



WILEY-
BLACKWELL



*Advancing excellence
in public service . . .*

Visions of Corruption Control and the Evolution of American Public Administration

Author(s): Frank Anechiarico and James B. Jacobs

Source: *Public Administration Review*, Vol. 54, No. 5 (Sep. - Oct., 1994), pp. 465-473

Published by: [Blackwell Publishing](#) on behalf of the [American Society for Public Administration](#)

Stable URL: <http://www.jstor.org/stable/976432>

Accessed: 31/12/2010 15:22

Your use of the JSTOR archive indicates your acceptance of JSTOR's Terms and Conditions of Use, available at <http://www.jstor.org/page/info/about/policies/terms.jsp>. JSTOR's Terms and Conditions of Use provides, in part, that unless you have obtained prior permission, you may not download an entire issue of a journal or multiple copies of articles, and you may use content in the JSTOR archive only for your personal, non-commercial use.

Please contact the publisher regarding any further use of this work. Publisher contact information may be obtained at <http://www.jstor.org/action/showPublisher?publisherCode=black>.

Each copy of any part of a JSTOR transmission must contain the same copyright notice that appears on the screen or printed page of such transmission.

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact support@jstor.org.



Blackwell Publishing and American Society for Public Administration are collaborating with JSTOR to digitize, preserve and extend access to Public Administration Review.

<http://www.jstor.org>

Visions of Corruption Control and the Evolution of American Public Administration

Frank Anechiarico, Hamilton College

James B. Jacobs, New York University School of Law

What has been the impact of corruption control efforts on the development and operation of public administration? Frank Anechiarico and James B. Jacobs describe the evolution of "anticorruption project" over four eras since the 19th century. Each era is characterized by a particular vision of corruption control, and each vision has had a formative effect on the practice of public administration and its development as academic discipline. The impact of the anticorruption project is cumulative; each generation of reformers has added rules, procedures, and institutions. Most recently, a "panoptic" vision of corruption-proof government has promoted corruption control to a top priority, competing successfully with other government functions for influence and resources. The very success of the contemporary anticorruption project has triggered a powerful revisionist critique that highlights the tension between corruption control and administrative efficiency and effectiveness. The panoptic vision, in some cases, has come to dominate the business of government; it has also contributed to the antibureaucratic sentiment of the current reinvention movement.

Changing Visions of Corruption and Corruption Control

The anticorruption project has been an integral part of the intellectual and political reform movements that have shaped American federal, state, and local governments throughout the 20th century. The anticorruption project includes the ideology, laws, regulations, and administrative strategies and inter- and intra-organizational checks, balances, and institutions aimed at defining, identifying, preventing, and punishing official corruption. This project has been cumulative. Each new stage of the anticorruption project ratchets-up the quantity and intensity of corruption prevention in government and increases the project's impact on public administration. The absence of scandals is attributed to anticorruption strategies already in place; the occurrence of scandals is cited as proof that additional anticorruption laws, administrative strategies, and organizational prophylactics are needed.

In this article, we describe the evolution of the anticorruption project, especially its assumptions, ideologies, and goals. From 19th century civil service reformers to contemporary inspectors general, prosecutors, comptrollers, and loss-prevention specialists, pursuit of the public good has included an image of governmental operations free from corruption. Despite the expansion of the definition of corruption, multiplication of anticorruption strategies, and intensification of control techniques, more intervention always seems to be required. We argue that a new, panoptic vision of corruption control now influences and shapes public administration; while it can be traced to earlier anticorruption reforms, it has a distinct agenda and has a distinct impact on the operation of American government.

Our observations are drawn from the large scholarly literature on corruption and from our own on-going empirical research in New York City. Because of New York City's gargantuan government, tradition of machine politics, visibility in the media, and corps of good government reformers, it has always been a laboratory for corruption-control experiments (Anechiarico and Jacobs, 1992, pp. 580-603). However, our observations about New York City should be relevant to public administration more generally, particularly large state and local governments.

Perhaps surprisingly, while municipal corruption has received a good deal of attention from political scientists and urban specialists, the connection between anticorruption reform and public administration has not been systematically examined. Empirical studies of urban public administration hardly point to, much less emphasize, the extent to which government is organized to prevent public officials from engaging in bribery, embezzlement, nepotism, favoritism, conflicts of interest, and even the appearance of these species of dishonesty. To a significant extent, the organization, rules, and energy of urban government are focused on surveilling and controlling officials rather than on the production of government outputs.

