORDINATE PRIMARY</td>
<td>Contracts</td>
<td>N/A</td>
<td>secretarial &amp; blue</td>
</tr>
<tr>
<td>better paying,</td>
<td></td>
<td></td>
<td>collar: electricians,</td>
</tr>
<tr>
<td>unions, skilled work,</td>
<td></td>
<td></td>
<td>carpenters, plumbers,</td>
</tr>
<tr>
<td>some college</td>
<td></td>
<td></td>
<td>aircraft mechanics,</td>
</tr>
<tr>
<td>INDEPENDENT PRIMARY</td>
<td>Contracts</td>
<td>N/A</td>
<td>white collar: managers,</td>
</tr>
<tr>
<td>formal education,</td>
<td></td>
<td></td>
<td>professionals,</td>
</tr>
<tr>
<td>occupational</td>
<td></td>
<td></td>
<td>administrative, etc.</td>
</tr>
<tr>
<td>consciousness,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>job ladders</td>
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</tbody>
</table>
For federal work to parallel private work practices as closely as it does seems inconsistent with the nature of the two labor forces. Controlling the labor process in private industry occurs in the context of businesses attempting to reduce labor costs to their lowest practical level in order to increase profits. Most federal work, on the other hand, is not performed in the interest of turning a profit. This capitalist orientation, nonetheless, seems to characterize the federal work force which is, in the 1990s, following the example corporations set in the 1980s, reducing their core work forces and replacing them with contingent workers.

The federal government rationalizes its recent downsizing with the argument of balancing the budget. Yet, Senator Craig Thomas (R-WY) introduced legislation (S-1724, The Freedom from Government Competition Act of 1996) which required privatizing any federal work that was not "inherently governmental" without conducting cost comparisons or other financial analyses to determine who can perform the work at the least cost to the taxpayer (Federal Times 1997). (The 1997 version of the bill does require that cost/benefit studies be made.) And, Delegate Eleanor Holmes Norton (D-DC) noticed that while the $85 billion a year federal agency work force is being cut each year, support of the $114 billion annual service contracting portion of the federal budget continues for a growing private-contract work force. Delegate Holmes Norton realistically acknowledges that at this point resisting
contracting out will not work: "Just say no won't work...we have a $114 billion train that's left the station" (FEDS 1997b). It will be very expensive for American taxpayers to follow the dictates of the National Performance Review as it emulates work practices set by private industry.

Nevertheless, in 1993 President Clinton implemented the National Performance Review "to put America's house in order." Not only was it oriented toward cutting federal spending on employment but he indicated that it also would help government to work better. Calling the effort an attempt to move from red tape to results, the National Performance Review recommended changes which would produce an estimated savings of $108 billion over five years. Most of these changes, however, were directed at personnel reductions and personnel management practices.

Targeting the non-postal federal Executive Branch agencies, an overall 12 percent reduction (252,000 positions) was proposed to bring the federal work force below two million employees for the first time since 1967. And to assure that the red tape was cut, most of the personnel reductions were aimed at bureaucratic work structures of control, labeled as "structures of over-control and micro management," which were felt to bind the federal government rather than binding the employee to the service of the federal government. Employees selected for elimination were supervisors, headquarters staffs, personnel specialists, budget analysts, procurement...
specialists, accountants, and auditors who were seen as inhibiting the creativity of line managers and work as well as costing billions per year in salary, benefits and administrative costs.

In addition, rules and regulations were to be eliminated, thereby simplifying paperwork and further reducing administrative costs. In their absence an entrepreneurial spirit along with a customer orientation was to be engendered. Entrepreneurial governments are, the National Performance Report explains, those which empower their employees to make their own decisions and solve their own problems, embrace labor-management cooperation, provide training and tools employees need to be effective, and humanize the work place. Further, market as opposed to administrative solutions would be sought in the performance of federal work, and federal operations would be opened to competition, meaning that government work would be contracted out to be performed in the private sector. Thus, work which remained with the government would assimilate corporate practices and other work would be performed entirely by private enterprise. One matter exemplifying the need for these measures was the Defense Department's purported "$40 billion in unnecessary supplies." Presumably such stockpiling could have been avoided in private industry since it has implemented the just-in-time delivery method of material acquisition.

Clearly, the National Performance Review has been a call
for the organization of government work to be patterned after that established by major American corporations which were seen to have reinvented themselves in the 1980s. Corporations trimmed intermediate levels of management, reducing the number of managers at all levels, particularly those in middle management (Hodson and Sullivan 1990: 187) and, in addition to this reduction in the core work force, made greater use of peripheral or contingent labor.

The individual seemingly most concerned with present efforts to refashion government work practices to resemble those which swept private employment is Vice President Gore. With candor he acknowledged that

Through the ages, public management has tended to follow the prevailing paradigm of private management. The 1930s were no exception. Roosevelt's committee--and the two Hoover commissions that followed--recommended a structure patterned largely after those of corporate America in the 1930s. In a sense, they brought to government the GM model of organization (Gore, 1993: 8).

But is the General Motors organization of work proper for the conduct of government work? Is the federal work force capable of negotiating its way through a mine field of market influences? Do we want a federal work force that may suffer the worst of market-economy consequences when the business of government must not only continue but may have to increase? Nevertheless, apparently because in the past the public has followed the private that such reforms have been initiated.

In reviewing the results of the downsizing and remodeling
efforts, the most success has been in reducing the federal competitive service. Between January 1993 and January 1997, federal civilian employment for Executive Branch agencies (excluding the Postal Service) experienced a 14 percent reduction or the loss of 300,000 federal civilian employees, 40,000 in the Washington D.C. area. In 1963 this work force was 1,910,545 strong but rose to 2,250,323 in 1990 and was back down to 1,933,979 in 1996 (FEDS 1997c). But, rather than using the term downsizing, externalizing might be a more appropriate description (as externalizing and globalizing might be more appropriate characterizations of the reductions in private industry in the 1980s). The work continues, just different people are doing it.

Trends in hiring into the federal work force also reflect practices that not only further segment labor markets, but add to the impoverishment of workers. Agencies are using the internet to advertise federal job vacancies, and temporary and term appointments are being used to fill positions. Also, the new federal worker has little concern for life-long employment. Besides the working poor and unemployed all but excluded from consideration for federal employment, what about those dispirited workers left behind? If the working poor and/or unemployed are qualified for blue-collar or less-skilled white-collar jobs such as clerical positions, they need not apply since most of the reduction has been in those jobs (FEDS 1996). And for the remaining federal force with
its lower morale (Rivenbark 1997), in its now more highly skilled and educated and more highly graded white-collar form (85 percent), a review of structures found that budget types who were supposed to have been reduced by 50 percent maintained their proportional representation in both domestic agencies and defense work forces. The hierarchy has not been reduced either; supervisor ratios which were to be moved from 1:7 to 1:15 have barely moved—in the non-DOD work force the ratio changed from 1:7 to 1:7.6 and in DOD from 1:6.9 to 1:7.4. Thus, whether the federal government has moved from red tape to results and created a government that works better because it incorporates business-like practices is questionable. It does appear, however, that this federal government make over is the opposite of the reforms which were implemented in the Pendleton Act of 1883 that founded a civil service based on examinations and merit in a conscious move away from entrepreneurial government and simple control.

Prior to the implementation of the Pendleton Act, agency heads had ownership authority and exercised what was commonplace in large organizations, extended simple control. Although it was carried out under political sponsorship, the web of federal employment control was like the hierarchical extensions of authority occurring in large industry where owners assured their policies were carried out through their representatives. To support partisan politics, subordinate federal work forces were displaced as administrations changed.
Newly appointed agency heads would undertake extensive removals of employees at all levels and replace them with individuals expected to contribute votes, time, energy and income to the newly elected President's party. Patronage "rules" required both partisan work and political assessments which caused some federal employees to spend more time on partisan work than the work of the agency in which they were employed (Van Riper 1958: 47). Although there was a segment of workers which kept its jobs during these political changes because those workers either did the basic administrative work which kept the agency operating or their positions were inconsequential for political needs, federal workers overall had no more legal protection against removal in the public service than workers in the private-sector. About the only difference between public and private sector workers was that public sector workers such as clerical workers were expected to work only six hours a day compared to workdays up to twice that length in the private sector (Van Riper 1958). It was not until the passage of the Pendelton Act that the federal sector distinguished itself by using merit as a basis for employment rather than patronage.

Among other things, the Pendleton Act or Civil Service Act of 1883 provided for open competitive examinations which would form the basis for entry into the competitive civil service. Changing the basis for employment from "whom you support" or "whom you know" to "what you know" signaled a
significant step away from political if not industrial business practices and extended simple control. Rather than following the factory owners' practice of rejecting the innovative and intelligent worker of the time in favor of those who were "hard-working, docile, dull, and `mediocre'" (Maranto and Schultz 1991: 77), the federal merit system was seeking to hire those politically-neutral applicants who graded highest in competitive examinations. Rules established for the abolition of spoils-system appointments dislodged the simple extended control in favor of a bureaucratic control of workers which provided protection against dismissal for other than work-related infractions.

The bureaucratization of the civil service did not occur instantly with the passage of the new legislation, however. Coverage of federal employment by the competitive rules was an incremental process which did not reach its highest level until after World War II. In 1884, only 10.5% of 131,208 federal employees were covered by the "classified-merit Civil Service rules" and reached around 80% by 1932. This breadth of coverage percentage dropped by about 20 percentage points during the period that President Roosevelt made large numbers of temporary and spoils system appointments to staff "alphabetical" agencies during the economic recovery period following the Great Depression. By the time his successor left office, however, the proportion of covered positions had risen to 86.3% of 2,603,267 federal employees (Pear 1968).
The staffing of federal agencies predominantly through competitive procedures has continued largely unchanged. And, with the exception of special legislation to prohibit the implementation of Taylor’s principles of scientific management, reforms of the Civil Service Act normally have been to tighten requirements for efficiency or effectiveness and clarification of the rules governing employment. A significant change occurred, however, with the Civil Service Reform Act of 1978. The CSRA mortally wounded the competitive service by dismantling the "...pioneer independent agency, the Civil Service Commission, and replacing it with a single patronage appointee who was given increased authority to promulgate rules for ‘easy firing’" (Thayer 1997: 113). Thus, by regaining political control over civil service employment, it becomes clear how the competitive service can be manipulated, making way for the rise of a contingent labor force outside the competitive service.
CHAPTER 3

THEORETICAL CONSIDERATIONS

One premise guiding this research is that in order for federal civil service employment practices to emulate the prevailing paradigm of private personnel management, federal legislation must be enacted to change the competitive civil service rules already established in law. That is, to understand the process by which the federal organization of work is changed, it is necessary to address the legal basis of the framework through which federal employment is administered. Law, as has been seen, develops in different ways. On the one hand, it is the outcome of competing interests and interaction among many individuals, of adversaries and allies, representing a negotiated agreement in the end (Jones 1995). Thus lawmaking can been seen as a method by which democratic action among many is felt to produce an equitable arrangement insofar as it represents all interests in some way. This depiction of the legislative process is identifiable with the social pluralistic view of power (Olsen 1970, Rose 1967, Dahl 1961). There are, however, other theoretical views of power. Those found within the
Marxist tradition, for example, suggest that the "democratic" action of social pluralism is shaped by or in accordance with the power relations within the economic system or its agents. Thus, to clarify how private employment practices are brought into the public sector, this research will consider changes in federal employment practices not only in light of the social pluralist view but also the structural Marxist and the instrumentalist approaches (Poulantzas 1978; Althusser 1972; Miliband 1969).

When looking at these competing theoretical views together they seem to form a continuum of power, from not being possessed by any particular interest to being firmly grasped to maintain the socio-economic position of upper classes. Each perspective, however, provides a slightly different lens through which to examine and explain phenomena. In social pluralism, power is viewed as democratically shifting among individuals and/or groups and interests. Structural Marxism sees power as rising within the economic, political and ideological domains relatively autonomously in accord with the logic of each system. And, lastly, instrumentalism asserts that power is being exercised by individuals/groups possessing economic resources in an attempt to maintain their economic position by political means through the state.

Under social pluralism power occurs within a field of many influences--economic, cultural, social, political, etc.--
political decisions or laws reflect a diversity of interests. In this respect society is viewed as a composite of private, voluntary, autonomous, special-interest, and other groups such as lobbies, movie censoring groups, farm groups, labor organizations, and professional associations, all which give citizens effective means to influence political decisions (Riesman 1970). Pluralism acknowledges that groups seize power at various times but does not see any one group controlling in the long term; power is a shifting alliance. The presence of elites is recognized insofar as groups are organized in a hierarchical fashion with authority and power vested in their leaders. However, elites are generally seen to be distributed among different spheres of society, some in the economic sector, some in political control, others in associations, the military, etc., and consequently hold different interests. And while segments of the economic elite may violate democratic political and legal processes, shifting group gains and losses tend to balance out one another.

Social pluralism suggests that there are multiple influences in society, none of which is able to impose its agenda on the society as a whole. Political power and influence are derived from and responsive to constituents' interests which are diverse and changing. And not only are the political parties not subordinate to the economic elite, they reflect different political agendas, developed presumably from the bottom up with manifold interests surfacing at
different times as the distribution of power shifts. Although this view suggests a fragmented society, the social glue which keeps it together is found in common values, networks of communication, and division of labor, as well as an inherent resistance to elite control (Rose 1967).

From the social pluralist perspective laws changing federal employment practices would be seen as the outcome of competing interests whether they be, for example, from the general public seeking change in government administration (as is intimated in the current administration's call for a reinvention of government), political parties striving for political advantage, companies seeking contracts with the government or federal manager and/or employee groups attempting to redefine their employment contracts. Final legislation would more or less reflect, to differing degrees, the interests of all the groups wanting change. Contrasting the pluralistic position that power is transitory and shifts as different groups rise and fall through the democratic process are the structural Marxist and instrumentalist views which recognize lawmaking or any state activity to be the result of power generated in relation to the economy.

The structural Marxist perspective seems to bridge social pluralism and instrumentalism. At a more general level than social pluralism, it recognizes power relations emanating from various economic, political and ideological structures, but, then, in the last instance, sees these structures as
determined by economic power (Poulantzas 1978: 113; Gold, Lo, and Wright 1975).

The idea that power originates with who controls the means of production was developed in The Communist Manifesto by Marx and Engles (Tucker 1978: 473-500). They advanced the notion that social power is located in the relationships which develop in the process of individuals using their human capacities and available technology to transform natural resources into ways to sustain life and centers in and around the possession of private property, the items produced and their exchange. They distinguished power relationships in terms of classes; power rests with those who control the forces of production and own the commodities produced, and those who only contribute their work in the production process lack power. Power emanating from these relationships formed in the production process shapes all other aspects of a society's social structure and functioning.

Central to structural Marxist analysis is the class structure with its inherent contradiction of an ever-increasing social character of production extending working class unity which poses a threat to capitalism. Competitive capitalist actions divide the capitalist class as different groups or factions of the class seek to acquire greater advantage politically or economically. The state acts to mediate the influences of each so that neither the working class nor capitalist class fractions upset the contentious
balance achieved between the workers and owners. Structural Marxism law, cloaked in an ideology of fairness, has an autonomy and coherence of its own. While it may respond to interest groups, it does so according to its own logic, but in support of capitalist relations (Burawoy 1979). Thus, a structural Marxist view of laws effecting civil service reform would expect them to generally support capitalist relations in the long term but be responsive to the immediate needs of the political system out of which they arose and for which they provide administrative support. Laws affecting federal employment practices would be less likely to reflect private employment practices and more identifiable with the needs of the bureaucracy.

The instrumentalist position, on the other hand, is not stifled from exploring the full impact of economic agendas on state action by according these structures independent authority. And, without the autonomy accorded the economic and political domains by the structuralists, laws affecting civil service would follow economic agendas more closely. The instrumentalist perspective regards the state as the medium through which those individuals or groups with economic power control society through dominant institutions and/or individuals in order to maintain their economic dominance (Tucker 1978; Miliband 1969). Thus, by incorporating classical elitist views into Marxist theory, instrumentalism shifts the focus to the role individual elites of the
capitalist class play in state activities to support capitalism.

Classical elitist views identified the concentration of power in society but did not see it necessarily stemming from the economic system. Mosca's (1939) rulers, for example, may in fact have greater control of the economic system, but their power position could have stemmed from their being members of a priestly aristocracy if the culture supported strong religious beliefs. And, for Michels (1970), leaders rise in society as it organizes toward various purposes. Mills (1956), too, found that such leadership in society emanated from the social structure and, in effect, combined the instrumentalist and elitist views in his power elite. Individuals occupying leadership positions in the major hierarchies and organizations of society, which Mills identified as the economic, political and military sectors of American society, formed a power elite that essentially made the rules for the rest of society.

Mills' thesis is that a tripartite national power elite consisting of corporate, political and military leaders controls American society. The corporate rich and chief executives of the 200-300 giant corporations that dominate the economy hold the keys to power. Top military commanders, particularly the soldier-politicians in and around the Joint Chiefs of Staff who control the largest and most expensive feature of government, are military elites who not only
determine the course of the military but secure for it a prominent position in society. Finally, the political directorate includes those individuals in the centralized, federal executive branch who are in a position to affect the course of society. The elite at the top of each of these domains not only shares similar backgrounds, they also have similar interests and outlooks on life.

The power elite, according to Mills, has a greater portion of society's most highly valued things and experiences. They have more money, power and prestige and the ways of life these conditions provide; their social origins are similar in terms of wealth, formal education, careers and associations in which they hold membership. Because of these shared similarities, they come to have a community of interests and a psychological class consciousness insofar as they recognize each other as common members. They live by similar codes of conduct and common values. Besides sharing similar backgrounds and lifestyles, they intermingle socially and thus have coinciding interests. Through their social and professional interactions, they form an intricate set of overlapping cliques that allow their political, economic and military agendas to be realized in decisions having at least national consequences. Thus, federal legislation affecting civil service employment reforms could be expected to reflect the interests of these groups.

Mills' power elite, in which the top of the various
domains are on relatively equal footing, however, is a relatively recent occurrence. Initially, elites in the various domains were loosely organized and it was not until the rise of corporate economic power that the political domain became enlarged and centralized in response to the public consequence of the corporate economy (Mills 1956: 272). Early corporate-political relations were not characterized by complex elites, rather those with economic power controlled the government rather directly. These industrial and financial corporate elites controlled parties, bought laws and "kept" Congressmen.

Mills claims that non-economic political power in America increased as it became more centralized in the era of the New Deal with the growth of the state, partially in an attempt to reduce the army of the unemployed. Also, it was during this period that the economic elites attempted to join the government at the higher levels. The military, which had always been subservient to political control, did not rise to the level of the power elite until following the Second World War when international problems centered around war. At this time, the economy continued to be heavily geared to the production of war machinery and materials that it had generated during World War II. During the 1950s when Mills recorded his observations, the concentration of power among these elites was at its apex. More recently, however, the war economy has been dissembling, the federal government since the
1970s has been pressured to relax its control on all aspects of society and since the 1980s to reduce its presence, while corporate America has been moving its manufacturing operations outside the United States. In the face of these national changes in the economic, political and military domains, Mills' argument may seem outmoded. Domhoff (1996, 1990 and 1983), however, has updated Mills' theory and with some modifications reached a similar conclusion: that there is a power elite in the United States which shapes the American polity and through it conditions American social and economic policy.

For Domhoff (1983: 11) the upper class holds economic, social and political power, the cumulative and combined effects of which enable it also to be a ruling class. He arrived at this finding by looking at the distribution of power as an underlying trait or property which is revealed by looking at who benefits, who governs, and who wins. Insofar as the upper class has most closely achieved the American dream--good jobs, high incomes, wealth, ability to travel and experience leisure, and to live long and healthy lives--it benefits and consequently exhibits power in relation to other classes which have not reaped the same rewards. And, when upper class members occupy a greater number of important institutional positions as well as take part in important decision-making more often than representatives of other classes, they wield governing power. Lastly, power may be
inferred by reviewing outcomes regarding policy issues to determine which classes prevail in issues over which they disagree such as welfare, foreign policy, taxation and the environment (Domhoff 1983: 12).