Table 1
Visions of Anticorruption Reform

Corruption Control Vision	Antipatronage	Progressive	Scientific Management	Panoptic	Revisionist
Strategy	Credential and competence testing	Professionalism	External control	Law enforcement	Public entrepreneurship (Lewis, 1980)
Perceived Causes of Corruption Problem	Partisan control of personnel	Partisan, unprofessional administration	Inadequate organizational controls	Inadequate monitoring	Bureaucratic pathology
Key Policy Prescription	Merit system	Electoral reform, independent regulatory commissions, administrative expertise, apolitical administration	Government reorganization and centralization	Surveillance, investigation, fiscal controls	Market privatization
Implications for Public Administration	Peer enforcement of norms; personal controls	Enforced standards of efficiency	Oversight of agencies and appropriate span of control	Strong investigative and auditing agencies	Decentralized debureaucratized structures, deemphasize corruption control

We identify four visions of corruption control: antipatronage, progressive, scientific management, and panoptic.¹ We also consider a revisionist critique of the policies implementing these visions. Revisionism, although first appearing in the Progressive era, has been forcefully articulated in reaction to the emergence of the modern panoptic vision. Although these four visions of corruption control significantly overlap, they correspond roughly to parallel stages of American public administration. Thus, this article reconstructs the discourse that has taken place in public administration and in the larger society over the problem of governmental corruption, the possibility of solving it, and the most efficacious remedial strategies.

A vision, as we are using it, is a paradigm or *weltanschauung* (worldview) that includes assumptions about the nature and control of human behavior and the role and potential of government institutions. The vision that now predominates in large governments in the United States is panoptic. It assumes that officials will succumb to corrupt opportunities and advocates comprehensive surveillance, investigation, and target-hardening strategies. It is built on 100 years of ideology, rules, institutions, legal techniques, and reformist ideas. Although the powerful set of law enforcement techniques that make up the panoptic vision are distinct from earlier anticorruption efforts, they reinforce many of the goals that were articulated by the Progressives at the beginning of the 20th century and subsequently elaborated and expanded by successive generations of reformers. Like its predecessors, the panoptic vision has critical implications for government organization and public administration. If anything, its implications are even more significant, because its adherents urge a much broader definition of corruption and much greater authority for corruption-control institutions.

The Antipatronage Vision of Corruption Control, 1870-1900

Civil service reformers in the last quarter of the 19th century believed that government could be managed for the public good by experts rather than by patronage, cronyism, and graft. Corruption and graft, according to civil service reformers like Carl Schurz and Leonard White, was the result of the party-dominated, informal, unprofessional organization of urban administration.² According to the reformers, public service should be the repository and showcase of

the highest public principles, and public servants should be exemplary citizens. Patronage was inimical to everything the reformers thought the public service should be; it corrupted the moral fibre of government and disgraced American democracy.

The movement to end the spoils system³ and to create an American civil service began in earnest during Reconstruction. As legal historian William Nelson points out, the attack on the spoils system was the second phase of a powerful moral movement that began with the abolition of slavery (Nelson, 1982, p. 121). Senator Schurz's reflections on the moral impetus of civil service reform makes this point:

The question whether the Departments at Washington are managed well or badly, is, in proportion to the whole problem, an insignificant question after all. Neither does the question whether our civil service is as efficient as it ought to be, cover the whole ground. The most important point to my mind is, how can we remove that element of demoralization which the now prevailing mode of distributing office has introduced into the body politic (Nelson, 1982, p. 121; Bancroft, 1913, p. 123).

The desire to change the nature of leadership in American government centered on what Schurz called demoralization, the moral debasement of character by patronage. Creating a civil service would "make active politics once more attractive to men of self-respect and high patriotic aspirations" (Schurz, 1893, p. 121; Rosenbloom, 1985, p. 7).

Julius Bing, another important proponent of civil service reform, clearly saw the antipatronage campaign as a moral imperative.

At present, there is no organization save that of corruption; no system save that of chaos; no test of integrity save that of partisanship; no test of qualification save that of intrigue...we have to deal with a wide-spread evil, which defrauds the country in the collection of taxes on a scale so gigantic that the commissioners of revenue, collectors, assessors, and Treasury officers— at least those of them who are honest— bow their heads in shame and despair. We have to deal with an evil that is manifest here and there and everywhere (Hoogenboom, 1961, p. 1; Bing, 1868, pp. 233, 236).

The desire to transform government by reforming governmental personnel administration powered one of the most significant movements in the history of American public government. The belief that

Like its predecessors, the panoptic vision has critical implications for public administration. If anything, its implications are even more significant, because its adherents urge a much broader definition of corruption and much greater authority for corruption-control institutions.

a professional civil service will assure the integrity and competence of public employees has not diminished during the past century. Consider the way a recent New York State Commission on Government Integrity expressed its obeisance to the antipatronage vision:

As the perception of patronage spreads, it reduces the attractiveness of city government service as a career and can have a negative long-term impact on the quality of public service that cannot be measured. The existence of patronage saps incentive for meritorious service and diminishes penalties for substandard performance. Career employees can become demoralized and cynical about their work. When they are committed to the mission of the agency, they see that mission frustrated by political considerations. The cynicism may be accompanied by resentment or resignation; in either case, employees' sense of professionalism is demeaned because it receives limited reward or recognition. Worse, employees see themselves compromised because they are required to participate in the patronage practices they find offensive. And, inevitably, their motivation to oppose corruption is lessened (New York State Commission on Government Integrity, 1991, p. 542).

After decades of civil service reform, the antipatronage vision has become accepted political wisdom and even constitutional dogma.⁴

The Progressive Vision of Corruption Control (1900-1930)

The second stage of the anticorruption project is the Progressive reform movement which dates approximately from the turn of the century to the New Deal. Although this disparate movement drew on many motivations, all Progressives shared the zeal for government integrity. For the Progressives, the key to rooting out corruption was complete reform of the political system, not just personnel policy. Corruption control was necessary for government efficiency and democratic accountability. By studying European administration, scholars like Woodrow Wilson came to believe in the possibility of a system of public administration independent of party politics, the root cause of corruption.

Wilson and the Progressive reformers had a vision of a politically independent, corruption-free administration, but lacked a fully developed design. "The object of administrative study is to rescue executive methods from the confusion and costliness of empirical experiment and set them upon foundations laid deep in stable principle" (Link, 1966, p. 370). The great and small questions of human governance would be answered by wedding American democracy's moral superiority to European administration's scientific superiority. The result would be honest, democratic, and scientifically sound administration (Nelson, 1982, p. 121).

Wilson proposed integrity as the first principle of public administration. Similarly, Frank Goodnow argued that politics had debased administration and limited its utility. His solution was to separate political from administrative functions and to centralize government so that procedures and rules of conduct might be standardized (Goodnow, 1900). These reforms, in his view, would make public administration responsive to the public interest rather than to the political and pecuniary interests of party bosses.⁵

The Scientific Management Vision, 1930-1970

Although its goals were rooted in the Progressive period, the 1930s generation of scientific managers emphasized bureaucratic control over more general political reforms. It considered the Progressive philosophy to be "outmoded and insufficient to meet the problems of an industrialized, urbanized world power" (Feinman, 1981, p. 208). Seeing themselves as engineers of corruption control and armed with theories of scientific management, they approached corruption as a problem in the design of organizations, rather than as a problem of politics or morals.

This vision of corruption-free government gained strength and adherents by taking hold of the new profession of public administration. The "science" of administration moved from ideology to practice, as public administration emerged as a professional discipline. Leonard White of the University of Chicago, along with Frank Goodnow, was responsible for bringing the principles of scientific management to the public sector (White, 1948a, 1948b, 1954, 1958).

The bureaucratic reformers embraced theories of scientific management, optimal spans of control, perfection of hierarchy, and new auditing and accounting techniques.⁶ They believed that government integrity would flow from sound organization. Their basic premise was that the correct deployment of administrative authority, coupled with comprehensive monitoring and evaluation, would prevent corruption or quickly bring it to light.

Leonard White expressed this scientific management vision as follows:

Out of reform, moral in its motivation, came reorganization, technical and managerial in connotation. Expertness, once assured its place, could continue a steady drive for better standards from within rather than from without (White, 1948b, p. 16).

[We] note the further development of the technique of large-scale management, especially overhead direction, long-range planning, and the effective coordination of the parts of a constantly expanding machine. Here government may learn from the methods of great industrial organizations, where similar problems exist (White, 1942, p. 597).

Clearly, scientific management had goals other than corruption control, specifically organizational efficiency and rationality. Nevertheless, this vision was shaped by the belief that administrative integrity could be achieved through administrative control. As administrative tasks became more complex in ever-larger bureaucracies, it became more difficult to guarantee integrity through such Progressive innovations as peer review, professional ethics, and voter accountability. As Luther Gulick put it, a management vision parallel to hierarchical (scalar) control was needed. Gulick argued for an administrative strategy called external control (Gulick, 1941, p. vii-xi), which he defined as investigative evaluation of government operations by specialized officials external to the agencies. Gulick identified external control as a central component of scientific management in his introduction to Harold Seidman's 1941 study of the New York City

Gulick and Seidman saw no contradiction between corruption control and efficiency.

Department of Investigation (DOI), an agency that Gulick held out as capable of providing the kind of scrutiny that administration practice required in order to ensure efficient government operations. Gulick and Seidman saw no contradiction between corruption control and efficiency; indeed they saw external control as a necessary condition of efficient public administration.⁷

The Panoptic Vision: Law Enforcement as Public Administration, 1970—Present

Two major events gave anticorruption policy added strength. First, the Watergate scandal sparked a new round of ethics laws and led to additional powers and resources for prosecutors and investigators targeting official corruption. Second, the fiscal crisis of the mid-1970s in New York City and elsewhere added fiscal accountability to the purview of administrators. Graft and bribery were no longer an adequate definition of corruption, which by the 1970s came to include fraud, waste, and abuse. In times of fiscal austerity, it became corrupt to waste resources or abuse authority.⁸ The level of scrutiny of management behavior was raised considerably in order to assess compliance with stringent ethics laws and fiscal procedures.

In 1979, John Bollens and Henry Schmandt called for a national commitment to corruption control.

It is time that we as a nation face up to the fact that political corruption is a problem of major proportions calling for our serious attention and full commitment to its amelioration. Up to this time our approach has lacked determination and will. We have shown too little awareness of the magnitude and impact of official wrongdoing and too little concern for its solution.... Support for remedial measures and their vigorous enforcement has been less than enthusiastic, and the public anger displayed intermittently when outrageous abuses of office come to light has quickly declined. The failure to proceed more decisively against wrongdoing by government personnel may reflect an unwillingness on our part to examine critically the norms that govern our private behavior (Bollens and Schmandt, 1979, pp. 249-250).