Domhoff not only highlighted perhaps the obvious in claiming that the upper class possesses the wealth and lifestyle which sets them apart from those who do not possess these things to the same degree, but he also showed how wealth is maintained and how access to it is controlled and restricted. Beyond economic security the upper class is organized; it has patterned ways of ordering the lives of its members and mechanisms for socializing newcomers, be it the children or new adult members who have risen from lower classes. The upper class has greater wealth, higher incomes, and an exclusive lifestyle, all of which preclude casual entrance. They attend a select set of schools, frequent certain clubs and resorts, and engage in predetermined social activities that sharply differentiate their lifestyle from the rest of society.

Finding similar relationships to those identified by E. Digby Baltzell's study of Philadelphia society in the 1950s, Domhoff located the upper class by tracing relationships between listings in the Social Register, attendance at private high schools and social club membership. In short, the upper class experiences a unique set of life experiences that are not present to the same extent among the rest of society.
Despite their greater social organization and access to social and economic resources, the upper class by and of itself does not constitute a power elite. Rather, it is those upper class members who are rooted in the ownership and control of large corporations who form the contemporary power elite. Domhoff's (1983: 56) study demonstrated that the most important corporations, commercial banks, investment banks and the law firms supporting these organizations are controlled by the upper class. Domhoff (1983: 58-59) agreed with Mills' estimation that .2% to .3% of the adult population owns the bulk of payoff shares of the corporate world. Not only does the upper class have ownership rights, but it also may exercise control as is evidenced in an ability to replace top management, maintain active involvement on the board of directors, and to have an influential part in major decisions concerning operations such as mergers, acquisitions, and large-scale changes in growth and profit strategies. Upper class families are able to consolidate their wealth and maintain themselves as economic units with substantial clout with only as little as 2-3 percent of the total stock in a firm.

Control of corporations, however, goes beyond managing internal business processes; it also requires securing their viable place in society. Domhoff sees corporate America situated in society through upper class members actively working in collaboration with institutional elites (high-level
employees) in profit and nonprofit institutions controlled by members of the upper class through stock ownership, financial support, and/or involvement on boards of directors. Upper class members in conjunction with institutional leaders are able to manage their corporate interests through financial control and by personal participation in the policy making process that touches on all areas of society, from foreign aid to welfare, education, and the arts. The interests of corporate America are thus integrated with the general interests of society by filtering policy planning starting in corporate board rooms through a network of policy groups, foundations, think tanks and university research institutes and then seeking public approval of the end results.

Policy-discussion groups such as the Committee for Economic Development (CED) or the Council on Foreign Relations (CFR) formed at the national level to debate and offer solutions for major problems of society are composed of members of the upper class, corporate executives, lawyers, academic experts, university administrators and media specialists, as well as a fair representation of politicians, career government and/or political appointees. Even though the functions of these policy discussion groups may vary, overlapping membership and advisory personnel secure continuity between groups to ultimately assure that corporate and upper class goals are assimilated into societal concerns.

Foundations, which initiate discussion items as well as
fund policy planning, may stem from family endowments, corporations or be formed for the benefit of urban communities. Despite their origins they are interrelated among themselves as well as being connected to the largest corporations. Foundation trustees are often members of other foundations and policy discussion groups and/or think tanks. The ultimate sources of policies, however, are attributed to think tanks and research institutes, which on the surface seem to represent societal needs rather than focus on corporate or upper class preoccupations. Yet, they, like the other organizations of the policy-planning network, share foundation funding sources as well as trustees.

In the early 1970s Domhoff found, for example, that the Brookings Institute, which stands as a major source of new ideas for government leaders and policy groups (especially for Democrats), was directed by corporate leaders who were also foundation trustees, and 60% of its members were also foundation trustees. New ideas introduced by a large number of social scientists are influenced by corporate convictions even before they face further modification and assimilation by corporate leaders in policy groups. While one would be inclined to view university research institutes as providing unbiased views, Domhoff also highlights professors' corporate connections. During the 1957 to 1973 period, for example, more than 50% of the 55 directors on the President's Science Advisory Committee were directors of corporations with annual
sales and/or assets of over $100 million. And, 15% were consultants to these large firms and/or directors of smaller companies. It is a common occurrence for some professors to have extra-academic employment, especially as consultants to national corporations.

Once policy has been formulated through the policy-planning network, it is disseminated to the public through the media in order to create grass-roots support for corporate issues. While this support may legitimize corporate views in the eyes of the public, the stability of corporate capitalism and sustenance of the upper class as a ruling class are only assured with involvement in the state apparatus, the principal arbiter in American society. Hence, corporations become involved in the political process. They introduce the perspectives developed in the policy planning network, help elect candidates supportive of their views and work toward acquiring privileges for special interests.

The most publicized aspect of the candidate selection process, particularly with regard to the corporate community and upper class, is campaign donations. Money wields power and the role of wealthy donors and fund raisers have become critical in the prenomination, nomination and election of candidates; corporate political action committees and large donors are necessary for candidates to be considered seriously. Thus, the corporate community and the upper class are central elements in determining who enters politics and
Lobbyists and/or others, such as lawyers serving on congressional staffs or corporate executives working directly with governmental agencies, associate with lawmakers in order to obtain favors, tax breaks, regulatory rulings or governmental supports. The third method by which the power elite involve themselves in the government is by promoting the perspectives developed in the policy-planning network. They do so as members of committees that advise the executive branch, by serving on presidential commissions, and by direct appointments to government positions. Presidential commissions are an open channel for legitimating the ideas that have been developed in the policy planning network. Of these commissions, a sizeable proportion are directed toward the operation of the federal government. Domhoff (1983: 133) found that about one-third of the commissions formed between 1945 and 1972 were concerned with problems of governmental reorganization and federal salaries.

The operation of the federal government is a chief concern of the power elite to assure that our rational-legal system will support capitalist interests over others. Of the five commissions concerned with governmental affairs, "...four were chaired by members of the Committee for Economic Development, which has taken a special interest in such matters through its Committee for the Improvement of Management in Government." The Business Council, a corporate
advisory group to the government, is controlled by the chairmen and/or presidents of the largest corporations. Its adjunct lobbying group of corporate chief executive officers, the Business Roundtable, directs its efforts toward addressing legislation that may have an adverse impact on business. And, the power elite who enjoy appointments to cabinet and other positions in government bring with them a vision supportive of the goals of corporate America, where health of the business is of greater importance than health of the worker. So, while they may temporarily divest themselves of active participation in the corporate community, they nonetheless apply corporate standards in the conduct of government.

Thus, Domhoff finds that legislation is shaped by the ideas that are molded in the interplay between the corporate rich and major corporations and organizations they sponsor. Legislation reflects the goals of the upper class which are in concert with corporate objectives.

Using Domhoff's (1996) class dominance theory to illuminate the development of federal employment practices starts with a principal question: whether federal civil service employment practices—the organization of government at the lowest level—are arranged according to capitalist interests? And, if so, does this phenomenon occur through policy flows such as those identified by Domhoff? Specifically, are the framers of civil service reform legislation among a power elite identifiable among the top
income earners and holders of wealth as well as being among the upper social class? And, is civil service reform brought into legislative consideration through a policy planning network of privately financed and/or controlled policy groups, foundations, think tanks and/or university research institutes?

The structural Marxist position also shares the concern whether federal civil service employment practices are arranged according to capitalist interests. However, it would then move to question to what extent working class unity or capitalist class fragmentation influences these practices. Specifically, is working class unity reflected in federal employment? And, if so, does it discourage the establishment of rules aimed at extracting greater productivity for the same or less pay, that is, increasing the surplus product?

The social pluralist position would not rest on whether the state activity protects capitalist practices, rather it would look to see what groups' concerns were to prevail. It would question whether the change in federal employment practices stemmed from sources such as the general public, political parties striving for political advantage, or companies seeking contracts with the government. Further, it would seek to reveal to what extent the viewpoints of all the groups wanting change are reflected in the federal employment rules and how the state action reflects democratic action in response to the groups' needs. It also may consider the
extent to which the state was looking out for its own interests.

In light of these competing viewpoints, this research will investigate whether federal work processes are organized in the fashion found in the private sector and the extent to which capitalists bring methods for controlling productive work into the federal sector. Capitalists operating within the state would challenge the pluralist and state autonomy notions that the state is sufficiently independent from particular capitalist interests to be able to provide an arena for democratic action and/or class struggle. If capitalist interests have been involved in the basic organization of federal work practices, that is, have helped shape them, then any class struggle would, at best, be limited by those interests.
CHAPTER 4

SCIENTIFIC MANAGEMENT

Introduction in Federal Work Places

While this research anticipated finding traces of scientific management woven into the fabric of federal employment legislation, the opposite was disclosed. Scientific management was implemented in federal work places in Army and Navy manufacturing and shipbuilding and repair activities without the benefit of legislation. To remove it from these work places, however, special legislation to rule it unlawful was enacted.

The scientific management which was adopted by the Army and Navy in the early 1900s was the same as that which Frederick Winslow Taylor, the father of scientific management, had started introducing in private industry in the late 1800s. It was a system of supervision in which the means, materials and methods of productive work practices were calculated with the aim of achieving the most efficient and economical way of performing work. It sought to intensify the manufacturing process in order to achieve greater productivity which would obviously benefit the Army and Navy by increasing their
production and reducing the time needed for repairs but also promised to enrich workers with premium pay for working at an accelerated and/or constant pace.

The focus of scientific management was on all work that required a cooperative effort whether it was worker-to-worker, worker-to-material, worker-to-machine, or machine-to-material coordination. However, it was done in stages, as General Crozier pointed out in his annual report for the Secretary of War (U.S. Army 1914). The first step of scientific management was to standardize the work process and the second step was to systematize the worker in concert with the machines and materials. With an emphasis on detail, Taylor had left no aspect of the manufacturing process to chance or tradition. From fabrication, to assembly, to the tools used, to the form in which the raw materials were introduced into the productive process, each component of production was examined and charted. Such calculations were to eliminate lost motion in unnecessary movements whether they stemmed from availability or type of materials used, their size, or the sequence in which they were used.

Additionally, scientific management involved determining the quickest time in which a job could be done by an exceptional worker, and then adding to it two-thirds of that time to set the standard by which the work was to be accomplished by all workers. Deliberately keeping the worker busy every minute of time set aside for work was the overall
intent. To do this, human responses to working at a pace devised by others were also calculated to determine the minimum rewards necessary to get the worker to perform the most work in the least amount of time. While Taylor proposed paying workers from 33 to 100 percent more for completing their tasks within the required time, the actual premium pay was normally around an additional 25 percent. Evans (1940) did not reveal the amount of extra pay which ended up in the compliant shipbuilder and repair workers' pay envelopes. However, the Army found that for ordnance activity in 1911, men in the Watertown Arsenal foundry increased their pay to "something over 25 per cent," but those in the machine shop earned a "little over 21 per cent of their wages" (U.S. Army 1914: 782).

In many cases additional wages did not compensate workers adequately enough to provide them with the incentive to accept scientific management. Scientific management's greatest drawback was its adverse affect on workers who were expected to forget how they learned to do their work, follow management's explicit instructions, and greatly increase their physical effort, while performing parts of a production job rather than all the tasks involved in its manufacturing process. As a consequence scientific management engendered worker antipathy which stifled its implementation (Edwards 1979; Nadworny 1955). Despite this inherent barrier to acceptance, scientific management nonetheless was applied.
The fact that scientific management emerged under a favorable social climate may have facilitated its acceptance. During the Progressive Era (1890-1920) mechanical efficiency was infused into a national consciousness for efficiency which had become translated into all that was good and desirable for the society (Haber 1964). More to the point, Evans (1940: 182) indicates that by the turn of the first decade of this century, "scientific management had become a household phrase, and the word efficiency was an American shibboleth." Having infiltrated all aspects of society, it is not surprising, then, that one of the first large-scale efforts at implementation of scientific management occurred with the federal government in the Departments of the Army and the Navy.

**Army and Navy Manufactories**

While Army Captain Henry Metcalfe (1894) introduced cost accounting methods associated with Taylor's scientific management at several arsenals in the late 1800s and although the Army more directly embraced the implementation of scientific management than the Navy in the early 1900s, it was the Navy which first directly requested information from Taylor regarding his scientific management method of work and attempted to fully implement this method (Nadworny 1955: 29; Evans 1940; Copley 1923). Naval Constructor Holden A. Evans had read Taylor's *Shop Management* paper, published in 1903,
and on his own initiative had applied his understanding of the principles of scientific management to Navy yard work at Mare Island in California where he was the head of the construction department (Evans 1940; Copley 1923b: 307-9). Evans (1940: 182) translated Taylor's principles of *Shop Management* into five steps:

1. Determine by careful analysis before work is undertaken exactly what is to be accomplished.  
2. Determine the best way to accomplish the work in the quickest time at the lowest cost.  
3. Employ the best machines, the best facilities and the best men available.  
4. Encourage cordial co-operations between management and employees in order that both may put forth the best efforts to secure low production costs.  
5. Keep an accurate record of the cost of the work in such detail that the various elements of cost may be quickly determined.

After successfully increasing output by applying these rules in the shops over which he was responsible, Evans wrote Taylor in 1906 to request more information and eventually sought, albeit unsuccessfully, to take a year's leave of absence from the Navy in order to work with Taylor (Evans 1940; Copley 1923b).

Even though Evans was the first naval officer to attempt to apply the principles of scientific management, he was not the only one. Over the years during Taylor's work at Midvale Steel, Bethlehem Steel and other industrial firms which handled contracts for military ordnance, Taylor had met and befriended the army and naval officers who had been assigned to monitor the accomplishment of government contracts. Having
seen the principles of scientific management in action under the direction of Taylor, many of the naval officers who later wanted to turn around the management of workers in navy yards believed that scientific management would help achieve that goal.

The nature of work in navy yards was largely comparable to that in commercial establishments, but the workers were not; they had been seen for some time as being inefficient (Cook undated). Evans (1940: 219) personally encountered "loafers and incompetents" among his civil service work force at Mare Island, but the poor work habits of navy yard workers, in general, were legendary in the business world. In 1909 Taylor (Copley 1923b: 302) in a letter to Evans noted how he had become aware of navy yard inefficiency when he was an apprentice and a foreman would tell the workers, "Here, young fellow, get a move on you. You ain't workin' in no damn navy yard."

Admiral Goodrich (Taylor Society 1920: 82) had also encountered problems with civil service workers at navy yards. The admiral called on Taylor professionally when he went to the New York navy yard as commandant in 1907 "to find an industrial situation which beggars description." There seemed to be, however, more problems at the yards than civilian workers loafing or soldiering. With Taylor's assistance in cutting the "inconceivable weaving of red tape," Admiral Goodrich not only introduced several experiments at the New
York navy yard, but also attempted to have them considered for Navy-wide implementation through Secretary of the Navy Truman H. Newberry. According to Goodrich (Taylor Society 1920: 83) these changes were possible because Secretary Newberry had great faith in Mr. Taylor's ideas and knew that the admiral would propose no scheme to him that had not been previously discussed between Newberry and Taylor.

Just before going out of office, Newberry had drawn up a comprehensive plan of navy-yard organization. Based largely on Goodrich-Taylor ideas, it contained some features for which he was solely responsible, and among these was the turning over of the management of the navy yards complete to the corps of constructors. Having gained the ear of Newberry, the constructors had convinced him as a business man that they were logically the people to run the yards. At this, line officers were aghast; and there developed as fierce a controversy between line and staff as ever had been known in the navy (Copley 1923b: 310).

While the proposed navy-yard reorganization may have been based on Goodrich-Taylor ideas, it also reflected the changes to increase efficiency Evans (1940: 355-374) had provided the Secretary. Evans (1940: 220) noted that

> With a few modifications, none very important, it [Navy Order 9] adopted as Navy law my plan for the reorganization of the navy yards.

But regardless whether it was Evans' plan that Secretary Newberry adopted as Navy Order 9, or came from Taylor through Admiral Goodrich, it contained Taylor's scientific management inasmuch as both Evans and Goodrich maintained professional and personal relationships with Taylor, and Evans (1940: 212) had sent copies of his plan to Mr. Taylor and other engineers
for criticism before he did anything else with it.

Naval Order 9, as decreed, was short lived. The Goodrich-Newberry (or Evans') plan had created too much conflict when it eliminated management jobs and relegated the former heads of the ordnance, equipment, and steam engineering departments to positions as inspectors. Evans, the ranking Naval Constructor at Mare Island, for example, was placed in what he called the mechanical superintendent position in charge of the departments and, in essence, the inspectors. The mechanical superintendent position not only required training and experience in industrial operations, but was given authority as second in command at navy yards. And, even then, were the commandant to overrule the mechanical superintendent in industrial matters, it would be immediately reported to the Secretary of the Navy.

Thus, on shore duty, seagoing officers would not be running the industrial operations as they had been doing. And, even if they were assigned as commandant, their authority in industrial matters would be limited. Needless to say, Naval Order 9 was not appreciated by the Sea Lords as Evans called them. Evans lost his job at Mare Island because of his involvement with the plan and the controversy over it was passed from Secretary Newberry to his replacement George von L. Meyer when President Taft took office in 1909.

The discordant views between line and staff officers became openly apparent in a line officer's point of view. He
suggested that Taylor’s scientific management was little more than the inclusion of some particular methods of work at navy yards barely distinguishable from the much larger Navy tradition of the pursuit of efficiency necessary to become battle ready (Tardy 1911; Cook undated). Besides devising the best methods, standardizing tasks, training, performing drills for proficiency and then timing and speeding up the process to hone wartime skills, the military aboard ship were equally able to apply these methods to other kinds of work. An anticipated two-day’s work of “scraping and painting ship, cleaning and polishing propellers, renewing zinc protectors, grinding in sea valves, etc.,” for example, was performed in one day because of planning the work in detail before the date of docking (Tardy 1911: 563-4).

Lieutenant Commander Cook (undated) felt that increasing naval efficiency using these methods occurred largely without the aid of scientific management formalized by Taylor and others. Claiming he had “no knowledge of the articles which had been published in the proceedings of the Society of Mechanical Engineers, and The Engineering Magazine, nor of other books on the subject,” Cook (undated: 81) slowly proceeded making changes in methods and details based on his training as an “ordinary naval officer, without previous experience in industrial management.”

In contrast, Lieutenant Commander Tardy (1911: 554) specifically had the ambition of applying Taylor’s principles
on battleships and toward that end spent two months of the summer of 1910 at the Tabor Manufacturing plant which Taylor used as a demonstration of scientific management in practice (Copley 1923a: 110; Copley 1923b: 317). Although Lt Comdr Tardy (1911) did not specify his connection with the Taylor system, he does note that as the Navy progressed in improving its battleship techniques Taylor's scientific management was known to at least one naval officer. The commander of the Iowa after the Spanish War of 1898, who had worked with Mr. Frederick W. Taylor "and imbibed some of his enthusiasm," was able to set a benchmark more than three times as high as the one it replaced.

Amid the dissension, Secretary Meyer ultimately took the line officers' point of view and developed a compromise plan of his own, but not until convening a Navy Department board at headquarters--the Vreeland Board of 1911--to study the navy yards and draft a plan for their reorganization. Membership included five line officers who were against scientific management (Admiral Vreeland, the Chair, Captain Theiss, Captain Fletcher, Captain Zane and Lieutenant Commander Tardy) two paymasters (Mr. Leutze and Mr. Conard) who were neither for nor against scientific management, and two naval constructors (George H. Rock and Holden A. Evans) who were in favor of scientific management.

Although Evans was generally in disfavor after being fired from his job at Mare Island, he was able to gain
Secretary Meyer's confidence and personally met with him at various times at Taylor's urging when Taylor felt that Secretary Meyer would see him. Through these meetings, Evans was able to get Secretary Meyer to agree to implement scientific management, however, every time political pressure was exerted, Meyer would change his direction. The Vreeland Board prepared three positions, the third being a compromise position which became the only possible course of action once Secretary Meyer withdrew his support of the first or scientific management position that the naval constructors supported. Besides the naval constructors being outnumbered, the paymasters, lacking commitment, would sometimes vote with them and sometimes against them.