If the Progressives generated moral theory and scientific managers engineered control structure, contemporary corruption controllers emphasize law enforcement strategies.⁹ The political, legal, and institutional legacies of past visions remain, but the vision of contemporary reformers is of public administration fraught with corruption vulnerability that can only be addressed by comprehensive administrative, organizational, and law enforcement strategies. They have adopted or invented technologies, institutions, and routines that strive for intensive scrutiny of public employees. Although these techniques are clearly successors to external control and other earlier approaches, when taken together, they constitute a difference in kind from earlier methods.

The newest vision of corruption control calls to mind the panoptic ideal described by Jeremy Bentham and Michel Foucault.¹⁰ Bentham's design for a prison in which all inmate activity would be observable from a louvered and unobservable central tower was used by Foucault as a metaphor for the aggressive gaze of the modern state; a gaze that

translates knowledge into power. The latest, contemporary anticorruption project seeks to extend and transform the Progressive mission and New Deal engineering into a machine that controls politicians, bureaucrats, and street-level public employees via surveillance and the enforcement of expanding criminal and administrative sanctions.

Instead of theorists like Woodrow Wilson, or administrative engineers like William Herlands, the central figures in the contemporary fight against corruption are prosecutors, inspectors general, corruption vulnerability experts, auditors, and fraud specialists. Their anticorruption project is extraordinarily ambitious, having radically expanded the definition of corruption to include appearance of conflict of interest, failure to fully disclose all financial interests, misstatements on job applications, unauthorized use of government telephones, leaving work early, accepting favors and gifts, and entering into public contracts with morally tainted private companies.

With each corruption exposé, the corruption-hunting apparatus lobbies for both greater resources and a broader definition of its mission.¹¹ The inevitable result is that more corruption is uncovered.¹² Thus, the panoptic vision of corruption control feeds on corruption scandals, and generates initiatives that have a more and more profound impact on municipal government.

Corruption in the panoptic vision is no longer primarily attributed to incompetence, absenteeism, laziness, and partisan influence but to inadequate rules, threats, and controls. This panoptic vision of corruption deemphasizes issues of governmental accountability,¹³ recruitment, and training. It proceeds from a view of public officials, politicians, managers, and rank and file personnel as seekers of corrupt opportunities and of government as an organizational form that generates abundant opportunities for corruption (Marx, 1992, pp. 151-172). Corruption is to be expected, and all public employees are suspect. New York reform commissions in the late 1980s concluded that systemic strategies were inadequate (Green and Feerick, 1991; New York State Organized Crime Task Force, 1991), and the time had come to apply the criminal law model based upon surveillance, investigation, punishment, and deterrence. At the same time, accounting, auditing, and diverse other controls have also expanded and intensified. The priorities of investigation and prosecution now determine the structure of authority and control in administrative agencies. The kind of structural changes that motivate, and are expected to result from, the panoptic approach should not be confused with the political reforms demanded by the Progressives or by today's advocates of reinvented government. Instead, the purpose of administrative reform is to deter and prevent corruption by establishing a system of thorough and efficient observation.

The panoptic vision regards public employees as akin to probationers in the criminal justice system. Their routine is to be governed by a comprehensive system of administrative/criminal laws, enforced by law enforcement agencies using a full array of investigative tools, including covert operations. This system is to be backed by threat and sanctions, including jail, fines, and job and pension forfeiture.

The panoptic vision has led to the expansion of anti-corruption institutions and strategies, and to enhancement of the authority of anti-corruption units and personnel. The following examples are illustrative of various components of the contemporary anticorruption project.

Corruption Vulnerability Assessments

Corruption vulnerability assessments are an excellent example of how the apparatus of modern-day corruption control has become more penetrating. Several agencies of New York City government conduct corruption vulnerability assessments, which measure the

The *panoptic vision has led to the expansion of anti-corruption institutions and strategies, and to enhancement of the authority of anti-corruption units and personnel.*

potential for corruption inherent in an agency's operations and organization. The New York City Comptroller's Office (Comptroller's Directive 1, 1985), "requires agency heads to conduct a review of the adequacy of internal controls by September 30 of each year and file an 'Agency Financial Integrity Compliance Statement'" (New York City Comptroller, 1985, p. 1-1). The language of Directive 1 states:

Internal controls are designed to encourage adherence to managerial policies. To evaluate controls, managers should ask, "What can go wrong with my operation?", and "What can I do to prevent it?"... Controls consist of all the procedures an agency used to safeguard resources, provide accurate information, and assure adherence to applicable laws, regulations and policies.

Control systems include both administrative and internal accounting controls. Administrative controls encompass all agency activities. Their purpose is to insure that agency objectives are met economically, efficiently and effectively. Internal accounting controls are those related to authorizing and reporting transactions. They deal with the reliability of accounting reports and the safeguarding of assets (New York City Comptroller, 1985, p. 1-4).