The significance of the third position is that it left the seagoing officers in charge of industrial operations at navy yards; it merely added a works manager position under the commandant to oversee manufacturing and/or repair operations. Not only were the line officers secure in their positions on shore, but their having had the politically advantageous position may, in retrospect, have accounted for the Vreeland reports often addressing aspects of scientific management as modern management. It may have been the only way to have them accept any of the processes of scientific management.

Meyer's plan took this information from the Vreeland Board (U.S. Navy 1912) into account, sought advice from Taylor and his followers (Gantt et al 1912), as well as reviewed how
the English Vickers plant had installed scientific management (Willits and Theiss 1912). Although scientific management organization and methods were fully known to Meyer, his plan was a political decision to support the seagoing officers at the expense of industrial progress. Thus Meyer, a consummate politician, struck a compromise which reflected his years of experience in politics and diplomatic positions.

Meyer was a Harvard graduate, Massachusetts politician, wealthy gentleman of social aspirations, and under the administrations of Presidents McKinley and Roosevelt successively Ambassador to Italy, Ambassador to Russia, and Postmaster General (Evans 1940: 230-231; Copley 1923b: 310). Perhaps not surprisingly, he conceded to line management, and scientific management was never as fully implemented by the Navy as it could have been, and certainly never as fully implemented as the industrial managers wanted it to be.

Navy workers, too, had been less than supportive of following the principles of scientific management. Evans (1940) introduced scientific management at Mare Island after he offered to accept the resignation of two supervisors who would not only not respond to his suggestions but refused to follow orders. And although their resignations started an overall acquiescence toward Evans' innovations, workers still did not openly embrace the changes Evans introduced. When he introduced scientific management into the machine shop, the opposition, which had arisen to all his reforms, became very
active and protested to Washington (Evans 1940: 180-183). They did not prevail, however, as the Navy Department supported Evans' replacement of skilled machinists by helpers at the turret lathes on repetition work. The work not only did not require skill, but the helpers were turning out "half again as much" output as the machinists. Thwarted in their attempt to have the Navy stop Evans' changes, the navy yard unions appealed to the "unions and central bodies in San Francisco and other Bay cities." The issue moved from being a problem workers had with their boss, to a problem the yard union had with management, to a problem labor unions had with industrial work management generally.

First, labor sought management concessions through negotiation and mediation. When that did not produce the desired relief, they enlisted assistance from workers outside the work place. Interestingly, the outside unions requested that businesses arbitrate the issue. After business leaders visited Mare Island, learned the processes and noted the increase in production, they supported Evans. Of course, that action did not placate the workers and labor-management relations continued to be tense until the first strike in navy yard history occurred when the "riveters 'downed tools' and walked out" after Evans (1940: 202-203) installed rivet removing as piece work. Evans met with the strikers, promised that nobody would suffer and most would benefit and was able to talk them into voting to return to work, to the union
officials' chagrin and the Secretary of the Navy's commendation. Labor challenges in the Army ultimately had greater success.

During this opening decade of the 1900s, the Army also made several starts at implementing scientific management in the manufacturing shops of its arsenals and was somewhat more successful than the Navy at doing so. Army arsenal management, which did not experience the same organizational problems between line and staff officers as that experienced in the Navy, embraced Taylor's principles of scientific management. This receptivity may have been due to the functioning of the army arsenals as a more professional activity; they were staffed with engineers educated to analyze and solve problems. According to Major General Crozier (1920), leadership in the army arsenals was generally held by the most capable military officers, and the designing and constructing ordnance officer was a mechanical engineer. Since 1832, ordnance officers had been supplied by the Military Academy at West Point with the second highest graduates appointed to the Ordnance Department. And, in 1863 an examination was instituted as a condition of promotion for ordnance officers "some twenty-seven years before this requirement was prescribed for officers of the Army at large" (Crozier 1920: 4-5).

Additionally, there was no splitting of interests between line and staff leadership inasmuch as the Army arsenals were
in the Ordnance Department chain of command. Thus, run by the most capable officers, many of whom were educated engineers capable of moving up into staff positions, the ordnance manufacturing shops at Army arsenals provided the type work, workers, and leadership which, together, were conducive to the application of Taylor’s mechanical and industrial engineering ideas. They were not, however, smoothly introduced.

Introduction of scientific management into the Army occurred in 1908 when Major F. E. Hobbs was the commanding officer at the Rock Island arsenal. Hobbs had met Taylor earlier at Midvale Steel when he was an observer there overseeing contracts for the Army Ordnance Department (Nadworny 1955: 31; Copley 1923b: 329). Hobbs’ efforts were suspended, however, when workers lodged objections with their congressional representatives who, in turn, brought pressure to bear on the Secretary of War. Inasmuch as 1908 was an election year, Major General Crozier decided to wait for a calmer political climate and did not approve the implementation of Taylor’s system (this time at the Watertown Arsenal in Massachusetts) until 1909, after the appropriations bill had been passed.

Carl G. Barth, one of Taylor’s experts, began implementing scientific management at Watertown in June 1909 after President Taft had waived civil service regulations so that he could be hired by the Army (Crozier 1909; U.S. CSC 1909). And as the standardization and systematization of the
manufacturing process was initiated at Watertown, it was, in turn, extended to other arsenals. Again, the Rock Island arsenal machinists, sensitized from the earlier attempt to apply scientific management, objected when the job card on which to record work information was issued and, with the assistance of organized labor, were able to get the Congressional Committee on Labor to investigate labor's opposition to scientific management. Watertown workers, on the other hand, seemed receptive even as time-motion studies of the workers' efforts were slowly, without incident, started in the machine shop in May 1911 by Dwight V. Merrick, another Taylorite who was also hired with a presidential waiver of civil service regulations (Copley 1923b: 338; U.S. CSC 1911). By August, however, when the time studies moved to the foundry, labor problems arose when all the molders quit after one of the workers who refused to submit to timing was fired. They returned to work a week later with the understanding that the matter would be investigated by General Crozier. Although the Army leadership was united in its desire to use Taylor's principles of scientific management in the arsenals, it also was stifled in fully implementing them. The primary opposition confronting the Army's application of scientific management came from the workers who objected to time studies.

A summary of the civil service workers' complaints is found in two petitions submitted to the Secretary of War requesting the Taylor system and its stop-watch methods be
discontinued at the Watertown arsenal (U. S. Army 1914). The petition of June 17, 1913, represented 349 of a total of 373 workers employed as molders, pattern makers, carpenters, painters, blacksmiths, laborers, machinists and helpers. The petition of June 21, 1913, was presented by representatives of the machine shop, blacksmith shop, foundry, pattern, carpenter, paint and yard laboring operations. The grievances disclosed a range of perceived injuries caused by scientific management.

Although premium pay was to be the feature of scientific management which would cause the worker to accept it, these federal workers were not in favor of scientific management remaining in their work place because they claimed that premium pay was applied inequitably. It was not paid on all jobs and an unskilled laborer could receive premium pay over a skilled craft worker. And, if there was no outside premium pay, then the pay remained the same for doing the work. (These workers also believed that the greater administrative costs the government had to pay for the nonproductive employees involved in the implementation of scientific management would cause their work to be outsourced to private industry where it would be less expensive to accomplish.)

Watertown workers found the stop watch humiliating. Timers would argue with the skilled workers, times for work processes were sped up, and unattainable lesser times were established for tasks. Workers further suffered from the
system when compressing work times caused lack of work (a painter was suspended for lack of work) as well as an increase in the number of accidents. In addition to the workers being harmed, the work was characterized by increased error rates and rejections. According to the allegations in these petitions, there was nothing about scientific management that was worth continuing. It was injurious to the worker, the product, and it cost more than it saved.

General Crozier, the U. S. Army Chief of Ordnance, did not concur in these arguments and presented a different view. Answering the petitions at length in a memorandum for the Secretary of War, General Crozier (U.S. Army 1914) addressed each allegation individually pointing to an incomplete or erroneous representation by the workers. The stop watch system, for example, was nothing more than an attempt by management to learn the time in which a job is to be done and the best sequence of movements for performing it. An individual would time the various component elements of a work process several times in order to not only arrive at a reasonable time for its accomplishment; its "task time," but also to identify the best sequence of movements and periods—whether elements should be performed simultaneously or successively. Having distinguished the required task time and the most efficient method, the workers were not required to perform "unpleasant exertion," and received their regular pay. They earned a premium pay when they would meet the task time
or complete the work in less time.

To illustrate that the accident rate did not increase with premium work, General Crozier pointed to the machine shop where premium work had been increased by 300 per cent but worker accidents increased by just 8.1 per cent. Furthermore, upon being asked, no workers were found to be failing in health from working under the principles of scientific management. And, while there may have seemed like there were more work rejections, in fact, there was more quality control of not only the finished product, but work in progress with no distinguishable difference in rejections between work performed by day workers or those on premium work. Overall, General Crozier pointed to the advantages to both the workers and to the Army by the use of the premium system: for the 17 months prior to May 31, 1913, workers were paid $22,257.82 over and above their standard daily wages. A further examination revealed a 200 per cent increase in output in a review of 39 different jobs. Clearly, the Chief of Ordnance painted a very different picture from that depicted by the disgruntled civil service workers.

General Crozier's attitude closely aligned itself with that of Taylor's insofar as he saw worker unhappiness with scientific management being fed by the outside influence of labor organizations—worker unions which, he felt, had not taken the time to investigate the application of scientific management in the arsenals. Including a circular distributed
by the International Association of Machinists during the Rock Island employee protest in his 1911 Chief of Ordnance report, General Crozier suggested that labor organizations could better serve their members were they to investigate the actual application of scientific management (then they would see the beneficial effects accruing to the workers) (U.S. Army 1914).

Organized labor, however, had learned enough about scientific management to know it was an assault on the worker as well as on the principle of collective bargaining upon which organized labor was founded. Labor was, therefore, not inclined to wait until the system of scientific management was fully implemented in government work places to voice its disapproval. Whether responding to Taylor's ideas as presented in Shop Management or to workers' fears and objections as it was being implemented, organized labor attempted to show congressional committees addressing scientific management that it was sweatshop management which would enslave American workers and that it should be stopped.

Two subcommittees of the House Committee on Labor were convened specifically to address scientific management in government work. The first was assembled in 1911 to hold hearings to investigate the effect of the Taylor system of shop management on employees, its applicability to government work, effects on wages and labor costs, possible reduction in manufacturing expenses, and to what extent it was being adopted in government work and its effect. And the second
subcommittee, formed in 1916, was for the express purpose of considering House Resolution 6665, a bill to regulate the method of directing the work of government employees, or more pointedly, to eliminate the Taylor system from all federal work.

Labor laid significant groundwork for their case at the 1911-1912 hearings convened to investigate the Taylor system with testimony ranging from an analysis of Taylor’s published studies on scientific management to worker complaints based on their experiences. A machinist and a labor official representing the Rock Island arsenal workers, N. P. Alifas, opined at these hearings that based on his reading of Shop Management, the Taylor system generally lowered wages, speeded up work and deskilled work (U.S. House of Representatives 1911: 10-21). The only workers who might benefit, he suggested, were unskilled laborers who would be paid a little more than they would receive as laborers but far less than the skilled machinists they were replacing. And, laborers were receptive not only because of the additional wages which rewarded their compliance with management’s work direction, but also because they did not fully understand the work and were not in a position to question task times established by management.

The depths to which scientific management could sink, however, was delineated by Samuel Gompers, President of the American Federation of Labor (U.S. House of Representatives
1911: 22-34), in his indictment of scientific management. After establishing that Taylor had introduced scientific management at the Midvale Steel Company, Gompers presented testimony given eleven years earlier before the Committee on Labor of the House of Representatives on March 1, 1900, by a Mr. Harrah, president of Midvale Steel.

Harrah had testified that when they were experimenting with scientific management they did, in fact, apply oppressive procedures. When implementing time management, for example, they had their inspectors watching the workers very closely to see that there was absolutely no lost time: "We had men with stop watches over the workmen working on an axle lathe, or whatever else it might be, and every time a man looked up they took his time; every time he stopped to breathe they took his time, and in that way they got absolutely the amount of time employed in doing a certain amount of work" (U.S. House of Representatives 1911: 25).

Harrah further testified that when workers passed inside the gate, they had to stay until their day’s work was through. And, if a machine did not break down within the time that constituted its normal work life, he would "go for" the person in charge of the work because he knew that person was not assuring the workers were operating at their maximum. When asked whether everything was run to full capacity, Mr. Harrah replied, "Yes sir. We have absolutely no regard for machinery or for men." Gompers, in essence, had management experienced
in using the scientific management method of work accomplishment validate organized labor's greatest fears.

Gompers then linked scientific management to death, slavery and the inability of a nation to adequately protect itself if it did not protect its workers. He pointed to the 150 women workers who had died in a shirtwaist factory fire in New York because they had been locked in to insure their work was done. And using Harriet Beecher Stowe's *Uncle Tom's Cabin* to make the point that while every instance of slavery depicted in that novel did not occur continuously under slavery, so also the incidence of inhumanity under efficiency work systems may not be a continuous process. Nevertheless, when they occurred, they devastated the individuals who suffered them, such as the Rock Island worker who was demoted and had his pay permanently reduced because he had to miss work due to quarantine, isolation and burial when his son contracted diphtheria and died.

The possibility that the overwork inherent in efficiency systems could have a more encompassing detrimental effect, however, emerges when Gompers pointed to the contrast between the "weazened, thin-chested, and undersized" condition of overworked English factory workers and the more robust German factory workers. Greater consideration was given to the industrial condition of Germans because factory workers were expected to become their soldiers in wartime. In this way Gompers provided lawmakers with multiple images of how the
oppressive conditions inherent in scientific management could be expected to not only damage American workers but could, in turn, adversely affect the economic and political well-being of the country.

Other labor representatives concurred in Gompers' judgments and went on to emphasize additional debilitating features of Taylor's system. James O'Connell, International President of the International Association of Machinists (IAM), felt that Taylor's system dehumanized the worker insofar as it rejected workers' mental ability and wanted them only for their physical capabilities in the manner of animals responding to direction (U.S. House of Representatives 1911: 34-41). He also condemned any type piece work as being patently unfair which was evident in its history. Once piece work was established, management would reduce the price per piece by finding workers who would work for less. Not only did piece work undermine collegiality among workers by fostering competition, but it also separated the younger workers who could produce at a faster pace from their older counterparts.

Frank Jennings, representing the Boston Machinists' Union, supported these views and further condemned piecework and the efficiency system as methods for increasing production at a lessened cost, that is, increasing profits at the expense of workers. Jennings granted that while piece work might start off offering fair wages for the work, it digressed into
little more than "industrial cannibalism." Workers in the Boston-Cambridge area, for example, could initially work under a fairly reasonable piece-work rate, but then their rates would be cut down to a "ridiculously small figure." Further, piece work did not fit in most shops where the piece sizes varied nor was it acceptable where piece rates were set solely by management without worker concurrence (U.S. House of Representatives 1911: 20-22).

Individual workers, too, voiced their opposition to scientific management in the 1911-1912 hearings. Molders, machinists, blacksmiths, sheet metal and other workers provided a litany of personal and coworker experiences, including having times cut after they had been set, close supervision by those implementing scientific management, skilled workers being told how to do the work by inexperienced managers, and a continuous pattern of speed-up to turn out ever greater production. Thus, while the machinists at Watertown may have accepted Merrick's time studies because he had machine experience and the foundry workers rejected them because of his lack of foundry experience, all types of workers came forth with criticisms which supported Mr. Harrah's earlier testimony that had been presented by Samuel Gompers at the beginning of the hearings.

All voices of opposition, however, were heard only after scientific management had been implemented. To the worker, the cause was personal to his everyday work life. To
organized labor it was equally significant. Government workers engaged in manufacturing work may have comprised only a small segment of American workers, but their situation was strategic. The implementation of scientific management in government work could appear to have a "government stamp of approval" which would only support its further use in private industry (U.S. House of Representatives 1911: 37). Thus, labor was fighting for recognition and the life of collective bargaining when it was opposing Taylor's system of scientific management in government work.

Following these hearings, the special committee's final report in 1912 supported management's implementation of scientific management but encouraged management to "put forth every effort to invite and induce full cooperation between the working force and themselves," in its implementation (U.S. House of Representatives 1912: 7). Stop-watch time study was not to be made without the consent of the workers, and the bonus and premium work was likewise to be introduced only with mutual consent. Management, however, continued with business as usual because these recommendations were not mandated, and organized labor continued to work toward the elimination of the principles of scientific management in government work.

By March 1915 organized labor was able to get clauses added to the Army and Naval Appropriations bills prohibiting the essence of Taylor's system, time study and premium pay. Specifically, it stated:
...That no part of the appropriations made in this bill shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch or other time-measuring device, a time study of any job of any such employee between the starting and completion thereof or the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this bill be available to pay premium or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant; and no claim for services performed by any person while violating this proviso shall be allowed. (Army Appropriations Act, P.L. 63, Chapter 143, March 4, 1915).

The rider to the Naval Service Appropriations Act, Public Law 63, Chapter 83, March 3, 1915, contained almost identical language.

Despite these explicit mandates, the provisions did not eliminate the use of scientific management in government work because they only covered work paid from these particular appropriations. Scientific management was continued at the Watertown arsenal, for example, using funds from the Fortifications Act appropriations. It is not surprising, then, to see the same prohibitions applied to two more appropriations bills in 1916. On July 1, 1916, Public Law 64, Chapter 209, covering Appropriations for Sundry Civil Expenses included a prohibition against time study and premium pay. And, on July 6, 1916, the Fortifications Appropriations Bill (Public Law 64, Chapter 225) contained a similar prohibition.

Prior to the enactment of these two new riders to
appropriations legislation, however, organized labor was attempting to get a law passed to prohibit the implementation of the principles of scientific management in all federal work. Consequently, the 1916 hearings on H.R. 8665 provided an arena in which labor and management both attempted to achieve their incompatible objectives. Labor wanted legislation that would shield government workers regardless of the source of the monies used to pay them. And management wanted the practice of scientific management to remain in federal work inasmuch as its wholesale elimination would be tantamount to its rejection by the government which could obstruct its use in all manufacturing activities.

Entry of Scientific Management in Federal Work

In this brief sketch, it becomes clear that Taylor's principles of scientific management were not imposed on federal military manufacturing work centers, rather they were introduced into the federal work place at the request of military officials responsible for accomplishing the work. Several factors may account for management's ready acceptance of scientific management: a conducive social climate; a personal and professional fraternization between military officers and capitalists through professional societies and a movement of military officials into private industry along with political appointments of upper class and/or corporate scions into government positions; and Taylor's position as a
capitalist selling scientific management as his product.

The national social consciousness was very conducive to the introduction of the concepts and practices of scientific management into civil service industrial work. At the time scientific management was starting to appear in the federal work shops, the Civil Service Act of 1883 reforming federal employment practices had only been in effect for two decades. While the Civil Service Act signaled the need for capable workers to perform government work, it was followed by a period in which committees were established, one after the other, to review methods of business in the executive departments to assure their capable employees operated in an efficient and economical way.

The Cockrell Committee, established in 1887, continued until 1889 to investigate the methods used by government business and work. Then, from 1893 to 1895, a joint commission of the House and Senate, the Dockery-Cockrell Commission, was charged with continuing the efforts of the Cockrell Committee. The Dockery-Cockrell Commission was not only to look at business practices, but to assess their governing laws, rules and regulations and "the time and attention devoted to the operations...by the persons employed therein, and the degree of efficiency of all such employees" (Weber 1919: 66).

The next review of federal business methods was undertaken by the Keep Committee (or Committee on Department
Methods), in effect from 1905 to 1909, which was then followed by the President's Commission on Economy and Efficiency from 1910 to 1913 for the purpose of "...inaugurating new or changing old methods of transacting such public business so as to attain greater efficiency and economy therein...." (Weber 1919: 84). Such continuing efforts at efficiency and economy at the national level could not have escaped influencing the Secretaries of War and the Navy and the generals who worked at that level. The implementation of scientific management at navy yards and army arsenals occurred with the participation and/or knowledge of these leaders in Washington. Even Naval Constructor Evans apprised the Secretary of the Navy of his early efforts of incorporating the principles of scientific management in Mare Island shipbuilding and repair activities.

Beyond accepting the Presidents' concerns for efficiency and/or economy, military leaders may have been personally motivated to implement scientific management for its future effect on their employment opportunities. According to labor leader Alifas, officers who gained experience as managers in government industrial plants could be offered good positions with private manufacturers by operating a government plant as efficiently as it could be operated and make the workers work just as hard as they could be induced to work (U.S. House of Representatives 1916: 242).

Whether they were motivated for professional or for personal reasons, military leaders were provided the means to
realize both objectives (to increase efficiency in government manufacturing as well as improve future employment prospects) through their close involvement with businessmen, many of whom were experimenting with Taylor's scientific methods of work. Contracts for war materials with private shipyards and steel companies such as Midvale or Bethlehem where Taylor personally practiced the principles of scientific management not only brought military observers into contact with Taylor and his followers but also gave them the opportunity to view the effectiveness of his system.

Taylor established key army and navy contacts while he was at Midvale Steel conducting experiments in scientific management during the 1880s (Kanigel 1997; Copley 1923). Although the army arsenals manufactured artillery, and navy yards were involved in manufacturing as well as shipbuilding and repair, such in-house efforts were not sufficient to arm the military. Consequently, contracts for weaponry were let with private manufacturers, one of which was Midvale Steel. And, while the military interests appeared to be separate from the interests of private industry, they may have, in fact, been more similar. Sanford E. Thompson (Taylor Society 1920: 67) noted in his address at Taylor's memorial meeting in Philadelphia, PA, October 22, 1915, that Taylor had caught the attention of a "group of capitalists who, as government officials in the War Department, had noted Mr. Taylor's accomplishments in the manufacture of war materials at
Midvale." At the same memorial, Admiral C. F. Goodrich (Taylor Society 1920: 81-86) recognizing Taylor's services to the National Government, acknowledged that he had first met Taylor in 1885, and they became lifelong friends after their dealings in 1889.

Moreover, the military were involved in industrial concerns. Commander Robley D. "Fighting Bob" Evans and Commander Goodrich received leaves of absence from the Navy Department in order to run the Appleton, Wisconsin, and Madison, Maine, paper sulphite mills which converted wood into paper. These two mills were under the management of the Manufacturing Investment Company over which William C. Whitney, Secretary of the Navy under the Cleveland administration, was president. Not only did Whitney contact Taylor while he was reforming the post-Civil War Navy to offer him the job of running the Washington navy yard (Taylor turned it down), but he also kept his corporate contacts through his wife who was the sister of Colonel Oliver H. Payne, a multimillionaire associated with Standard Oil Company and the American Tobacco Company (Kanigel 1997: 241-2; Copley 1923a: 332-337). Whitney was a political-economic bridge between corporate America as it was then and military operations.

Taylor himself was born into a Philadelphia family which had inherited wealth amassed by Taylor's grandfather as a merchant, and enlarged it through real estate investments and the founding of the Farmer's National bank. Growing up in
"relaxed wealth" Taylor was educated at the prestigious Phillips Exeter Academy in Exeter, New Hampshire, which was "well-endowed and well-connected, with a glorious pedigree" (Kanigel 1997: 74-75). So while he did not continue his education into Harvard with many of his Exeter classmates, Taylor was nonetheless connected enough to enter factories to carry out his experiments scientifically managing industrial work processes. His background and work experiences, however, led him to become an entrepreneurial capitalist whose product was information.

Taylor may have broadcast his scientific management with religious zeal, but he charged for his services as a consulting engineer in industrial management. Although he was not of the "hoggish" nature that he saw financiers to be, making money for money's sake, he obviously enjoyed living well and liked having substantial wealth; a standard of living he sought to replenish after his association with the Manufacturing Investment Company failed to enrich him and a Depression adversely affected his usual earning power (Copley 1923a: 384-389). With his background and profession, Taylor was a link between the upper class, the very wealthy, competitive capitalists running businesses, and the military officer corps.

Another avenue by which Taylor became known to military leaders was through the American Society for Mechanical Engineers where he met engineers from around the country
That engineers, regardless of their employers, share a meeting of the minds was expressed by Copley (1923a: 335) when he documented that:

The government inspectors at Midvale were drawn from the officers of the army's Ordnance Department and the navy's Bureau of Construction and Repair; and it is highly significant that throughout Taylor's career the men who officered these government departments were, with their engineering education and disinterested professional outlook, practically unanimous not merely in their approval of but enthusiasm for Taylor's leading management principles and methods....

General Crozier (1920: 13) acknowledged that when they were facing personnel shortages during World War I, the Ordnance Department turned to business associates found among engineering societies including the American Society of Mechanical Engineers (ASME), Institutes of Technology, including the Stevens Institute from which Taylor obtained his engineering degree, and "from efficiency engineers with wide professional acquaintance."

In summary, federal military management was intertwined with that of private industry through professional associations, social contacts and work experiences. Individuals, not rules, were responsible for introducing the principles of scientific management in federal work places. And because there was no federal order or law requiring it be implemented, it was done in somewhat of a piecemeal fashion. Individual management officials in the Navy started trying it at Navy yards and attempted to sell it to top management. Its
use in Army arsenals, however, did have the support of top management in the Ordnance Department, which may account for the greater and more concerted effort at implementation in Army arsenals. The introduction of scientific management into federal work forces presents a commingling of interests between the state and industry, an acceptance, by government leaders, of the desirability for work efforts to be aimed toward maximum production despite their effects on workers. Clearly, the introduction of scientific management was not accomplished as a result of a diffusion of power from an interplay of diverse groups. Scientific management served capitalist class interests. Besides personally benefitting Taylor, its governmental use would act to legitimate its implementation in private industry. Further, the class struggle inherent in this situation became apparent as labor unions took exception to its implementation.

Cessation of Scientific Management in Federal Work

While federal military managers may have implemented Taylor's principles of scientific management voluntarily and without fanfare in the course of their normal operations, they were almost immediately rejected by both federal workers and their unions. Civil service workers at the Mare Island Navy Yard challenged them as they were implemented but were ultimately talked into working under them. Army workers at the Rock Island arsenal, on the other hand, rejected them
before they were even put into effect.

Rock Island labor representative Alifas claimed that the first awareness at the Rock Island arsenal that the Taylor system might be implemented was when they found a copy of Taylor's book *Shop Management* on the desks of several of the officials in the machine shops. He indicated that they, too, read the book at that time "and concluded that that sort of system was not the kind that was going to be beneficial to the workmen, and we protested against its introduction" (U.S. House of Representatives 1916: 194). Nevertheless, following this initial protest, Taylor's principles of scientific management were implemented at several arsenals, most fully at Watertown, before labor organizations were able to muster enough congressional support to get legislation to remove it from these federal work places.

Scientific management was routed due to the concerted and persistent efforts of organized labor. Organized labor objected to every aspect of Taylor's system, from the program Taylor first delineated in *Shop Management* to its practical application. Not only did scientific management want the worker to work harder while management reaped the profits, but it also relegated decisions regarding work processes solely to management, discouraged collective bargaining, and found unions unnecessary. To organized labor work management fell within the purview of the worker who was the expert. Work procedures would, at most, be a negotiated process. Under
scientific management, on the other hand, management would make all the decisions and if there was any negotiation it would be with the individual workers, often in the form of a "take it or leave it" offer. True to Taylor's advice in Shop Management, recalcitrant workers were fired. Clearly, organized labor had to take a stand against the implementation of scientific management because it was intrinsically against worker rights and collective bargaining.

The process of removing it was, however, tedious. Scientific management was openly used in federal work places for seven years. It was started at Watertown in 1909 and remained there until the rider to the Fortifications Appropriations Act in 1916 prohibited its further use. The 1911-1912 congressional hearings to investigate the Taylor system of shop management were inconclusive. Much like an arbitrator's decision that often "splits the baby," the conclusions and recommendations offered by the special committee conducting the hearings both supported management's use of scientific management and labor's objections to it. Scientific management could be continued in government work but its full implementation could only happen with labor's concurrence. No legislation was proposed. And, management ignored the recommendations.

Labor continued its efforts and finally in 1915 was able to get riders attached to Army and Navy appropriations bills which prohibited the use of these appropriations for time
study and premium pay. Despite these laws, scientific management was continued at the Watertown arsenal using monies from the Fortifications Appropriations Act. In July 1916 this loophole was closed when similar prohibitive clauses were added to both the Fortifications Appropriations and the Sundry Civil Expenses Appropriations bills. Prior to these 1916 riders, however, labor had started efforts to get an all-encompassing law passed which would prohibit time study and premium pay in all federal work, House Resolution 8665, a bill to regulate the method of directing the work of government employees.

Although no legislation resulted from this bill, its hearings encapsulate the struggle that was occurring between labor and management over scientific management. Management, represented by the National Association of Manufacturers (NAM), business owners and industrial engineers, was annoyed yet firm in its resolve to fully present a case for scientific management since it had not been able to do so prior to the riders prohibiting time management and premium pay being attached to the Army and Navy appropriations bills.

Including with his testimony an editorial which had been published in The Engineering Magazine in April 1916, Mr. John Dunlap, editor of the magazine, noted that not only had no public hearing ever been given but that the "vast majority of Congressmen and Senators were so wholly uninformed upon the subject that the rider was passed by the House practically
without debate" (U. S. House of Representatives 1916: 87). He further charged that labor leaders had been able to pass the legislation without hearing or debate because of a conspiracy led by Congressman Buchanan of Illinois. Consequently, prior to the hearings on H.R. 8665, a group of 10, representing leading engineering societies, the National Association of Manufacturers, the National Metal Trades Association, and many local chambers of commerce, launched an all-out effort to adequately inform Senators and Congressmen about the dangers of removing the practice of scientific management from federal work.

Management representatives at the committee employed every approach possible to sway committee members. But it seemed quite clear, as management members were prodded for information regarding the intentions of the group of 10, who the members were, how it was operating, etc., that some officials had already accepted labor's arguments. Nonetheless, individuals testifying in favor of scientific management brought many positive anecdotes to the hearings, especially from businessmen who had implemented the principles of scientific management and their workers. Scientific management, they alleged, was pretty much a standard feature in private employment. While James A. Emery, counsel for the National Association of Manufacturers (NAM), could not specify the precise proportion of the 4,000 NAM members which had installed scientific management, he reported that there was
hardly a plant in which the principle behind scientific management was not more or less in operation (U. S. House of Representatives 1916: 16).

At length, individuals highlighted the beneficial aspects of scientific management, how it eliminated waste of men and of time, and how, if it were not an approved practice, only the opposite—inefficiency and waste—could occur. By producing letters from workers supporting scientific management, they also attempted to show how labor unions and scientific management were not inconsistent. John Dunlap, acknowledging that he was not there to defend the Taylor system, went so far as to repudiate Taylor by pointing out the extremism of Taylor's pig iron experiment. Feeling that Taylor's experiment was to make the point of what was possible with work management, Dunlap testified that Taylor consequently gave a wholly false impression of what constituted scientific management. Henry R. Towne of the Yale & Towne Manufacturing Co. and also representing NAM at the hearings, made the point that modern industry was moving toward paying by the piece because it was only fair that the faster and harder workers receive higher compensation.

The greatest fear that management seemed to exhibit at the hearings was that were H.R. 8665 to become law, it would cause a chain reaction leading to the elimination of scientific management in private industry. The bill, however, was not passed into law. Again, the lack of legislation seems
to be an appeasement to both sides. No legislation meant no governmental endorsement against scientific management. And, the riders on the appropriations bills granted relief to labor's concerns.

With the exception of these riders on the appropriations bills prohibiting the management practices of time study and premium pay, other legislation regulating civil service employment has generally addressed issues incidental to getting the work done. The management style or control that can be practiced on the job to accomplish federal work has been left to the discretion of management. Nevertheless, since the Civil Service Act of 1883, which checked federal managers' power over who works for them, when the person is eligible for rewards or promotions, or how much the employee is paid, there has been continual dissatisfaction with the civil service system because of its bureaucratic rules or "red tape."
CHAPTER 5

CIVIL SERVICE LAW AND REFORM

Civil Service Act

The Civil Service Act seems to stand almost alone in its charter for reform. It occurred during a period of great social change at a time when government was being called upon for greater involvement. Most of the 1800s had been tumultuous times marked by economic expansion with great industrial growth and extraordinary population increase through immigration. The labor situation in private industry was contentious and constantly changing. In 1883 at the time the Civil Service Act was passed, the New York Times reported numerous labor strikes in progress or being contemplated. There was a Western Union strike in which telegraphers in major cities in the East and Midwest were participating, an impending strike of the iron manufacturers and workers, a puddlers' strike at Reading ironworks, and strikes by coal miners, railway laborers, and tobacco stemmers and cigar workers. Various workers' organizations were agitating for a half holiday on Saturday, and they were raising the issue of the Irish paupers who were arriving en masse and being paid
lower wages for unskilled work. Also the affect of convict labor on competition was an issue. Thus, the first reform of the federal civil service occurred within a context of employment unrest in the private sector which had placed greater demands on the government.

Yet, at this time when government was expanding, employment in federal work was based on who federal office seekers knew, what party they represented, and/or how much support they could realize. "Office-beggars," for example, sought positions through the circulation of petitions gaining signatures from the public, a practice which apparently became so routinized that individuals would sign papers thrust in front of them without reading them. A February 25, 1877, editorial in the Chicago Tribune (1970: 49-50) questioning the rise of petitions being circulated to appeal for employment by President Hayes ironically notes that just such a state-level petition circulated in 1869 to arrest and remove the citizenship from the Speaker of the House in the General Assembly was signed "conspicuously and officially by the gentleman whose banishment was asked." Such editorials not only took the petition practice to task but helped keep alive a concern for civil service reform after legislative reform in 1871 to give President Grant the authority to prescribe regulations for the admission of persons into the civil service failed when Congress did not continue to appropriate funds to support the testing of applicants. General media
coverage also helped highlight the need for reform. The *New York Times*, for example, ran an article a month regarding civil service reform from January through June 1874. Legislative reform of the civil service had long been politically and publicly debated. Thus, the assassination of President Garfield in 1881 by a disappointed office seeker impelled congressional action which not only got civil service reform legislation passed but the funds set aside to support it.

The Civil Service Act of 1883 contained few requirements that directly infringed on management’s ability to direct work. Its primary emphasis was on the establishment of a system which would stop patronage hiring by removing from management the absolute control over the individuals hired into the civil service. That is, it supplanted key elements of simple control with bureaucratic control. Rules replaced personal decisions, particularly in the hiring of federal workers. In addition, the execution of those rules was moved from the supervisor/manager to the Civil Service Commission (CSC).

The multitude of changes effected by the Civil Service Act centered around the establishment of the Civil Service Commission to promulgate the act and execute a personnel system based on merit. It established the Commission as a politically diverse group of three to attend to the civil service and assist the President in preparing suitable rules.
for carrying the act into effect, allowed for administrative assistance for the commission, contained provisions for appointing individuals to carry out the examination function, identified types of positions to be brought under the classified service requiring examinations, and established prohibitions regarding political activities and assessments. Provisions which comprise the core of a competitive civil service to curb management’s control over workers, are contained in Section 2 of the Act which profiles criteria for entry into the federal civil service.

Specifically, the Act called for competitive examinations (or noncompetitive examinations when there were no applicants for the competitive classified positions); selection of those ranking highest on the examinations; apportioning workers in Washington, D. C., by the states from which they came with an oath taken by the new civil servants swearing to their place and length of residence (which would assure that all workers at the seat of government would be proportionately distributed); and a six-months probationary period. It also prohibited employee political contributions and the use of authority inherent in federal positions for political purposes. Agencies were to keep records of these hiring activities and provide the Civil Service Commission the names and addresses of their federal employees, those terminated during the probationary period, and all transfers, resignations and removals. In short, federal workers were to
be hired through the Civil Service Commission based on what they knew, not whom they knew; and, in this sense, the federal civil service became a model employer.

Under the Act, the day-to-day management of the federal work force was left to the discretion, or design, of management. Even the ability to fire workers at will, the ultimate management leverage used to dominate workers and a key aspect of simple control, was not a part of the Civil Service Act of 1883. The Act constrained hiring procedures by requiring that employees be hired based on merit, but it contained no removal provisions that required employees be fired only for work related reasons. Terminations were merely to be recorded and provided to the Civil Service Commission. Not addressing the termination of workers could have been viewed as a serious omission insofar as firing employees at will had been commonplace under the political patronage system. When a new person was placed in charge of an agency, he normally fired his predecessor's staffs and gave the jobs to his friends, family and partisan political supporters. On the other hand, not being able to make personal appointments hampered any removal to provide a place for a supporter even were they able to be referred through the Civil Service Commission. Nonetheless, by 1897 bureaucratic control was extended by President McKinley to include removal procedures.

Federal employee removal procedures did not take away management's ability to discharge workers who would not
perform the work according to management's direction, or even those who could not do the work. Rather, it required removals from the competitive classified service be for just cause as would promote the efficiency of the service and the reasons had to be given to the worker in writing. In addition, the employee was to be allowed a reasonable time to answer the charges. In other words, the at-will firing common to simple control during the era of political patronage was replaced by a bureaucratic control which further circumscribed management's authority: removals of federal workers could only be for work-related reasons, those reasons were to be documented, and the reasons were subject to review by others. Disdained by many, these and other rules were workable. Naval Constructor Evans (1940: 179-180), for example, conceded in the early 1900s that maintaining incompetent civil service employees was not due to civil service regulation, rather it was due to laxity on the part of management. While he personally viewed the discharge process as tedious, he did not let it stop him from initiating action against workers who ignored his suggestions and then refused to follow his orders when he was implementing the principles of scientific management. Evans (1940: 154) felt that civil service regulations might retard improvements in government industrial plants, but they never prevented them from happening. Thus, the presence of limitations seems to be more restrictive than the rules themselves.
Despite management's discontent with these employment rules created in response to the public outcry against patronage politics on the waves of the progressive political movement, they were administered and further developed by the Civil Service Commission until the Civil Service Reform Act of 1978 reconfigured the institutions established to carry out the merit system. And although the Civil Service Act remained virtually unchanged during this 95 years, a period of tremendous growth in the classified civil service, its tenets were repeatedly reviewed.

Reconsidering Civil Service Act Procedures

In addition to the reviews initiated during the period in which scientific management was being introduced into federal work forces in the late 1800s and early 1900s, such as the Cockrell Committee, Dockery-Cockrell Commission and President Taft's Commission on Economy and Efficiency, other efforts have continued to question federal employment practices. The Brownlow Committee, 1936-1937, and the two Hoover Commissions (Hoover I, 1947-1949, and Hoover II, 1953-1955) examined, among other aspects of federal management, employment procedures as administered under the Civil Service Act and recommended changes, some of which were not realized until the Civil Service Reform Act of 1978.

President Roosevelt's three-person Committee on Administrative Management included Louis Brownlow, journalist...
and public administrator, who chaired the committee, Charles E. Merriam, university professor in political science, and Luther Gulick, a public management expert who was devoted to promoting scientific management in government. This committee was appointed to address the inadequacy of the civil service system in the Executive Branch. Although its report in January 1937 supported an extension of the merit system "upward, outward, and downward" to cover all non-policy determining positions, it recommended the elimination of the Civil Service Commission to be replaced by a Civil Service Administrator, with a board of seven members serving for a period of seven years each. The focus of the Brownlow Committee, however, was directed more toward civil service management and found, in this respect, that the problems of civil service were due to its lack of opportunities and inadequate salaries which inhibited recruitment of men and women of "outstanding capacity and character" into the career civil service. Thus, while the Brownlow Committee confronted the Civil Service Act at the heart of its administration, the Civil Service Commission, it did not challenge key elements of the merit system.

On the other hand, the two Hoover Commissions which also reviewed government practices with a concern for efficiency and economy, scrutinized civil service employment procedures as they were administered under the Civil Service Act. The first Hoover Commission, appointed in 1947 to look into ways
to downsize big government after its buildup during the depression of the 1930s and World War II, reported that directives dealing with dismissal should be amended so as to provide a more workable method of separating inefficient employees. This Commission (1949: 109-134) also recounted a multitude of problems with the merit system as it was being administered by the Civil Service Commission. It claimed that the centralization of hiring caused delays, and recruiting and examining was not adapted to the variety or numbers of needed workers causing it to fail to get the "right man" for the job or reach the best of the professional, scientific, technical, or administrative potential applicants. Further roadblocks to recruiting the best included the lack of a comprehensive pay policy, a need for clearer standards for classifying jobs, and salary ceilings that were too low. The ability to promote career employees in levels of responsibility and a too-complicated rating system that was used to both reward the employee for exceptional work or penalize the employee who did not perform adequately were also identified as impediments to work management. And, of course, the separation of inefficient and unnecessary employees was claimed to be surrounded with so much red tape as to inhibit action.