The directive goes on to discuss the control environment and to include under the rubric of internal control the attitude of senior management. The Department of Investigation's Corruption Prevention Management Review Bureau also requires annual corruption vulnerability assessments. It then selects specific agencies and operations for intensive audits, which may last for months. These assessments include everything from management structure to the daily conduct of individual employees, to the measurement of the agency's product.

Investigative Auditing

The usual paper trails required by audit guidelines do not always lead to the perpetrators of waste, fraud, and abuse. Government accountants have set aside their green eye-shades for Nagra recorders and micro cameras. Several agencies with audit jurisdiction in the New York City government have adopted the techniques of undercover surveillance to follow the money paid out in contracts and to observe how money is handled by public employees. The leader in this new kind of auditing is the New York City comptroller. The comptroller's Special Investigations Unit (SPIN) has city-wide jurisdiction. It investigates not only possible fraud by city contractors, but the background and integrity of their families and associates (Jacobs and Anechiarico, 1992, pp. 64-76).

Another auditing technique gaining popularity with anticorruption specialists is auditing through electronic data processing (EDP). EDP audits financial transactions by sophisticated computer monitoring of operations and expenditures that are designed to catch irregularities or suspicious patterns of disbursement. Although this technique requires a high degree of computer network integration, it is already in operation in several agencies. The goal of the mayor's Office of Operations is to put all contract operations into a single computer network.

Performance Auditing

In the past, government accounting centered on the verification of expenditures. Until the late 1970s, comptroller audits mostly involved checking invoices against appropriations and contracts or purchase orders. The revolution in auditing initiated by the federal General Accounting Office (GAO) focused on performance: did the agency get what it paid for and, if not, why not? Shortly thereafter, the goal expanded to include prevention of waste, fraud, and abuse,¹⁴ and the line between corruption by the government and corruption against the government blurred.¹⁵

According to the modern-day anticorruption project, it is no longer sufficient for government auditors merely to certify that there was authorization for all expenditures. The comptroller's office and other auditing agencies are responsible for assessing the strengths and weaknesses of each agency's internal control system. This task closely resembles the DOI's corruption vulnerability audits (it is not unusual for a particular agency, once it has come under suspicion, to be audited by two or three agencies at the same time.)

Internal Surveillance

A number of agencies conduct covert observations of municipal operations. The DOI, the FBI, the New York State Police, and the New York State Organized Crime Task Force all have conducted undercover operations in city agencies, usually focusing on low-level employees. The techniques vary, but often include "sting" operations in which investigators pose as contractors or private citizens proffering bribes (for example, to building inspectors), electronic surveillance of interactions between city employees and citizens, and the use of undercover agents and field associates. The former are placed temporarily in the targeted agency and the latter are "moles," regular agency employees who are recruited to operate as long-term informants. In 1990, DOI conducted one investigation for every 150 city employees.

These techniques and the panoptic vision that activates them have a profound impact on administrative operations and culture. It might not be an exaggeration to say that in some agencies corruption control is given a higher priority than governmental outputs such as service delivery and infrastructure maintenance. As one former commissioner put it, "It's more important to look honest than to get anything done."¹⁶

Interest in linking the discovery of crime to more basic political and administrative flaws in agency organization has waned. The connection between external control and better administration has eroded; corruption control is now a basic service competing for resources.

For example, after the scandals in the third term of Mayor Edward I. Koch's administration (1985-1989), the panoptic vision came to dominate all areas of municipal administration that may have been vulnerable to corruption. In the area of contract regulation, many services and goods that were procured through "request for proposal" were required to convert to "lowest responsible bidder" systems. This anticorruption reform caused major disruptions of long-term relationships between the city, and its consultants, vendors, and contractors. As a former contract official told us:

The City thinks it wants to ensure purity of all contracts, but lacks the capacity to administer contracts adequately. The product is lawyerly bickering. The City has never been clear on this. There is some notion of mimicking business, but the balance between efficiency and anti-corruption is out of whack. It's difficult to do business with the City which

doesn't appreciate the problems of delay. It's an insurmountable problem.

The Evolution of the Panoptic Vision: A Case Study of the New York City Buildings Department

To demonstrate how the panoptic vision has built upon the earlier visions of social control and corruption control and taken them to new levels, it is useful to examine the way in which the anticorruption project has evolved in a particular context: construction regulation in New York City.¹⁷ At the turn of the century, hearings held by legislative committees revealed that municipal officials were taking payoffs to ignore building and sanitation codes.¹⁸ The Tenement House Act of 1901 and the New York City Tenement House Department under Robert DeForest and Lawrence Veiller were classic examples of antipatronage reform (DeForest and Veiller, 1903). To replace the party hacks who were serving as inspectors, DeForest hired experienced physicians and public health specialists under New York State civil service rules. The reformers claimed success in transforming what had been the epitome of machine corruption and neglect into a model of integrity and professional efficiency.