Practically every objection specified by the Hoover Commission impinged on the merit system, those factors which required following rules rather than personal preferences in hiring, promoting, paying, training, terminating, etc. The
Hoover Commission also identified the need to reduce the size of personnel offices, which were usually responsible for the implementation of the merit system. They claimed that personnel offices were over staffed inasmuch as operating officials, not personnel specialists, should be carrying out personnel management responsibilities.

The second Hoover Commission (1953-1955) seemed to echo some of the conclusions of the first Hoover Commission. In addition to pointing to the need for a senior executive service to provide the continuity enjoyed by industry which was able to remunerate its employees at much higher levels, and a deficiency in managerial training at the lower levels of management, this Commission challenged employment practices pertaining to the majority of the employees. Still of concern was an overly elaborate classification system seeking to assure equal pay for equal work; recruitment and testing which overlooked candidates in outlying areas and then restricted referral of qualified candidates for consideration because of the "rule of three" limiting consideration to the top three; an unwieldy efficiency rating system making only the most perfunctory judgments of performance; complex removal procedures due to agencies supplementing the simplified removal system existing in law; a need to simplify reduction-in-force procedures and include safeguards against losing the experienced and skilled employees; and, extending the merit system to many agencies that stood outside its protections.
And, of course, all changes to the public service should result in greater efficiency and economy of operation.

The task forces and subcommittees of the Hoover Commissions which arrived at these conclusions were using private industry as their model, and private industry was well represented in Commission members, with membership of the task forces and their staffs heavily weighted in favor of the business community (Moe 1982: 28-29). Present or past positions, for example, held by members of the second Hoover Commission include: Retired Chairman of the Board, Standard Oil Company; former President, Rockefeller Foundation; President of Brown Publishing Company; President in charge of Personnel, National City Bank of New York; President, General Builders Supply Corporation; Chairman of the Board of Directors, Coca-Cola Export Corporation and Chairman of the Board, Coca-Cola Bottling Company of Boston; owner of a men's apparel store; former President, Carnegie Corporation; Chairman of the Board, New York Life Insurance Company; President and Chairman, Film Booking Offices of America; Chairman, Keith, Albee, Orpheum Theatres Corporation; President and Chairman, Pathe Exchange, Inc.; Chairman of the Board, Sylvania Electric Products Company; Board of Trustees, National Industrial Conference Board; former member, Bonbright and Company, Inc.; former Vice-President, Air Transport Association of America; President, Eastern Air Lines, Inc.; Director, Allied Chemical and Dye Corporation; and, Vice
President, Belgian American Educational Foundation (MacNeil and Metz 1956: 317-337).

Further, some of the review of federal work processes was turned over to individuals who did similar work in private industry. For instance, the first Hoover Commission assigned the analysis of the structure and work of the Veterans Administration to a committee composed of prominent insurance company executives. And, except for the insurance portion of the review, the committee contracted all the other work to a management firm (Moe 1982: 71).

On the other hand, only two industrial representatives, Honeywell and International Business Machines, are found among the staff and task forces assigned to President Jimmy Carter's Personnel Management Project which studied civil service procedures and developed recommendations for the Civil Service Reform Act (CSRA). Comment, however, was solicited from private industry and others through public hearings held by the U. S. Senate Governmental Affairs Committee. In this fashion, the policy making, business-oriented Committee for Economic Development (CED) was able to interject corporate views. (See Civil Service Reform Act of 1978 and Reorganization Plan No. 2 of 1978 Hearings before the Committee on Governmental Affairs United States Senate Ninety-fifth Congress Second Session on S. 2640, S. 2707, and S. 2830, U. S. Senate, 1978a: 344-379.) The CED embodies a vast

Thus, it is not surprising that the CED would advance ideas supporting greater managerial authority and responsibility for personnel be given to department and agency heads which happen to be political appointees often drawn from their own organization.

Through the hearings the CED suggested that cabinet officers, agency officials, and other administrators should have greater flexibility and discretion in the organization and direction of their personnel. This would include the abolition of the Civil Service Commission; decentralizing personnel authorities for hiring, classification of positions, promotions and adverse actions; rescinding rules which limit employee grades; abandoning the "rule of three" by which selections have to be made from the top three candidates referred for a position; letting each federal agency decide all appeals initiated by their disgruntled employees, etc. In brief, they recommended relaxing the merit system by handing back to management the ability to create the rules determining
such processes as selection, removal, pay, rewards, etc.

The President's Advisory Council on Management Improvement (PACMI), another group providing business views at the hearings, was comprised of members from Schriever & McKee, Inc; Archer Daniels Midland Co; IFC Capital Resources Corp.; Flying Tiger Corp.; Continental Illinois National Bank; Rollins International, Inc.; General Motors Corp.; Dayton Hudson Corp.; and University Computing Company. This Council's Ad Hoc Committee recommended that an objective germane to reform of the civil service merit system should be to make it "consistent with and supportive of what are recognized as the best personnel management systems and practice in business and government" (U.S. Senate 1978b: 562). Toward this end, the Council also recommended that a Hoover-like commission be established to include members of Congress so that recommendations might see their way into legislation and to give the public (a majority of the members) an opportunity to be involved. It would seem that the PACMI was less than enthusiastic with the prospect of the CSRA being forwarded without more business input. A Gulf Oil Senior Vice President echoed their request that a "Hoover Commission" be appointed on performance criteria for the Federal Government (U.S. Senate 1978b: 664).

Civil Service Reform Act of 1978

Despite the paucity of direct business input, the Civil
Service Reform Act seems to have included many changes proposed in earlier efficiency reviews. The Chair of President Reagan's Private Sector Survey on Cost Control in the Federal Government (Grace 1984: 248) reported that the CSRA effected a complete redesign of the performance management program with the objective of improving federal employee efficiency, responsiveness, and productivity through measurement systems comparable to those used by private industry. In addition, the Hoover Commissions had not only recommended changing the rating system but revising removal procedures as well.

Perhaps the most significant change to the Civil Service Act of 1883 brought about by the Civil Service Reform Act of 1978 was the reorganization which eliminated the Civil Service Commission, the realization of a recommendation made as far back as the Brownlow Committee. In its stead the Office of Personnel Management (OPM) was established with one political appointee in charge of administering the merit system. OPM leadership stands in stark contrast to that of the neutral, bipartisan Civil Service Commission. A bipartisan board, the Merit Systems Protection Board (MSPB) was created, however, to handle employee appeals. The reorganization also brought about the Office of Special Counsel (OSC) a protective avenue for employees who "blow the whistle" on fraud, waste or abuse, and the Federal Labor Relations Authority (FLRA) to handle labor relations matters.
Except for the OPM, these other forums appear to have been established to provide services to employees which may be contrary to greater control over workers. The OSC, for example, was designed to protect whistleblowers from improper reprisals, while, paradoxically, the legislation increased managers' ability to fire employees. The CSRA (Public Law 95-454) not only directed that each agency establish a performance appraisal system to be used as a basis for training, rewarding, reassigning, promoting, reducing in grade, retaining and removing its employees, but it also made it easier for management to remove employees with unacceptable performance. After an opportunity period in which to improve performance, the employee who does not do so, will receive a written 30-day advance notice of removal from the federal service. While employees in the competitive service may appeal these removals to the MSPB, their chances of prevailing are limited since the burden of management's proof is only that of providing substantial evidence. That is, if a reasonable person would also see that the person could not perform the work, the removal is upheld. (This is a much lighter burden to prove than is the preponderance of evidence burden required in other removal actions.)

Other modifications of the merit system included the establishment of the Senior Executive Service (SES), that bureaucratic level of management which would need to be more responsive to agency directors or they would not receive
monetary increases and could be put back into lower level management. Also, managers at the GS-13 to GS-15 level were taken off the GS pay schedule, classed as General Managers (GM) and given pay adjustments based on their performance. For general managers, the annual cost of living adjustment (COLA) was their comparability pay of which they would receive one-half automatically. Any additional increase to their pay had to be earned. Marginal performers only received comparability pay. It was expected that such arrangements would make both the senior executive service and the general managers more responsive to the needs of the administration.

Another section of the Act which is paid little attention is its provision for research and development. This provision allows the establishment of demonstration projects which, in fact, enable management to create its own rules outside the merit system under the auspices of an experiment. For example, a demonstration project the Navy ran at China Lake involving pay banding for workers allowed its management to disregard grades on pay schedules which is established in law, group pay grades, and pay employees at a range of pay within the groups. Workers with the same seniority could be paid differently depending on how management rated their work. This ability to develop demonstration projects gave individual managers greater freedoms to handle personnel in accord with private sector practices.

The CSRA not only provided greater control to operating
officials, but it enervated the merit system on several counts. The President would now have full control over the rules and regulations for which the OPM would be responsible. And for pay or monetary awards, senior executives and general managers would need to satisfy their politically appointed bosses' requirements as opposed to adhering more closely to bureaucratic rules or the logic or mission of the agency as it had been previously established.

Despite the long-standing public and private support for revamping civil service employment practices, passage of the CSRA did have some opposition, particularly by labor unions and veterans groups. To placate labor unions, collective bargaining heretofore covered by Executive Order became law under Title VII of the CSRA, and the Federal Labor Relations Authority (FLRA) was given a consolidated authority to protect union activity. And, veterans were able to keep out of the act such limitations as restricting veterans preference in hiring to a period that ended ten years after their separation from the military. Along with proposals to curtail veterans preference was the attempt to expand the "rule of three." The rule limiting hiring consideration to the top three candidates referred by the Office of Personnel Management had long been a bone of contention to managers attempting to have a wider selection of applicants.

All told, the Civil Service Reform Act with its many impingements on the federal civil service merit system could

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be regarded as not only the most significant legislation affecting the federal civil service and management of workers since the Civil Service Act of 1883, but also the most significant for this century. President Reagan's corporate review of governmental functions by the President's Private Sector Survey (PPSS) on Cost Control in the Federal Government (called Grace Commission after its chair, J. Peter Grace) and President Bush's attempts to rightsize government have not lead to major personnel management legislation or alterations of the merit system although the Grace Commission attempted to align federal management with corporate management. The 171-member executive committee of the Grace Commission, mostly comprised of present and past presidents, chief executive officers, partners, etc., of large corporations, reads like a Who's Who in Corporate America. Focusing on cost containment, the Commission, which saw human resource management as something that the public and private sectors had in common, examined the compensation of federal employees, including retirement and fringe benefits, how workers were managed, incentives provided and productivity, staffing patterns, grading (pay levels of jobs), number of workers per supervisor and training and development. Ultimately, their recommendations reflected the greatest savings by effecting changes in human resources management with regard to productivity, pensions, compensation, benefits and staffing.

The Commission was concerned with the "brain drain" of
career executives and felt they were leaving federal service because of inadequate pay. On the other hand, most employees were seen to be better compensated than those in the private sector because federal pay schedules did not factor in earnings of state and local public employees (whose pay is also established through wage survey formulas) or nonprofit organization workers. While the Commission had much to say about rates of pay, benefit packages, and work direction insofar as it related to productivity and therefore cost, its recommendations did not seem to have adversely affected the merit system. And the present administration's National Performance Review does not appear that it will have a great impact either, even though reform legislation has received constant attention. Even without legislation, however, the National Performance Review has provided an avenue for controlling workers akin to that of private industry of the 1980s, cutting jobs.

National Performance Review

The National Performance Review (NPR), also called Reinventing Government and most recently National Partnership for Reinventing Government, is, according to President Clinton, doing what the smartest companies did in the 1980s, cutting back their operations. Following through on campaign promises, in February 1993 President Clinton issued Executive Order 12839 to cut 100,000 federal positions and unveiled the
National Performance Review in his remarks on March 3, 1993, announcing the initiative to streamline government. In addition to reducing work forces, the NPR was to make a conscious effort to copy business operations in other ways which seemed to make them successful. President Clinton appointed Vice President Al Gore to carry out this initiative to make the government "work better and cost less."

John Kamensky (1998, 1997) who participated in the NPR from the beginning recounts how Vice President Gore led the review with an interagency task force of 250 federal workers which was supplemented by teams in each agency. And seeing private corporations which had led the quality revolution in the 1970s and 1980s as the "models, teachers and partners" of the project, Gore also met with business leaders who had undergone major changes and were willing to share their insights and experience (Gore 1997). These inputs along with the reform ideals which had been developed in the Progressive Policy Institute, the think tank of the Democratic Leadership Council (a policy group of over 750 elected Democrats from every state in the nation), framed the focus of the National Performance Review.

The progressive ideas stemming from the Democratic political party, emphasized the importance of tailoring government to market principles. A key principle is that economic growth generated in free markets is the prerequisite for opportunity for all. It would thus follow that market
incentives be introduced into the public sector such as

...managed competition, public school choice, social service vouchers, and market-based ways to combat pollution. Just as U.S. businesses have reorganized to meet the challenge of global competition, a radical revamping of America's public sector--schools, public housing, welfare, federal, state, and local agencies--is now required (Marshall and Schram 1993: xviii).

David Osborne (1993: 265), presidential advisor on the National Performance Review and a Fellow of the Progressive Policy Institute, states that the federal government's goal in public service organizations should be the same as that in the private, competitive sector of the economy.

Our goal must be to have public organizations that constantly improve, redesign, and innovate; that constantly drive their costs down and their quality up. After all, a typical business strives to increase its productivity by 3 to 4 percent every year. Why shouldn't government do the same?

Osborne's (1993) comments could apply to any of the wide range of organizational management issues addressed by the NPR, however, he also specified a concern with overhauling the Civil Service system and supported several reforms, many of which found their way into the NPR's reinvention of human resource management (HRM) initiative. Consequently, it would seem that increasing productivity, which without a product has been defined under HRM 07 as "improved job performance," has been equally applied to industrial and nonindustrial work.

Thus, inherent in the National Performance Review is the propensity to evaluate government work in the same manner as productive work is assessed in the private sector. By the
1990s, corporate America was judged to have reinvented itself in accord with the global economy and the information age. The federal government, on the other hand, was charged with still being organized and managed according to principles appropriate to the industrial age and therefore unable to keep up with the present rapidly changing, highly competitive, information-rich society and economy. The review to reinvent this alleged behemoth was to last six months. And, although Vice President Gore wanted the focus to be on things that could be done administratively without legislation, some of the activities undertaken in response to the review that require federal statutes be changed are still ongoing, particularly in human resource management which is primarily law driven with many rules or practices generated to implement the law or respond to "law" as it was developed in the judicial system.

The National Performance Review identified several barriers and obstacles to effective human resource management: complex hiring rules, inflexible classification and pay systems, a division between individual performance and organizational mission, adversarial labor-management relations, and overly restrictive leave practices. To overcome these handicaps, the NPR developed 14 recommendations grouped into five categories. First, to enable managers to build and maintain a quality, diverse work force, a need was expressed to create a flexible and responsive hiring system.
(HRM 01) as well as reform the general schedule classification and basic pay system (HRM 02). In this respect, it was decided that recruitment and examining programs be decentralized and given to agencies to personalize their hiring programs and would include the authority to hire without ranking when recruitment shortages existed. Further, agencies could hire temporary employees indefinitely, these employees could compete for permanent jobs in the internal career ladder, and, if hired, would face a three-year probationary period (as opposed to the present one-year requirement for new employees appointed to the competitive service). Also included would be the ability for management to promote employees more than once in a year and non-competitively detail employees for an extended length of time to be determined by the agency. Another essential of the merit system which would be opened to management determination includes the dispensing of grade/pay levels to workers. By removing all grade-level classification criteria from the law while retaining the 15-grade structure and by allowing the agency to establish a broadbanding pay system built on the General Schedule framework, supervisors may vary workers’ pay despite their performing similar duties.

Although these flexibilities to be accorded to management appear to sabotage merit principles by giving a great deal of hiring and pay discretion to management, NPR proposes an associated grouping of recommendations for holding managers...
accountable for adherence to principles of merit and equal opportunity. In this respect NPR recommends improving processes and procedures established to provide workplace due process for employees (HRM 08), accountability for Equal Employment Opportunity (EEO) goals and accomplishments (HRM 09), and interagency collaboration and cross-training of human resource professionals (HRM 10). Employee due process would be enhanced, according to NPR, by eliminating mixed-case processing (adverse action cases or grievances with EEO issues may have those issues reviewed by the Equal Employment Opportunity Commission) and by establishing and encouraging the use of alternative dispute resolution (ADR) methods and options for the informal disposition of employment disputes. Enhancements to the meeting of EEO goals include holding federal agency heads (many of whom are political appointees) accountable and assigning them the task of incorporating EEO and affirmative employment elements into the agency's strategic business plan. Toward this integration would also be the cross-training and rotational assignments of human resource professionals into federal EEO and civil rights positions before they are promoted to supervisory and management positions. Reporting of EEO/affirmative employment reports would be consolidated and totally automated.

Besides recruiting and paying workers, another category of recommendations is that of enabling managers to empower, develop, train, reward and discipline employees. NPR
recommended that agencies be authorized to develop programs for improvement of individual and organizational performance (HRM 03) and incentive award and bonus systems to further improve individual and organizational performance (HRM 04). Also, to assist management NPR advised that systems to support management in dealing with poor performers be strengthened (HRM 05) and training be made more market-driven as well as tailored toward improving individual and organizational performance (HRM 06). The Civil Service Reform Act (CSRA) had changed the performance management system to accommodate management's requirement to hold workers accountable by linking performance and pay (to include retention and/or recognition) rather than longevity and pay. The NPR, on the other hand, not finding that management was reticent about dealing with poor performers (although management felt it took too much time) suggested that pay and performance be de-linked in order to seek improvement to both the present and future performance of all employees, including those who were performing adequately. In addition to recommending that the removal notice period for unacceptable performance be changed from 30 days to 15 days, NPR suggested that agencies develop their own incentive programs to link individual and organizational performance as well as create gainsharing programs to recognize employees for efforts which improve government operations. Further, any savings realized from such reinvention initiatives would be distributed to agencies
to invest in employee training and development toward the improvement of both individual and organizational performance.

Perhaps recognizing the economic need for families to keep both parents employed, the NPR directed one section with a single recommendation toward employees. To enable employees to better manage work and family responsibilities, NPR suggested that programs to provide family-friendly work places be enhanced (HRM 07). To the extent that quality customer-service or improved job performance is assured, support is to be given for flexiplace and telecommuting work arrangements and other family-friendly work arrangements. These include establishing and funding dependent care programs, allowing employees to use sick leave to care for family members, recrating sick leave to reemployed workers, and reauthorizing the voluntary leave transfer/bank programs where employees donate their annual leave to workers with personal or family medical emergencies.

The last category of human resource management recommendations provided a method for the changes wrought by the NPR to be self-renewing and continually improving. They include strengthening the Senior Executive Service (SES) so that it becomes a key element in the government-wide culture change effort (HRM 11). While SES employees are not viewed as chief executive officers (CEOs), they are assigned the responsibilities of developing a "corporate perspective" toward government-wide culture change, expected to promote an
executive level succession planning model to provide a reservoir of potential replacements, and to be mobile for various positions within and between agencies. In other words, the SES is expected to keep NPR recommendations and/or changes alive during subsequent administrations when they will be forming working relationships with different political appointees under different administrations. Eliminating excessive red tape and automating functions and information (HRM 12) was the second prong to this succession objective. Phasing out OPM’s Federal Personnel Manual and automating personnel processes and accountability measures create an indelible structure for carrying out human resource management. And, upon advice from CEOs who had reinvented big corporations that the NPR initiative could not succeed without a true partnership between management and labor (Gore 1996: 19), NPR recommended that labor-management partnerships be formed (HRM 13) to establish an open forum for the discussion and resolution of problems regarding conditions of employment. Thus, upon the heels of the six-months review begun in March 1993, President Clinton issued Executive Order 12871, Labor-Management Partnerships, October 1, 1993, in order to achieve the National Performance Review’s government reform objectives.

And, finally, to assure that those who may not be supportive of its objectives as well as to accommodate the downsizing of the federal work force which was underway, the
NPR recommended providing incentives to encourage voluntary separations (HRM 14). This recommendation included providing agencies with the authority to approve early retirement and offer separation pay (normally $25,000 or the amount payable as severance pay, whichever is less), to fund job search activities and retraining of employees scheduled to be displaced, to expand outplacement services, and in order to encourage a turnover in top management, to limit annual leave accumulation by SES executives to the 240 hours per annum that applies to the rest of the work force.

In addition to the proposed HRM initiatives, other NPR actions also affected civil service workers. For instance, federal reforms included downsizing, which private companies undertook to maintain or increase profit margins when they moved assembly-type work in clothing and electronics manufacturing activities overseas. Federal agencies outsourced or let contracts for a substantial amount of work to the private sector. Recommendations to merge smaller agencies or those with similar charters, followed the lead of corporations which had merged smaller companies with larger ones to consolidate activities and cut jobs. Even the elimination of higher paid employees and hiring new, younger and lower paid ones in their places like K-Mart was alleged to have done with their managers, seems to appear in HRM 14 where federal employees are given inducements to retire or SES employees' leave is restricted to provide a further incentive
for them to retire. And to carry out the principles set forth in the NPR, President Clinton issued E. O. 12862, Setting Customer Service Standards, which required that federal customer service standards be competitive with those in the "best" businesses. Thus, business methods were to revitalize federal employment practices.

Civil Service Rules and Reforms

Two themes surface in a review of proposed or effected reforms to federal employment procedures. Since the Civil Service Act, attempts to make federal agencies operate more efficiently result in employment practices which are consistently modeled after private sector practices despite the fact that government work is not for-profit corporate work. And, in so doing, there has been a continuous movement toward regaining elements of simple control, many of which were yielded under the Civil Service Act.

Once the Civil Service Act had established the rules for civil service employment, subsequent major attempts at reform have most often been directed toward changing or curtailing those rules rather than any particular practice not covered by rules. And, even though a reform review may be prompted for political reasons to gain public support by denigrating the civil service or to achieve greater partisan control over Executive Branch agencies, business economic efficiency has been seen to be the desirable management style for government
operations not only generally but also with regard to personnel management.

With the exception of the Brownlow Committee which was comprised of two public administrators and a political scientist, Presidents normally appeal to the business sector to conduct efficiency studies of the federal government. The Hoover Commissions were replete with private sector representatives, and they documented a concern with the government competing with private industry. They, too, advanced the notion of a career executive service to be paid at much higher rates, and they noted that employer-employee relations lagged behind American industry.

And, although President Carter's Personnel Management Project has been viewed as a political initiative generated by politicians and/or a response to political rhetoric on the campaign trail (Cole 1982-83), and though it was worked by federal agency representatives, it did seek private sector views during congressional hearings. It also considered others which had been fashioned much earlier, such as the Senior Executive Service which brought to fruition proposals by the Brownlow Committee and the Hoover Commissions. On the other hand, President Reagan's Private Sector Survey on Cost Control Commission comprised of corporate leaders exhibited a straightforward private sector involvement in attempting to redesign federal administration. Almost all of their efforts centered around looking at how federal programs, work
processes, etc., compared to those in the private sector.

The National Performance Review, too, may appear to be a political attempt to transform government processes since it was the fulfillment of campaign promises, but its objective of recreating government in the image and likeness of private industry is more similar to its predecessors' concern with business practices. Executive Order 12862 explicitly requires "continual reform of the executive branch's management practices and operations to provide service to the public that matches or exceeds the best service available in the private sector." And, Vice President Gore's publication Businesslike Government Lessons Learned from America's Best Companies dispels any doubt that the NPR sought to incorporate private sector business practices. Such propensity for applying the private sector's standards of economic efficiency to government management is pursued despite less than satisfactory outcomes in the private sector.

President Clinton's efforts to reform health care, for example, was a major failure that has been largely attributed to using a business perspective which did not fit the government environment. Goddard and Riback (1998: 61-78) reveal how the successful business consultant Ira Magaziner, who had been hired to help design the new national health care system, found himself mired in over-involvement. His business-oriented 12-member task force grew to over 500 people as politicians and other interested parties pressured the
White House to be represented. Just delivering progress reports to these numbers debilitated the planning process. And the secrecy which is an important tool in business planning or corporate mergers generated suspicion and animosity when it was used in this situation. Thus while some private sector methods may be adaptable to government work, many are not since government work must get public permission to operate.

Nevertheless, the NPR’s application of business practices to civil service employment reflects a plethora of methods which have had only more or less success in the private sector. Mergers, for example, which has been a popular way to improve profit margins have been reported to not work very often (Business Week 1985). And, if one of the most common blunders in a merger is an assumption that the skills honed in one business can be readily applied to another, then promoting the mobility of senior executives between agencies may be nonproductive when their cultures conflict. It is suspected that senior Department of Defense executives would have a much different philosophy from that of executives honed in tax collection activities of the Internal Revenue Service or the distribution of pensions in the Veterans Administration. And, since corporate cultures with values developed around the company’s activities may be hard to change (Business Week 1984, 1980), such mobility between federal agencies could have the effect of keeping civil service management off balance.
which could provide more opportunities for political appointees to implement partisan policies.

Further, several human resource management objectives seem to dovetail with management principles popularized by Dr. W. Edwards Deming's (1993) total quality management and Peters and Waterman's (1982) quest for excellence. These views were seen to undergird Japanese business practices and extolled for Japan's economic successes during the 1980s. Yet, Japan's economic successes have also been traced to adverse working conditions and a large supply of poorly paid female labor. (See "The Japan They Don't Talk About" video and Ginsbourger 1981.)

Appealing to the private sector may also account for reforms reflecting a movement toward giving management greater control over workers. The issue of control was most apparent in the work provided by the Grace Commission as its chief executive officers and other leaders compared federal processes to the way work was accomplished in the private sector. While appraising worker performance was important and was recommended to be given greater weight in force reductions, of larger concern was extracting more work from the employees. The Grace Commission pointed out that by increasing the number of supervisors and having them tightly control the work flow by executing daily and weekly plans and rewarding employees for meeting or surpassing goals, they would be able to increase productivity per worker and thereby
reduce the need for overtime, contracting jobs to the private sector or hiring large number of temporary employees.

Such methods had been the conventional means for extracting greater work from workers. And, as might have been expected, the number of federal workers increased during the Reagan administration. But the wisdom by which corporations operated changed dramatically during the 1980s and downsizing labor forces (seeking cheaper labor or increasing the profit margin) became an accepted practice. Corporations also increased the use of peripheral workers who were paid less with fewer benefit packages. By the 1990s under the Clinton administration, the federal government followed suit and went beyond its mandated 100,000 reduction eliminating 309,000 workers (Gore 1997). It also stepped up the outsourcing of work to the private sector which helps reduce the number and cost of workers, although it does not necessarily reduce the overall cost to the government. And, the NPR recommended the increased use of temporary workers peripheral to the competitive classified system. Although control over work in the manner done in private industry has been most apparent under the NPR, it has been a continuing concern in attempts at reforming the civil service. Three major areas of control which have received continuing attention include hiring and pay practices, performance appraisal and removal procedures.

The primary method of control which was taken from management by the Civil Service Act, that of recruiting and
examining potential workers, has been repeatedly addressed. Without legislation, however, no significant change has occurred. The Hoover Commissions recommended that the primary responsibility for recruiting and examining workers be placed on the departments and agencies but that their programs be approved by the Civil Service Commission before they were put into effect. They also suggested an end to the "rule of three" which has limited management's hiring options to the top three candidates. This alleged impediment to hiring the best candidate was further discussed during the development of the CSRA, but did not get changed. Not only has the rule of three persevered, but veterans' preference, which often assures the top three are veterans, remains. The NPR recommended several changes to afford management greater control over the hiring process. Hiring temporary workers with different rules of employment, for example, would be a great benefit to management inasmuch as dismissing temporary employees is done easily and quickly. They do not get the due process afforded permanent employees in the competitive service. And by allowing them to compete for permanent jobs in the internal career ladder with a three-year probationary period, those selected would continue to serve as at-will employees vulnerable to termination. Hiring without ranking means that supervisors could pass over the best qualified candidate to select anyone who meets basic job qualifications. Another significant NPR proposal which would allow management
to control the pay of employees would be the elimination of classification standards for differentiating pay grades and then broadbanding or grouping pay rates. This would enable supervisors to set worker's pay at any level within the group they feel is warranted. These classification and pay recommendations were made with the knowledge gained from demonstration projects that broadbanding pay by grouping grade levels may not fit all situations and can lead to increased salary costs in the absence of skilled managers, appropriate budget controls and an effective performance management system. Apparently, giving the supervisor greater control over the worker is more important than containing labor costs.

Assuring adequate work performance has been a continuing concern in reviews of federal work. Both Hoover Commissions addressed the topic. The first Hoover Commission recommended the adoption of ability and service record ratings to appraise ability, past performance, progress and potential usefulness to the organization. These ratings, however should stand alone and not be linked with periodic salary increases, considered in reductions in force, or used as a basis for removal actions. The second Hoover Commission also advocated efficiency ratings but felt they should be simplified to make the process easier and less time consuming for supervisors. Ratings should only be done annually for the purpose of identifying employees who warrant further development and awards, those who may be malassigned in their present
positions or who do not deserve a pay increase, and those who should be dismissed. Further, any appeals should be limited to one level within the agency. The Civil Service Reform Act took an even stronger stance and linked performance evaluations to periodic increases, awards and dismissals for unacceptable performance if no improvement is made after assistance is provided. The National Performance Review, however, was also not satisfied with the performance appraisal system. Rather than linking pay with performance evaluations, NPR decided they should be disconnected and a new system be developed with the sole objective of improving individual and organizational performance. With the NPR view of productivity as "improved job performance," even top ratings will require improvements over the previous work accomplished. Thus, performance evaluation will be a continuous process toward extracting greater amounts of actual labor from labor power, and additional pay for the added work is not required.

Another control mechanism which receives recurring attention in reviews of federal employment procedures is dismissing workers. Supervisors, according to the NPR, wish to have simplified procedures and the ability to take immediate action to remove workers. In other words, supervisors want to have personal control over these actions. This desire for a simple, clear-cut and "intelligent" procedure for discharging incompetent or undesirable civil service employees was presented in both Hoover Commissions and
supposedly found fruition in the Civil Service Reform Act (CSRA). CSRA removal procedures for unacceptable performance continued the requirement for a 30-day notice period (also mentioned in the Hoover reports) and gave greater credence to the supervisor's views, as opposed to the employee's, in any appeal so long as the dismissal was not unreasonable and was supported by factual evidence. The NPR had little to improve upon in this regard, but did recommend that the 30-day removal notice period be lessened to 15 days. Of course these procedures only applied to employees who had completed the probationary period. Newly-appointed civil service workers could be released during the probationary period with a two-week notice and only an opportunity to have a higher level agency management official review the action. The NPR did want, however, to encourage supervisors to take action and suggested that they not only be supported in their efforts to remove employees, but that they be given training as needed to improve their ability to either improve performance or remove poor performers.

Although the NPR, too, has recommended significant changes to the federal merit system, limiting laws which prevent the full implementation of proposed reforms still govern the hiring process, performance evaluation and removal procedures. For example, Public Law 104-52, Treasury, Postal Service and General Government Appropriations Act of 1996, addressed the creation of a flexible and responsive hiring
system and the creation of family-friendly workplaces. However, delegating examining authority to federal agencies, for example, has created a greater workload for agencies at a time when the NPR, by Presidential Memorandum of September 11, 1993, reduced the numbers of positions associated with personnel management control structures by half. It has not, however, changed the hiring process, just where it occurs. And through 1998, temporary employment laws had not changed, nor had the 30-day notice period for removing poor performers from the competitive service. And, Public Law 103-226, The Federal Workforce Restructuring Act of 1994, addressed the training of workers and provided incentives to encourage voluntary separations but had no significant impact on the hiring, firing or rewarding of workers.

Extracting more work from federal worker labor power may have a consensus, but crafting legislation that will get enacted is another issue which must be faced for significant changes to occur. For the most part only noncontroversial proposals regarding employee benefits and veterans preference have been able to be passed. Thus, despite a history of attempting to regain more control over civil service workers, the Clinton administration has not been successful in achieving any major legislative reform of the federal civil service merit system. A major opposition that all reform activity faces and which may account for the lack of major reforms at this time is found in the federal labor movement.
Influences of Federal Labor Unions

Although ever present, federal labor organizations began to thrive in the 1960s when President Kennedy's Executive Order 10988, Employee-Management Cooperation in the Federal Service, officially sanctioned them. Initially, most federal workers associated with private sector trades and craft, industrial or local unions. Retaining association with a trade union was especially helpful to workers who moved in and out of government employment. But as federal employees came to see their differences from their private sector brethren, they moved to form units which also recognized their community of interests as federal workers, albeit under the auspices of private sector unions. Others, however, such as Post Office workers did not have counterparts in private industry and formed their own units which were sought out for affiliation by the American Federation of Labor (Spero 1972). In brief, there was a continuous association between the organization of workers in the private sector and those in the public sector whether by trade, industry or local unions.

The testimony by Samuel Gompers, President of the American Federation of Labor, and other labor officials at the Taylor hearings in 1911 and 1912, for example, although presented on behalf of federal labor, represented the interests of workers whether they were employed in the private sector or the federal sector. The first hint that this
association between public and private labor would be abridged started in 1912 with the first legal recognition of federal labor, a milestone in federal labor-management relations.

Section 6 of the 1912 Postal Service Appropriations Act (referred to as the Lloyd LaFollette Act) not only brought the removal procedures initiated by President McKinley under the law for all civil service workers, but also prohibited adverse actions be taken against postal employees for their belonging to organizations dedicated to improving working conditions. Specifically, the law established

...That membership in any society, association, club, or other form of organization of postal employees not affiliated with any outside organization imposing an obligation or duty upon them to engage in any strike, or proposing to assist them in any strike, against the United States, having for its objects, among other things, improvements in the condition of labor of its members, including hours of labor and compensation therefor and leave of absence, by any person or groups of persons in said postal service, or the presenting by any such person or groups or persons of any grievance or grievances to the Congress or any Member thereof shall not constitute or be cause for reduction in rank or compensation or removal of such person or groups of persons from said service (37 Statute 555).

Further, all civil service workers, individually or collectively, were given the right to appeal to congressional representatives. This provision may have been the greatest advantage federal employee unions have received. It enabled them to lobby congressional representatives who make the rules on pay, promotion, tenure, etc. that govern federal employment. And although Samuel Gompers worked for passage of
this act (Spero 1972), the recognition of federal labor organizations apart from the private sector seems to be the start of a move toward truncating the tie between private and public worker organizations.

Groups affiliated with outside organizations which advocated strikes were excluded from such protection. Also this earliest legislation intimates that the power of strikes is not advocated for federal workers. It was not until 1947, however, that the federal employee strike ban was clearly enunciated in an amendment of the National Labor Relations Act (Public Law 101, June 23, 1947). At this time not only were strikes by government employees established as unlawful, but federal employees who participated in strikes against the government were to be discharged immediately, forfeiting their civil service status.

The next turning point in federal labor relations came in 1962 when their autonomy as federal labor unions, some of which had come into existence in the 1800s, was established by President Kennedy's Executive Order 10988, Employee-Management Cooperation in the Federal Service. E. O. 10988 and President Kennedy's Memorandum in 1963 adding standards of conduct for employee organizations and a code of fair labor practices in the federal service laid the groundwork for the provisions found in Title VII of the Civil Service Reform Act of 1978. This foundation, however, was changed several times. In response to suggestions from labor unions and management,
President Johnson (1967) designated a committee to identify the deficiencies which needed addressing, but did not initiate change. In 1969, however, President Nixon revoked President Kennedy's Executive Order and Memorandum and reestablished, with greater specification, the rights of federal labor unions in Executive Order 11491, Labor-Management Relations in the Federal Service. Several further amendments to include adding grievance and arbitration procedures were made before E.O. 11491 was incorporated into the Civil Service Reform Act to gain labor cooperation in its passage.

Also to gain cooperation from the unions, President Clinton went a step further, but without legislation. Under President Clinton's Executive Order 12871, October 1, 1993, Labor-Management Partnerships, federal union and management officials are directed to operate as full partners to help reform the federal government by identifying problems and crafting solutions to better serve the agency's customers and mission, finding consensual methods of dispute resolution, and negotiating over the formerly permissive areas of bargaining in 5 USC 7106(b)(1).

The measure of the best advice from CEOs that was taken by the National Performance Review may be found in this last requirement to bargain over the CSRA-established elective topics of "...the numbers, types, and grades of employees or positions assigned to any organizational subdivision, work project, or tour of duty, or on the technology, methods, and
means of performing work." This requirement bears a strong resemblance to work teams in private industry where work methods seem to have moved full circle from the scientific management method of performing work; workers in teams are involved in making the decisions regarding how the work is accomplished.

An appeal to replicate the methods for performing work in private industry is also continued in the application of federal partnerships. Training material on labor-management partnerships used by the U. S. Federal Mediation and Conciliation Service (undated), for example, highlights an article by Aaron Bernstein (Business Week, May 23, 1994) which chronicles a labor-management change in the private sector from adversarial relationships to collaborative ones in corporations such as Ford, Xerox, and Scott Paper where workers gained wage concessions when worker teams fed big efficiency gains. This was contrary to the 1980s experience when the pay increases for private sector union members lagged behind those for nonunion ones and fringe benefits were steadily eroding as unions lost membership and power. Because some unions in productive work faced with survival of the organization moved toward a "we're-in-this-together" attitude and began to work with management toward mutually beneficial outcomes, partnership suggests federal management and labor should follow suit. In face of federal downsizing with a concomitant loss in union membership, gaining union support
would be especially significant in order to "championship change in the federal government to transform the government into an organization that promotes excellence, providing quality services to the American people" (U.S. FMCS undated: 12).

Partnership, however, has had to rely on the willingness of individuals and is further restricted in the language of the executive order which demands that its provisions occur "to the extent permitted by law." According to the Federal Labor Relations Authority (98 FLRR 1-1118) the executive order's direction that agencies bargain permissive areas is not an election to bargain made on behalf of executive agencies and remains therefore at the discretion of the agencies as stated in 5 USC 7106 (b)(1). The extent to which labor has benefitted from Partnership is not clear. Most unions are still faced with a business of handling employee complaints unless agencies allow them to participate in the more substantive methods and means of determining work. Many agencies, on the other hand, feel they have benefitted insofar as partnership has helped reduce the number of grievances and unfair labor practice charges they have had to process.

Thus, the global environment in which manufacturing activities shift large portions of productive work outside the country is recreated in federal work as federal work is contracted to be accomplished by the private sector and work forces are downsized. And, federal labor organizations,
albeit smaller, continue to eke out small concessions at the level of exerting their influence in congressional lobbying activities. Federal labor's greatest force which has gained it concessions is found in its ability to persuade congressional officials to support or oppose federal employment legislation.
CHAPTER 6

THEORETICAL DISCUSSION OF WORK PRACTICES
AND CIVIL SERVICE LAW AND REFORMS

The process by which private work sector practices are recreated in the federal workplace can be viewed from three theoretical perspectives: social pluralism, structural Marxism and instrumentalism or class dominance theory. While all perspectives seem to provide an aspect of meaning for the work practices implemented and civil service reforms that have occurred, their variation helps to transcend the unique sets of circumstances surrounding the changes. A review of the questions within these frameworks this research posed (see Chapter 3, Theoretical Considerations) is now offered to clarify how private sector work practices become implemented in the federal sector.

Civil Service Act of 1883

The greatest reform of the federal civil service employment procedures occurred with the Civil Service Act of 1883. The Civil Service Act reflects decentralized power at the level of interest and ultimately a consolidation of interests at the Congressional level. Many groups were
concerned with the reform of the civil service and were pressing for regulating employment practices, not only at the federal level but at the state and local levels as well. Partisan office holders, advocates of the progressive movement, mothers who associated political patronage with other social ills, reformers, and the general public all sought change.