The next stage in the evolution of construction regulation reflected with the Progressive reform movement. The early reports of the Tenement House Department indicated an effort to develop regulatory expertise. DeForest frequently referred to the growing body of knowledge about the health and safety of residential construction and maintenance. The department extended its objectives to raising living standards and general city planning.

In the 1930s, when corruption reared its head in several agencies engaged in construction regulation, housing reformers sought to implement the teachings of Goodnow and White by centralizing administration and incorporating the principles of scientific management. The Department of Housing and Buildings, into which the Tenement House Department was merged, would no longer rely on the credentials and crusading spirit of carefully selected professionals. The new agency was more than twice the size of the old one and its mission now included slum clearance and inspection of existing structures as well as regulation of the construction process.

Mayor Fiorello LaGuardia, who more than anyone else implemented the scientific management vision in New York City, reformed the city charter and pushed through a modern municipal administrative code.¹⁹ The comprehensive New York code covered such matters as the proper procedures for residential sewer connections, civil service grievances, and disputes between contractors, vendors, or citizens and city agencies. The law and science of procedure and routine was designed as a check on employee discretion, but also allowed managers and administrators actively to monitor behavior for compliance.

To enforce the administrative code and to ensure public probity, in 1938, LaGuardia appointed William Herlands to be Commissioner of the Department of Investigation, an agency that was beginning to play a central role in the anticorruption project. With its investigatory and research capabilities and authority over all government agencies, DOI perfectly effectuated the bureaucratic vision of external control. DOI was a creation of the scientific management school of corruption control. Its centralized, investigatory and research capabilities implemented the bureaucratic vision of honest government. Herlands, a former chief assistant to Thomas E. Dewey in the special racketeering investigations, focused on dishonesty, waste, inefficiency, and neglect of duty.

In a 1938 DOI report, Herlands explained how corruption control furthered the goal of efficient administration:

While no one knows how much, if any, corruption has been prevented, there has been a nearly 30 percent reduction in inspector productivity because of the time it takes to return to the office every afternoon. This policy perfectly illustrates the abandonment of the Progressive ideal of a trusted, professional corps of public servants.

In making investigations, the Department does not limit itself to the particular abuse uncovered or the specific complaint. It treats the individual irregularities complained of as symptomatic of broader underlying deficiencies in municipal government and administration. The suggestions and recommendations contained in these reports are designed to remove the deficiencies (New York Department of Investigation, 1938, p. 14).

The linkage between corruption control and administrative efficiency lead to DOI investigations, which in turn lead to periodic restructuring and change in supervisory routines. The Department of Buildings instituted hierarchical control and route rotation. Even the wording and review of inspection cards were designed in response to DOI corruption investigations and recommendations.

By the 1970s, when well-established patterns of corruption erupted in recurrent scandals, the DOB became a prime target of the panoptic approach to anticorruption control. DOI agents posing as contractors offered bribes to inspectors to overlook violations or to expedite code approvals. Time and again the inspectors failed the integrity tests. The agency promulgated scores of recommendations for reorganizing and administering the Department of Buildings. In addition, the state comptroller and the state Organized Crime Task Force piled on even more recommendations. Pursuant to the recommendations, the department instituted several versions of "double check" and route rotation that included virtually all of the strategies of earlier generations of reformers, as well as the addition of powerful new techniques. By the 1980s, the agency was completely absorbed in responding to external criticism and attempting to prevent corruption, even at the expense of decreased efficiency.

The most recent anticorruption protocol, pursuant to a city comptroller's audit, requires all field inspectors to return to borough headquarters at the end of the day, instead of leaving for home from their last inspection site. The policy is meant to ensure that personnel do not defraud the city by leaving work early, perhaps filling out inspectional reports while sitting at home. While no one knows how much, if any, corruption has been prevented, there has been nearly a 30 percent reduction in inspector productivity because of the time it takes to return to the office every afternoon. This policy perfectly illustrates the abandonment of the Progressive ideal of a trusted, professional corps of public servants.

Revisionist Strategy: New Perspectives on Control and Service Delivery

Although there exists no systematic assessment of the impact of anticorruption reforms on public administration, critics and revision-

Both *the moral/political and law enforcement focus on "bad men," according to Buchanan and Tullock, inhibit government without reaching the roots of corruption.*

ists sporadically have called attention to the possibility of conflict between corruption control and efficiency. As early as 1904, Henry Jones Ford recognized that anticorruption goals could be incompatible with government effectiveness and efficiency.

It is better that government and social activity should go on in any way than that they should not go on at all. Slackness and decay are more dangerous to a nation than corruption.... The graft system is bad, but it is better for city government to lend itself to the forces of progress even through corrupt inducements than to toss the management of affairs out upon the goose-common of ignorance and incapacity, however honest. Reform which arrests the progress of the community will not be tolerated by an American city (Ford 1904, pp. 678, 682-683).

There were a few indications, even during the heyday of the scientific management vision in the late 1950s, that the anticorruption project involved costs:

[W]aging this type of battle [against corruption] becomes a habit and tends to continue long after the enemy is routed or voluntarily retires. Since civil service appropriations tend to be limited in the first place, concentrating resources on combating an imaginary foe means neglecting the development and expansion of urgently required or highly desirable activities, such as more vigorous recruiting, personnel research and training (Nigro, 1959, p. 4).

Sayre and Kaufman recognized, in their classic study of New York City government in the 1950s, the importance and impact of the anti-corruption project:

The distrust of public officials, employees, and party leaders engenders complete and explicit rules to make sure that the boundaries of their jurisdiction are unmistakably demarcated and that the procedures they are to follow are clearly laid out.... When each grant of authority is carefully framed to avoid the possibility of abuse, and then surrounded by restrictions until little discretion is left to public officials, the volume of formal rules increases (Sayre and Kaufman, 1965, p. 110).

While such revisionist statements can be found throughout the century, it was not until very recently that corruption control has been treated as a problem by mainstream public administration scholars. For example, in *The Politics of the Administrative Process*, political scientists James Fesler and Donald Kertl consider the administrative costs of "control systems":

Excessive controls can disrupt consistent administration and produce inequities. Excessive controls multiply requirements for review of proposed decisions, increase red tape, and delay action. So much energy can be spent attempting to control administrative activities, in fact, that little time or money is left to do the job at hand. Excessive controls, therefore, may dull administration's responsiveness to its public (Fesler and Kertl, 1991, p. 321).²⁰

Contemporary rational choice theorists in economics and political science have gone even further, asserting that corruption is sometimes efficient; indeed, it has even been argued that the barter of political influence for cash can produce social benefit.

For example, [payoffs] may be used to increase the quantity of useful information presented to voters by politicians or political parties. Even payoffs captured for politicians' personal use may permit paying lower public salaries than would otherwise be required. The cost of encouraging behavior generally considered to be unethical must be set against any possible social benefits (Beck, Hoskins, and Connolly, 1992, p. 217).

Furthermore, pointing to the persistence of the moral themes that epitomized the Progressive eras anticorruption reforms, James Buchanan and Gordon Tullock argue that reformers tend to emphasize ethical rules and regulations rather than the larger structural problems that encourage corruption. Both the moral/political and law enforcement focus on "bad men," according to Buchanan and Tullock, inhibit government without reaching the roots of corruption (Buchanan and Tullock, 1965, 0. 281).

Edward Banfield sums up the rationalist perspective on corruption:

In governmental organization the costs of preventing or reducing corruption are not balanced against the gains with a view to finding an optimal investment. Instead corruption is thought of (when it comes under notice) as something that must be eliminated "no matter what the cost" (Banfield, 1985, p. 599).

In his 1993 inaugural address, President Bill Clinton spoke of the need to reinvent America, borrowing the title of the most recent revisionist statement on the structure and operation of public agencies, *Reinventing Government*, by David Osborne and Ted Gaebler (1992). Their subtitle "How the Entrepreneurial Spirit Is Transforming the Public Sector, From Schoolhouse to Statehouse, City Hall to the Pentagon," signals the bold revision they are advocating. Written for a broad audience, *Reinventing Government* is a distillation of theories that have had some currency in public administration and the social sciences for a generation. The much discussed report of the National Performance Review headed by Vice President Albert Gore, Jr., "From Red Tape to Results: Creating a Government that Works Better and Costs Less," is an adaptation of Osborne and Gaebler's work on the federal government (National Performance Review, 1993).²¹

Like many of the theorists from whom they borrow, Osborne and Gaebler argue that too much attention is being paid to minor acts of corruption and to the goal of corruption-free government. They ask whether it is appropriate to roll out the howitzer every time corruption appears. Apparently they think not. Their faith in new information technologies and entrepreneurial incentives leads them to recommend fewer corruption controls. Perhaps they believe that a mature polity will accept the inevitability of a certain degree of corruption. But that leaves many questions unanswered, including: What is an "optimal" level of corruption? How will the political demand for a response to a corruption scandal be managed?

Revisionists have raised cogent objections to the anticorruption project. However, unlike the antipatronage, scientific management, and panoptic visions of corruption control, the revisionist perspective has not affected the practice of public administration. Thus far, the revisionist perspective simply critiques rather than sets a policy agenda.

Conclusion

Recognizing that the inexorable accretion of the anticorruption apparatus is an important dynamic of public administration, deepens understanding of how and why large government units are organized and operated. It also reveals how important the reaction to corruption scandals has been in the evolution of public administration as a discipline. As Peter Self put it, "The tensions between the requirements of responsibility or 'accountability' and those of effective executive action can reasonably be described as *the classic dilemma of public administration*" (Fesler and Kertl, 1991, p. 321).

To an extent that has rarely been appreciated, the anticorruption project has shaped the evolution of urban public administration especially, and accounts for much of municipal structure and operations. The vision of a corruption-free city has animated reformers throughout the 20th century; each generation has contributed its own anticorruption ideas and institutions. The resulting anticorruption project has been cumulative; old reforms are not discarded but supplemented by newer ones.