These groups became focused on patronage politics with its wholesale removal of workers from one administration and their replacement by the next. While the practice was felt to have grown out of the Tenure-of-Office Act of 1820 which required vacating nearly all the executive offices of the government every four years, it was seen as a method for Representatives and Senators to use minor offices to bribe the people to keep themselves in power. Yet, because the appointed workers were often unable to perform the work, as well as there being graft and corruption in some agencies such as the customs houses, the federal civil service came to be characterized in such negative ways as an asylum for incompetents or a place in which work was provided based on poverty and incapacity to otherwise obtain a livelihood (U.S. CSC 1898). It became a public issue.

As a public issue, the Civil Service Act fulfilled the aims of the many groups whether they were based in morality, on efficiency, for safety, or sense of fairness. Their aims came together in the Civil Service Act’s requirement that
federal workers be individuals who were qualified and capable of performing the work, not people selected because of their political support.

While the passage of the Civil Service Act may reflect changes stemming from the general public, it also represents a situation where the state was looking out for its own interests. The spoils’ system had become life-threatening; the assassination of President Garfield hastened its passage and assured its continued funding. Further, the thousands of individuals seeking government jobs had become an imposition on office holders.

Overall, the Act was more identifiable with the needs of the government than with industrial interests. Elected officials were beginning to fear for their own safety, the job of finding places for constituents had become burdensome, and the electorate was becoming more anxious about the inefficiency inherent in the political patronage system. In addition, the restrictive merit system the Civil Service Act established was a departure from private industry’s hiring practices and, therefore, does not tend to support the notion of elitist involvement either. Notwithstanding the fact that corporate economic power had not yet congealed to become a force in government operations, it also does not appear that powerful industrialists were directly involved, as could have been the case insofar as Mills’ (1956) elites were directly involved in controlling political parties, buying laws or
checking Congressional actions.

Whether the Civil Service Act reflected working class or capitalist interests, or both, is not clear from the brief excursion taken by this research. However, it could be argued they were contrary to capitalist class interests. Although extended simple control was still featured in private industry, it was being limited in federal employment. The Civil Service Act restricted the bosses' ability to hire whom they wished. Its intent was to discriminate among workers according to their knowledge, skills and abilities rather than whom they knew or supported politically.

Further, it would appear from the documentation by the U.S. Civil Service Commission of its earliest history and by the public concern shown in the media, that civil service reform did not, at least not directly, stem from a class struggle, did not encourage or retard working class unity, did not seek greater productivity outright, nor did it appear to come from industrial interests. Rather, it had long been a public concern and had been politically debated over many years and confronted to the extent of having had reform legislation enacted and dropped a decade earlier.

Thus, a retrospective of the passage of the Civil Service Act is clearly articulated using the social pluralist view. The urgency for change arose from the general public and was joined by legislators in a state action which benefitted many. Trust in government was restored to the public, and political
parties could expect fewer encumbrances and enjoy a safer public environment. Those individuals who were hired under the Act could also expect to maintain their employment regardless of which political party was in office. The history of the removal of scientific management from the workplace, however, discloses an opposite image.

Scientific Management Reconsidered

In this particular case, the primary contenders were labor and management from both sectors of the economy. Neither the implementation of the principles of scientific management nor their removal was a result of democratic action originating with groups wanting change. It is not explainable using the social pluralist argument. Scientific management did not originate with the general public, was not an affair of partisan politics, nor did it come from companies seeking contracts with the government. Rather, the principles of scientific management were arranged according to capitalist interests and presented a win-lose situation between management and labor. They offered the employer both greater productivity and greater control over workers. At the same time, the workers who became cogs in an assembly line of work activity moved by principles of extracting maximum labor output could only experience a loss. Of course, labor opposed this determination to remove decision-making authority over the labor process from the workers.
Since the introduction of scientific management in federal work can be linked to representatives of the upper class and their relationships with top governmental officials, the class dominance view of industrial/upper class involvement in effecting public sector decisions is supported to some extent. On the other hand, the elimination of this work practice, brought about with an appeal to the same top officials as well as to Congressional representatives, may be attributed to the challenge presented by the workers through their labor organizations. These actions are more understandable in the context of the structural Marxist argument.

Working class unity was evident in federal employment as was capitalist class unity. The Senate hearings in 1912 to learn about scientific management and again in 1916 to determine whether specific legislation banning it from federal employment should be enacted found the National Association of Manufacturers, businessmen, and federal military managers on one side of the issue and public and private sector unions on the other side. Both sides presented their arguments.

Although the presentation of capitalist interests seemed to have been limited in the 1912 hearings which were held to learn about practices that federal workers were dissatisfied with, management presented a vigorous defense of scientific management in the 1916 hearings concerning legislation to ban its use. Not only did businessmen who used the principles of
scientific management in their firms testify to its benefits, but they also introduced employee testimonials favoring working under the principles of scientific management. Their argument could have been the most convincing. However, the hearings were held during a period of great labor strife in the United States and appeasing labor could prevent further disruptions and worker walkouts. Further, organized labor had consistently worked toward the removal of the principles of scientific management, almost before scientific management was introduced. Seeing Taylor’s book on a supervisor’s desk was enough to suggest to labor they take some action at the Rock Island arsenal. And the subcommittee hearings provided the audience organized labor sought to publicly display all that was wrong with the principles of scientific management, which they had been presenting to military leaders.

The extent to which Congressmen were swayed based on their own political ambitions to pass legislation favoring labor’s position is not clear. However, it could be imputed that they were attempting to please both sides. The legislation specifically to ban scientific management (H.R. 8665) did not pass, yet the implementation of scientific management was stopped by the inclusion of prohibitions in appropriations bills.

There is no doubt that it was politically efficacious to stop the use of scientific management in the agencies where it was protested, yet not ban it in federal employment generally.
The distressed workers and their labor organizations achieved their goal by not having to work under time management or the bonus system. And, management achieved its goal of keeping the door open for the use of scientific management in the federal work place.

Whether this outcome was happenstance or the state was looking out for its own interests could be conjecture. On the other hand, the fact that the legislation which business interests rejected was not passed did support capitalist class interests; their overall support and use of scientific management in the private sector remained intact. The riders on appropriations bills just kept it from being used in productive government work. And, the appeasement of both sides of the issue does suggest that it was a politically expedient decision.

By accommodating labor interests which stood in opposition to the general move toward the greater efficiency and economy of government operations, it would appear that the "split decision" does attest to the notion that while it generally supported capitalist relations, it was more responsive to the needs of the political system. To placate labor and win their allegiance while not upsetting capitalist efforts toward gaining greater amounts of labor from the labor power they purchased could not only ensure a modicum of labor-management harmony but could also elicit political support from both sides. While the decision may have left both sides
wondering how much they had achieved, legislative action regarding civil service employment has consistently taken labor into account. Labor was at the forefront of passage of the Civil Service Reform Act of 1978, the greatest overhaul of civil service procedures since the Civil Service Act of 1883.

Civil Service Reform Act of 1978

A cursory review of the development of the Civil Service Reform Act (CSRA) may leave one with the impression that it emanated from within the civil service. The President's Personnel Management Project staff was appointed to analyze the civil service operations and develop reforms to meet President Carter's objectives. These included restructuring the institutions that ran the civil service, safeguarding against abuses of official power, reducing red tape and delays, speeding up grievance processing and disciplinary actions, and making equal employment opportunities more effective (U.S. Senate 1978a: 7). It was headed by a retired civil servant and comprised almost totally of civil service bureaucrats representing about 30 different agencies. Thus, it could appear to have been an internal review since there were only seven members from outside the civil service: two corporations, three universities, the House of Representatives, and the Brookings Institution. In spite of the legislation having been crafted by civil servants, however, a closer look reveals many similarities between CSRA
provisions and the proposals made by the Hoover Commissions.

Hoover Commission views that seem to have reappeared in the Civil Service Reform Act included their recommendation for a reorganization of the Civil Service Commission and how it operated, shifting primary responsibility for recruiting and examining to agencies, eliminating the rule-of-three in hiring, greater emphasis on recruiting the best for junior professional, scientific, technical, and administrative jobs; increasing the pay for top civil-service employees with exceptional professional, scientific, technical and administrative qualifications; simplifying the efficiency rating system; changing reduction-in-force rules to assure the best employees are kept; and amending the rules dealing with dismissals so as to provide a more workable method for separating inefficient employees (U.S. Commission on Organization of the Executive Branch of the Government: 1949).

One of the signature pieces of the CSRA legislation was a simplified process for removing employees who could not do the work for which they were hired. Another key feature was the establishment of a Senior Executive Service to replace grades GS-16 through GS-18 and merit pay for the next lower echelon of general managers from grades GS-13 through GS-15. Reduction-in-force rules were changed to factor in performance appraisal rating information to be used along with length of service in determining retention standing. Beyond giving the President the authority to delegate personnel management
functions to the new Office of Personnel Management (OPM), it also gave OPM authority to delegate most of its functions to the agencies. Consequently, regardless of the individuals chosen to draft proposals for the Civil Service Reform Act, many of them had been drafted 20-30 years earlier by a commission comprising many individuals from the business community using private industry as their model. In this respect private sector views were brought with little change across into the legislation. The Civil Service Reform Act, however, had caught the attention of many groups and as such may appear to have been the outcome of a democratic process.

Unlike the hearings held regarding legislation to remove scientific management from the workplace which were attended by labor and industrial interests, many groups spoke out at the CSRA hearings or submitted documents/statements regarding the legislation. There were corporate representatives, public and private labor organizations, veteran groups, public administration associations, women's groups, minority groups, engineering societies, management groups, legal associations, consumer advocates, etc. It would seem that the "general public" was interested in the proposed legislation. When taking a closer look at the special interests of the groups represented, however, worker groups predominate followed by public personnel management. As might be expected with any legislation affecting workers, this civil service employment legislation was an issue between management and workers.
However, there was a fragmentation of worker concerns.

The disparities in worker interests seem to follow the different aspects of the legislation, but also reflect a fragmentation of the working class in society. Ostensibly, women's groups and minority groups were most interested in the sections of the law dealing with the establishment of the Federal Equal Opportunity Recruitment Program; veteran groups were concerned about proposals to restrict veterans' preference in employment, with disabled veterans focusing on special employment provisions for them; and, labor organizations were concerned with legislation which supported their right to bargain collectively. This fragmentation of effort, however, may be responsible for provisions contrary to worker interests getting passed, such as the performance appraisal provisions and the clarification of removal and other adverse action procedures.

When scientific management threatened workers' employment, labor organizations were organized around crafts and trades and primarily composed of white male wage earners. At the time of the CSRA, after the social upheavals of the 1960s along with civil rights legislation in 1964 and federal equal opportunity in employment legislation in 1972, women and minorities were seeking to assure their lawful rights were assured. Veterans' groups had long established their need to provide a distinct voice on behalf of veterans rights as was evidenced in their establishment of the National Association
of Government Employees (NAGE). In brief, labor organizations did not adequately represent the interests of women, minorities and veterans. And, in the instance of the CSRA, labor organizations were apparently more concerned with their legal recognition than with particular issues affecting workers and/or the concerns of specific groups of workers. Despite the fragmentation in the working class, all these worker groups received some benefits from the CSRA legislation which, in turn, further emphasized their differences, causing them to lose sight of their interests in common.

When looking at which group's concerns prevail with regard to civil service employment rules, it would seem that management interests brought in through the recommendations identified by the Hoover Commissions established the core controls over work with extraneous provisions handed to labor organizations and other groups. Additionally, contemporary business interests were encouraging changes which reflected private sector practices. The Committee for Economic Development (CED), which had set up an "Improvement of Management in Government" activity in 1962, clearly expressed that civil service reform was good corporate business because no group must work more or interface more with the government than the American business community.

Not only did the CED strongly support the newly established Office of Personnel Management being directly responsible to the President, but it also saw no problem with
political appointees running agencies and suggested they be increased from 10 percent to 15 percent of the positions. Such a position understandably favors business interests inasmuch as political appointees often come from the corporate community.

Prior to the CSRA hearings, the U.S. Senate Select Committee on Presidential Campaign Activities, Executive Session Hearings, Watergate and Related Activities: Use of Incumbency-Responsiveness Program, as reported in the Malek Manual (1976: 429-508), noted that notwithstanding the civil service merit system, so many appointees come from the business world into an administration that there is a tendency for managers to equate government with corporate life and to manage accordingly. It further advised that political and patronage appointees were necessary for the President to achieve political control in order to be able to control programs and management and to make policy.

Hence, despite the presentation of many views and the accommodation of many in the legislation, capitalist interests were served as seen in the core worker control issues that were supported in the CSRA. And, fragmentation of the working class with an appeal to their differences opened it to manipulation and kept it from effectively challenging these provisions.

The presence of civil servants in the framing of the CSRA does not seem to support the instrumentalist position of the
new ideas stemming from policy groups, foundations, think tanks, or university research institutes. Conversely, when reviewing the normal involvement of the Brookings Institution, for example, in federal government operations, there appears to be a more encompassing connection than just their presence on the President’s Personnel Management Project. As early as 1923, the Brookings Institution started training students for public service, and by 1980 they had federal executive fellows who were supervised by a senior staff member. However, not only does the institute train individuals for public service, but it continues to train civil servants. Extrapolating from their contemporary training activities which target federal executives along with businessmen and provide courses designed to teach the relationship between business and government, it becomes apparent that the federal employment policies evidenced in the Civil Service Reform Act, if not directly attributable to outside influences such as were provided by the Hoover Commissions, have at least been filtered through ideas developed in privately financed and/or controlled policy planning networks.

Again, the Civil Service Reform Act did not contain reforms which were solely derived from the work experience or perceived needs of those involved in government work. And although those ideas may have been appropriated from private sector business practices, they had to undergo the political process of gaining legislative approval which can prove
difficult inasmuch as issues may be redesigned during congressional deliberations. Further, it was clear that Title VII was included to indulge the growing federal labor organizations which made it clear that they wanted statutory recognition for collective bargaining. Thus, not only was the CSRA the result of President Carter making good on campaign promises, but the assortment of interests reflected in its provisions is a political statement; the legislation appears to give many things to many people. And some things which did not make it into the legislation, such as restricting the use of veterans preference, have less to do with employment needs since they act to restrict whom management may select than they do to fulfill political commitments. Nevertheless, the central work force controls first identified in the Hoover Commissions were not abridged.

The CSRA's two most significant changes were handing personnel management over to partisan political control and implementing provisions for the greater control of workers. This legislation was able to support business interests generally while it provided for greater state control. Accordingly, the CSRA appears to have been a situation where the state was looking out for its own interests. The most recent attempt at civil service employment reform, the National Performance Review, albeit a political program, has attempted to avoid the uncertainties of the legislative process in favor of administrative reforms and has,
nonetheless, extended a peace offering to labor.

National Performance Review

The National Performance Review (NPR) has been a political program from its inception with an openly stated objective of implementing business practices in the federal sector. It has not appealed to the general public for sources of change; it has appealed to the business community for sources of change. The NPR has only appealed to the general public for reasons to change, particularly seeking anecdotal evidence, and to gain its approval for actions taken. A similar appeal has been made to federal workers.

Vice President Gore's (1993) publication Creating a Government that Works Better & Costs Less Report of the National Performance Review is sprinkled with personal examples given by dissatisfied civil service workers, military members, bureaucrats and others associated with the federal government. The context of the cited problems is not revealed and some assertions appear to be misstatements or at least statements that may be difficult to support when taking a closer look at the civil service merit system. One claim, for example, that it takes an average manager a year to fire an incompetent employee disregards the provisions contained in law. The law requires a minimum notice period of 30 days for most offenses and provides a 10-day notice for criminal offenses. Even allowing reasonable administrative time beyond
that minimum, it would be difficult to comprehend the process taking one year to remove an employee from the federal service. Such a lengthy average could be achieved, however, if management is negligent in its duties of dealing with the employee or if the time being considered is from the time of the incident warranting removal to the last appeal decision upholding the removal.

On the other hand, it is not unusual for removal-though-appeal processing to be completed within a six-month period (which also allows time for administrative processing); the Merit Systems Protection Board normally issues their decisions within 120 or fewer days. However, the last appeal decision in cases with allegations of prohibited discrimination can take longer, even several years until a final decision is made when cases go to federal court. But using the time from the incident to the last appeal decision distorts the situation. An employee is removed and off the rolls from the effective date established at the end of the minimum notice period. Appeals are made by former employees.

In other words, such an example to portray unacceptable red tape misrepresents the standard application of civil service procedures. Further, although the NPR recommended a reduction of the 30-day notice period to 15 days for performance removal cases (unable to do the work), to date no legislation has effected such a change. And, interestingly, there was no recommendation for a reduction in the 30-day
notice period for misconduct removals which are proposed when employees will not perform the work or otherwise violate the employer-employee contract by failing to follow work place rules.

Especially disdained with regard to personnel policy were the rules and regulations of the merit system from the Civil Service Act to present-day requirements. The Federal Personnel Manuals (FPMs) that the Office of Personnel Management (OPM) disposed of in response to the NPR did not help agencies with their work of hiring, firing, paying, rewarding, or promoting employees. They were primarily explications of the law; and since the laws have not changed, agency employees responsible for carrying out their provisions now have a greater burden to assure that they are applying the law correctly. Until the legal bases of the merit system are repealed, civil service employment laws must still be followed. To do so, many personnel or human resource offices have kept bootleg copies of these directives for their use, and at least one internet web site has made them available as historical documents. Agency and other regulations which were found to be equally undesirable have been rewritten as agency instructions, policy directives, pamphlets, manuals, handbooks, etc. and placed on the electronic media. The orderliness inherent in large bureaucratic organizations cannot exist without written guidance whether it is on paper (hard copy) or computer screen.
Another goal of the National Performance Review, to create a flexible and responsive hiring system by giving departments and agencies authority to conduct their own recruiting and examining for all positions and abolish all central registers and standard application forms, may have, in fact, added to agency workloads and duplicated the process in each agency. Whereas certain jobs could be filled by seeking applicants who were screened at one location (Office of Personnel Management), each agency now has to seek and screen the applicants. Discarding the standard application forms also can retard the application process. Without a block or square or line identified for specific information, applicants are not prompted to provide necessary information which can delay processing. Besides, without the standard form other forms had to be developed to gather information needed to perform such things as security clearance background checks.

Most of the NPR-instituted changes regarding personnel management have been administrative which is problematic since the many procedures for which personnel administration has been taken to task arise from the implementation of requirements based in statute or from case law. How civil service employment laws are carried out is not only set by agencies with government-wide authority such as the Office of Personnel Management or the Office of Management and Budget, but other agencies such as the Federal Labor Relations Authority, the Equal Employment Opportunity Commission, and
the Merit Systems Protection Board, as well as the federal courts, provide legal guidance through their decisions. Thus, to achieve fundamental change in personnel processing demands revising civil service employment laws that establish the merit system; to be changed, it must be modified from the bottom up, rather than the top down as has been proposed by the NPR.

Although the NPR has suggested the elimination of the merit system (described as the rules which "year after year" and "layer after layer" have piled up), no legislative proposals are being seriously considered to eliminate or reform the objectionable law(s) or other legal bases for the rules and procedures. In this respect, it could be concluded that NPR employment reforms have been a piecemeal attempt to change practices without substantive revision to the merit system. Modifications are not changing the basic civil service employment process. Federal employment is still not handled the way it is in the private sector where implicit employment contracts are made on a person's word that they can do the work, and whom a person knows may still be more relevant to finding employment than what a person knows.

The most substantial change to the federal employment process wrought by the NPR, and one that has followed the lead established in corporate America, has been externalizing the work. Privatization, commercialization, outsourcing, etc., are methods by which federal work is handed to the private
sector. While the government retains oversight responsibility and taxes are still collected to pay for its accomplishment, the workers are not civil service workers. This is not only the most significant accomplishment of the NPR, it is also one which exercises the ultimate control over workers, the reduction of jobs which adversely affects the promotion possibilities of those workers remaining and reduces union memberships.

In sum, the National Performance Review does not appear to be a situation where political power and influence is derived from and responsive to interests of a multitude of constituents. It was not developed from the bottom up. Taking civil service workers to task has been a political issue before and since the Civil Service Act. Rather, it was an intentional program conceived in the Democratic Leadership Council waiting for its party to be elected. The celerity with which it was instituted a few weeks after President Clinton took office attests to it having been a program waiting to be implemented.

Further, the NPR’s personnel management “improvements” did not seem to particularly benefit the general public, federal workers, personnel management specialists, or even federal managers. Its primary beneficiary lies in the business community with companies seeking contracts with the government. One example of the eagerness with which the private sector is seeking government contracts may be found in
the U. S. Chamber of Commerce's support of the Federal Activities Inventory Reform (FAIR) Act of 1998 as it was originally proposed to mandate that all activities that were not "inherently governmental" be performed in the private sector. The legislation, however, fell short of meeting that goal to the dismay of business. It has since been reported that industry groups have made no secret of the fact that they will be closely watching to see whether agencies comply with the FAIR mandate to list all their commercial activities, and then determine whether further legislation is needed to make the agencies do the A-76 cost comparison studies on those activities (BNA 1999).

As more federal work has been outsourced, the federal work force has been downsized to around 2,725,100 civilian (including postal service) workers in the executive branch in 1997 (OPM 1998). The "shadow government," on the other hand, has been estimated to contain about 5.6 million federal contract-created jobs (Light 1999). The federal government is not smaller, it is less visible. At this writing civil service rules are not fewer, they are merely applied to fewer people as work is moved "offshore." Thus, the National Performance Review is arranged according to capitalist interests, endorsed and promoted by the Democratic Party.

The National Performance Review is also a program which fragments the interests of the working class. The first split comes between the public and private sectors. Many federal
labor organizations are affiliated with private sector labor organizations, such as the American Federation of Government Employees (AFGE) which is an affiliate of the AFL-CIO. Moving jobs from the federal sector depletes AFGE membership and ultimate bargaining strength, yet private sector AFL-CIO unions could stand to gain members in situations where there are large contracts. Furthermore, federal labor unions are almost helpless when it comes to downsizing since they have no legal right to assert their interests in decisions whether work may be contracted to private companies. Their only input is to help determine whether the process has adequately described the work requirements and correctly reflected its costs.

Much like what has occurred in the private sector when work is moved offshore or subcontracted, the downsizing and outsourcing of federal work have also had the effect of union-busting. Although the number of employees covered by negotiated agreements rose steadily between 1964 (when data started being kept) to a high of 59% of such employees in 1987, to 57% in 1989, between 1992 and 1997 the proportion fell from 57% to 55% with the loss of 164,787 bargaining unit members (U.S. OPM 1997). Another NPR goal, albeit one not yet realized but one that potentially has the same affect on bargaining units as downsizing, is to enable agencies to hire temporary employees indefinitely and then authorize the temps to compete for permanent jobs in the internal career ladder.
Presently, temporary employees are excepted from coverage by the competitive service and excluded from coverage by bargaining units.

Working under the threat of losing one's job not only causes workers to strive to be more productive, but encourages unions to be more compliant. Thus the private sector management model that came to characterize American corporations in the 1980s began to define the federal sector in the 1990s. Labor-management partnerships may be a peace offering of questionable value; 50% of say-so over working conditions of smaller units isn't much! Notwithstanding the eviscerating effects of the NPR, federal labor unions are still able to exert pressure at the national level and through their activities have been able to keep some of the NPR goals from becoming law. No significant reform legislation has yet been able to be passed.

Although the NPR is arranged according to capitalist interests, its developers do not appear among the upper class or corporate elite. Its primary architects are found in the Democratic Leadership Council (DLC) Progressive Policy Institute (PPI), many of the members having worked in and out of government service at the federal level. The current president and founder of the Progressive Policy Institute, was a former newspaper reporter, a policy director of the Democratic Leadership Council, and has worked with leading members of Congress and other elected officials. The experts
hired by the PPI share similar histories of working on Congressional staffs or as legislative assistants. Affiliated PPI scholars include professors in political economy, sociology, history and social development as well as expertise in military affairs and public administration. Further, members of Vice President Gore's NPR staff primarily included individuals who had held political appointments in federal agencies or were career civil servants. While corporate and/or upper class connections may be found in organizations such as the Brookings Institution which is funded largely by endowment and by the support of philanthropic foundations, corporations, and private individuals, they did not seem to supply the source of ideas from which the National Performance Review emerged.

The framers of the NPR reforms were not among a power elite identifiable among the top income earners and holders of wealth. But, there appears to be a direct connection between those who formulated the NPR and American corporations, and through corporations a link to the upper class. Although the NPR was produced in a think tank developed by the Democratic Party to achieve political success, it is funded by corporate and financial entities which are watching out for their own interests. According to one journalist who covers the political scene, corporations are so well represented at the events given by the Democratic Leadership Council that without seeing the donor list, he concluded that they were corporately
funded. Private sector business interests not only fund the DLC, but their representatives stay in touch with the members of the DLC.

Around 90 percent of the Board of Advisors of the Democratic Leadership Council is comprised of representatives from corporate, financial and other business interests. While there are twelve individuals represented on the board, only one employee organization, the Hotel Employees and Restaurant Employees, is found on the board. The DLC’s Policy Roundtable becomes even more concentrated with business interests; it has no employee organizations, and one individual and three foundations are represented.

The Executive Council which leads the Policy Roundtable has representatives from the larger, older corporations which are easily recognizable to most Americans: AT&T, ARCO, Aetna Inc., Bell Atlantic, BellSouth Corporation, Bristol-Myers Squibb Company, Chevron Corp., GTE Corp., IBM, Koch Industries, MCI communications, Pepsi-Cola Company, Philip Morris Companies, Inc., etc. And, as might be expected of such corporations, their Chief Executive Officers and Chairmen, as reflected in Who’s Who in America and Standard and Poor’s Register of Corporations Corporation Directory, conform to Domhoff’s (1990, 1996) characterizations of club, business and other memberships.

Corporate representatives on the DLC’s Executive Council of the Policy Roundtable, however, may or may not hold
leadership positions with the corporations and, with only two exceptions, are not listed in Who’s Who. The executive position most often held relates to government affairs. Five of the eight members holding a vice president or senior vice president position are holding them for government relations or affairs. (It is also interesting to note that many of the corporations have positions identified to focus on government relations even when the office holder is not on the Democratic Leadership Council.) With one exception these DLC Executive Council members apparently hold corporate positions at lower levels than would warrant recognition in Who’s Who.

The level of support these corporations contribute was not supplied when the Democratic Leadership Council provided a copy of their “donor list.” Corporations are not allowed to make “hard-money” or regulated contributions to federal candidates, thus there would be nothing to report. They are, however, allowed to create political action committees which may donate limited amounts to candidates and political parties. And, they may contribute unlimited monies that fall within the category of “soft money,” which represents the “barely regulated contributions that individuals, groups, companies and corporations are allowed to make directly to political parties” (Cawley 1998) to be used for anything, according to the Federal Election Campaign Act, except activities directly related to endorsing candidates in, or otherwise affecting, federal elections.
The Democratic Leadership Council is an organization of the Democratic Party, and does not appear to be funded by a Political Action Committee with its "hard money" donations, although it does have a representative from the New Democrat Network Political Action Committee on its Board of Advisors. Thus, funding for the Progressive Policy Institute think tank of the Democratic Party from which the National Performance Review emanated comes more directly from corporate and financial sources than Domhoff identified in his class dominance theory, but carries, nonetheless, the same encumbrances.

While the connection between corporate America and the Democratic Party has been less obvious than the Republican Party's corporate ties, especially since almost all the corporate donors contribute more heavily to the Republican Party and the Democratic Party is heavily financed by labor unions, its presence clarifies the National Performance Review impetus for outsourcing federal work to the private sector where a great deal of available work was depleted when corporations moved assembly and information-type work off-shore during the 1980s. The connection also highlights the business of government being integrated with private sector business interests and, consequently, questions the autonomy of the political system. The capitalist class has been in a key position to affect the development of policy without interference by the working class. It is not until
legislation is considered that the working class is able to voice its objections through lobbying activities.
CHAPTER 7

SUMMARY AND CONCLUSIONS

A recapitulation of the events addressed in this research illuminates federal work practices being characterized by a continuing class struggle. The aim of the Civil Service Act was to limit the power of politicians, but it also had the effect of limiting the power of management personnel, who were charged with carrying out the programs established by politicians. Following this restriction, there has been an ensuing struggle to restore management control, on the one hand, and to limit the power of workers on the other.

The public consensus in the 1800s that the federal civil service had become corrupted by politicians who used it to gain supporters and ensure votes led to the passage of the Civil Service Act of 1883 to check this use of power. It did so by depersonalizing work choices made by persons in positions of authority over the civil service, that is, by requiring federal work be conducted according to impersonal rules. The Civil Service Act required that examinations by objective criteria replace recommendations by politicians to place individuals in civil service jobs, a process which

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neutralized the influence of those in positions of authority. Coincidentally, the simple or extended simple control which had been common to the federal workplace was checked. Supervisors were not able to hire individuals recommended to them or whom they personally may have wished to hire, nor were they allowed to promote those they liked or fire those they did not appreciate. Personnel actions had to be based on objective criteria defined by rules, not made according to personal preferences. Bureaucratic control had largely replaced extended simple control. Following the establishment of this model method of employment in which personal preferences were removed from public personnel matters, and notwithstanding the fact that the Civil Service Act did not change the basic hierarchical power relations in the federal workplace, there has been a constant attempt to regain the lost powers.

One of the early, albeit small-scale attempts to change federal work practices is found in the implementation of scientific management. Scientific management was not only contrary to worker interests but was also philosophically in conflict with the Civil Service Act which had enhanced the position of workers when it exchanged rules for personal preferences. Under the Civil Service Act, individuals were able to obtain federal employment based on their knowledge, skills and abilities, elements mainly under their control. But, workers who were subjected to scientific management
methods were denied the use of much of the knowledge, skills and abilities which had formed the bases for their being hired.

While scientific management, too, may have seemed to be a drive to depersonalize work, it, was, rather, a shift in the position of the person who controlled the work process. It gave individuals in positions of authority over work a greater say in the way work was performed, which thereby restricted or removed the worker's ability to command the work process. By management mechanizing the work process apart from the worker, scientific management could dislocate any control over work held by workers. Further, this shift in control enabled management to dominate the workers. Although government officials may not have been able to select their friends or give jobs to others based on personal recommendations or political direction, they could condense the labor power purchased to remove any activity not directly contributing to the production process. And, exclusively using the work process, they could determine whether to promote or remove employees using the work as the justification. Federal bosses could regain some of the power which had been denied them under the Civil Service Act.

Subsequent to the Civil Service Act and after legislation banned scientific management in federal production activities, many attempts have been, and are continuing to be, made to reform the Civil Service Act to restore to government
officials some of the controls the Act had taken from them. Until the Civil Service Reform Act of 1978, however, these endeavors remained mostly at the theoretical level. The Hoover Commissions, in particular, advised of many changes by which management officials could regain control over the personnel process. Until 1978, most of these type recommendations did not get incorporated into legislation, a step which is necessary to change the rules established by the Civil Service Act and its Civil Service Commission.

The Civil Service Reform Act of 1978, most significantly, disbanded the Civil Service Commission and replaced it with the Office of Personnel Management which is headed by a presidential appointee. This arrangement assures that personnel rules are responsive to the political party holding office and, consequently, allows greater political control over the civil service process.

The Civil Service Reform Act also decreased the proof necessary for removing federal workers. If a "reasonable person" concludes an employee cannot perform the work, the removal is upheld. And, it provided managers options for operating outside the law using demonstration projects. Of course, the fewer the personnel rules that are established in law, the greater the political control over the civil service. But, the dominance restored to civil service bureaucrats, political appointees and the President through the Civil Service Reform Act in no way approaches the level suggested by
the National Performance Review which has been attempting to make changes through administrative means because of the Clinton Administration's inability to get an omnibus civil service reform act seriously considered.

The National Performance Review's reinvention of the civil service is not only attempting to get legislation to change laws governing federal employment, but is also trying to make as many changes as possible to the rules which are not covered in law. Perhaps the most effective means the National Performance Review has used to operate outside civil service procedures is to downsize the workforce. By outsourcing government work and having it performed in the private sector, civil service rules no longer cover workers performing government work. Establishing alternative personnel systems is another method being considered. One such proposal has been made by the Department of Defense to move its civil service workers out from under Title 5 (as has occurred with the Federal Aviation Administration) and place them under Title 10 which regulates military members. By so doing, new rules could be established by agency management for a large segment of the civil service.

And another example of granting management greater immediate control over workers is pay banding. While this process does not give management total dominance over pay, it will have greater latitude in setting workers' pay than it now does. Despite this measure's less than compelling success in
the Navy's China Lake project, which tended to increase employment costs without a recognizable increase in productivity, the Office of Personnel Management, commanded by a partisan presidential appointee, initiated a government-wide classification study "before [emphasis added] the widespread implementation of broad pay banding as recommended by Vice President Gore's National Performance Review" (OPM News Release, Nov. 9, 1995). Apparently, the study is a precursor to its implementation, not an undertaking to determine whether pay banding would be more appropriate. Consequently, the remaining, smaller federal force should enjoy higher salaries as federal supervisors are able to elevate the esteem of their own positions with higher pay/grades of their workers. Since there is no bottom line from which to draw acclaim, position importance may be drawn from the levels held by subordinates.

Perhaps the most contentious example of politics overcoming civil service sense, however, lies in Executive Order 12871 which was a concession to organized labor to get it to support downsizing the federal workforce and to back the objectives of the National Performance Review. At this writing, the Federal Labor Relations Authority's ruling, namely, that the Executive Order does not constitute an election by agencies of the Executive Branch to bargain topics which were established in the Civil Service Reform Act as permissive bargaining areas, is being challenged in the courts. Federal labor organizations are also urging the
administration to direct agency heads to comply with the Executive Order. Because the National Performance Review did not live up to its promises to organized labor, Vice President Gore, a presidential hopeful, stands to gain or lose labor support over this matter. Of course if the courts decide the issue, the political ramifications of further deregulating the civil service may be forestalled.

This research has also pointed out how this struggle is not wholly contained within the federal arena. Private sector business interests have played an active role in reform efforts, whether their views appear to be requested by politicians or foisted upon them. Presidential administrations include an array of appointees from the business and financial communities who are selected for their assistance in carrying out the programs of the Executive Branch. And, commissions such as the Hoover Commissions and the Grace Commission have been convened, directly seeking the views of the corporate and financial communities.

Further, politicians have (and are) courting the holders of American wealth in order to finance their political campaigns. It is common knowledge that big donors are more often motivated by the need for a legislative or regulatory fix whether it is to block tougher EPA regulations or assure favorable treatment of mutual funds. But less obvious is the private sector influence in the reform of the civil service employment process. Not only has the Democratic Leadership
Council (DLC), for example, helped reshape the agenda of the Democratic Party, but it was also the incubator for the National Performance Review which, among other changes, sought civil service reforms. Corporations fund and guide the DLC. Of the 20 firms represented in the Executive Council of the DLC Policy Roundtable, 16 are among the top 500 corporations leading in "soft money" contributions. It is not surprising, then, to note that the most significant change to the civil service, its downsizing, has benefitted the private sector. Private companies enjoy guaranteed incomes with government contracts. And the business community is enhanced in its ability to provide jobs to replace those that were moved out of the country. Such benefits have not escaped the notice of the U.S. Chamber of Commerce which has ardently lobbied for privatizing most federal work.

In addition to reviewing several major reforms and attempts to reform federal civil service employment procedures, noting how the reforms address control over work and pointing out the involvement of the private sector in developing those reforms, this research has used three theoretical perspectives to reach an understanding of how these measures are introduced. Of the three standpoints, social pluralism, structural Marxism, and instrumentalism or class dominance theory, the latter, notwithstanding its many criticisms, seems to offer the greatest clarification of the federal civil service reform process.
To a large degree, the subject of the study, federal work practices, does not lend itself to a social pluralist explanation. The federal workplace is not a democratic institution. It is a setting in which the lines of authority have been clearly established, initially in practice and then in law. The key players are the workers and their bosses. Outside of these two groups, one other, politicians, has traditionally shown an interest. When analyzing the outcomes of reform actions, we see that managers generally, and in particular political managers, are regaining control over workers and the work process. Thus, even when it appears there are many groups vying for ascendancy; management realizes the greatest gain. Rather than there being a shift in social power, it is clearly retained in the management class as opposed to the working class and is increased as partisan political management is increased.

Consequently, with the exception of the Civil Service Act which was a concern among various groups in American society and which, when implemented, curtailed the exercise of political and management power, there has been no shift in power relations. Although the Civil Service Reform Act (CSRA) appears to take on an aura of social pluralism with its many groups represented, an analysis of its outcomes reveals that the CSRA brings forth only two special interests, management and workers, with a disunity among workers. Women, minorities and labor unions had legislative agendas at odds with each
other, which fragmented their interests, emphasized their
dissimilarities and kept the groups from joining forces to provide a united front. In fact, work processes became secondary to the esoteric goals of these groups to gain advantage. Women and minorities wanted civil service jobs, and labor unions wanted collective bargaining recognition. The intrinsic work issue of control over the work was not paramount to any of them. They were divided by their legislative objectives, so all workers lost ground in relation to management control. Management, on the other hand, not only held the controlling position but was united in its efforts to gain greater control over workers and, concomitantly, more direct political involvement. Their interests, whether focused on management or political control, were complementary.

The Civil Service Reform Act (CSRA) perhaps fits best with the structural Marxist view of lawmaking insofar as it underwent the legislative process after rising as a political objective of the Carter Administration. The many interest groups it sought to appease, however, were a diverse constituency rather than a reflection of a decentralization of power. The CSRA worker-management power relations communicate an outcome that not only supports capitalist work methods but also administers to the needs of the political system in gaining more control over agencies. Nevertheless, while this legislation seemed to enhance political sovereignty, it
carried through personnel practices recommended in the Hoover Commissions and, at the same time, garnered the genuine interest and involvement of corporations which does not support the notion of political independence. This abridged autonomy between the state and the economy has been recognized in Domhoff's class dominance view of power relations and/or the instrumentalist view, which becomes most evident in the more recent National Performance Review (NPR) activities to reform the civil service.

 Corporations not only finance political parties but maintain a working relationship with the party, helping to define its internal organization. They do not blindly contribute monies, rather, they establish high-level corporate positions and assign representatives to work with governmental entities which facilitate a corporate focus on managing government. And, if Philip Morris is an example, corporations increase their interaction with government when they encounter problems with the public. In brief, powerful corporations consciously involve themselves in governmental matters.

 Of course, a question that has haunted the instrumentalist position is whether corporations consciously engage in activity contrary to the interests of the working class. This research contends that the answer would be in the affirmative. They may not do so with a consciousness found between warring parties, but the result is nonetheless as effective, albeit moving at a slower pace. Corporations
pursue making a profit. The most effective method for achieving that objective is to cut labor costs. Thus, inherent in the corporate makeup is to find ways to reduce labor costs, which, presently, ranges from finding slave labor in underdeveloped and developing countries to increasing the use of technology such as the most recent McDonald’s corporation attempt to replace workers with automatic menu machines by which customers may order and pay for their meals interacting with machines placed at restaurant tables.

This same rationale is prevalent in governmental work. Agencies are being downsized with the intent of technology replacing workers. Labor unions fail to benefit from promises to enhance their status. And, federal workers lose more control over their work activities. These changes were not due to happenstance or aping the private sector. Rather there is a partnership between the government and corporate America in the running of America, which can be charted in the results of actions taken.

Reviewing the outcomes of activities to change government employment practices not only reveals detriments to government workers, but also discloses benefits accruing to the private sector. Private sector businesses openly gain from displacing federal workers. Not only do they get to do the work of government through contracts, they also get higher pay/benefits than government workers. Further, the incorporation of private sector business practices in the
remaining government employment legitimizes private sector practices that are detrimental to workers: downsizing, contingent labor, reduced benefit packages, etc. For these reasons, Domhoff's instrumentalist or class dominance theory provides the best view of the public-private connection. Admittedly, this research has not been able to provide a complete picture of that bridge. It does suggest, however, that an analysis of the various deliberations of corporate-federal interactions such as those in the Democratic Leadership Council could provide a more complete view of that relationship.
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