Since the 1970s, a panoptic vision of corruption control held by prosecutors, inspectors general, and other law enforcement and quasi law enforcement personnel has taken hold in large governments, like New York City's. Their targets include the lowest level city employees as well as politicians and top administrators. They advocate a total mobilization of governmental resources in the service of an enforcement oriented anticorruption project. They have marshaled significant

resources and expanded the legitimate scope of the anticorruption project to all management operations. Thus, while the focus of corruption control is no longer as broad as the system-wide vision of the Progressives, it is far more intensive and comprehensive regarding its chosen targets. Indeed, panoptic reformers are so occupied with corruption that they ignore the goals of administrative efficiency.

It is not surprising that the sheer magnitude and ambition of the panoptic anticorruption project has provoked a revisionist response from economists and political scientists who instinctually look for costs as well as benefits. Previously, the compatibility of governmental efficiency and anticorruption control was rarely questioned. Now, a number of critics point out that efficiency and corruption control are conflicting goals. The revisionists have not, however, provided administrators a formula for calculating the optimum amount of corruption control, nor have they explained how a cost/benefit approach to corruption that would treat some corruption as not worth worrying about could be sold to the public and the media.



Frank Anechiarico is a professor and chair of the department of government at Hamilton College.

James B. Jacobs is a professor and director of the Center for Research in Crime and Justice at New York University School of Law.

The authors are completing a book tentatively titled *The Anticorruption Project and Its Impacts*.

Notes

1. In identifying these visions, we followed Herbert Kaufman's seminal work of 30 years ago in which he identifies three conflicting values that dominate public administration in successive eras.

In the evolution of the structure of state and local governments in the United States, there is discernible a search for an accommodation among three values (or objectives): representativeness; technical, non-partisan competence; and leadership. The first refers to the demand for election of public officials by some (at first) and many (later) or virtually all (a twentieth-century innovation) adult citizens over whom the officials exercise jurisdiction. The second refers to the demand for officials having training and experience qualifying them for the jobs they do, and to the insistence that their official decisions and actions be based on technical and professional considerations rather than on partisan political premises. The third refers to the demand that the actions and decisions of officials be coordinated at some central point so that government programs are reasonably consistent and efficient (Kaufman, 1963, p. 34).

Our work also parallels a more recent typology by Wilbur Rich. "Civil Service reformers have...been divided into three groups: the genteel reformers, the academic reformers, and the fiscal managers" (Rich, 1982, p. 5).

2. The conventional view of the Progressives as organizationally oriented is presented by R.H. Wiebe (1967). A critique of this view holds that while organization may be the legacy of the Progressives, it is an ironic one, since their method was highly moralistic and situational (McCormick, 1981, pp. 247-274).
3. The statement from which the system gets its name, "To the victors belong the spoils," is credited to Senator William Marcy around 1850 (Hoogenboom, 1961, p. 6).
4. In 1976, in *Elrod v. Burns*, and in 1990, in *Rutan v. Republican Party of Illinois*, the Court held unconstitutional (on First Amendment grounds) hiring, firing, transfer, promotion, or recall on partisan affiliation for all but a few, top administrative jobs.
5. Goodnow's view was that "As soon, however, as the administration became somewhat centralized, this control of the political parties became unnecessary, except to the highest officers, since these could control more fully the actions of their subordinates, and being themselves subject to party control, might bring about the necessary harmony in the governmental system" (Goodnow, 1990, p. 129).
6. One study of the post-Progressive period found that "[t]he promising development of public administration as a profession during the Progressive era has dissipated...

The post-Progressive era was an age in which concern for the practical use and application of administrative techniques extended beyond any theoretical or normative standard for application.... Attention turned to more narrow technical problems rather than broader concerns" (Stever, 1988, p. 66).

7. In isolating the anticorruption element in scientific management, Gulick found support in a section of Woodrow Wilson's famous essay, "The Study of Administration," from which Gulick quotes:

All sovereigns are suspicious of their servants.... How is suspicion to be allayed by knowledge? Trust is strength in all relations of life and, as it is the office of the constitutional reformer to create conditions of trustfulness, so it is the office of the administrative organizer to fit administration with conditions of clear-cut responsibility which will insure trustworthiness (Quoted in Gulick, 1941, p.vii).

8. An official of the New York City Department of Investigation explained to us that the department's definition of corruption since the 1970s included the "subversion of fairness, of distributive and common justice, and of equal opportunity." Under this definition, even acknowledged error leading to maldistributive waste would be corrupt.
9. A recent history of the New York City Department of Investigation concluded it is with the fight against corruption that "the defense of democracy and the struggle for a decent life begins and continues" (Winslow and Burke, 1992, p. 87).
10. In *Discipline and Punish*, Michel Foucault argued that the panopticon architecture and operation were paradigmatic of a 19th century vision of a disciplinary society in which surveillance, monitoring, and control would make undetected deviance a practical impossibility (Foucault, 1979, p. 204). However, perhaps the first Panopticon, built by Jeremy Bentham's brother, was not a prison, but a Russian factory (Zuboff, 1988, pp. 320-322).
11. Dennis F. Thompson argues that, in light of the scandal surrounding the Keating Five, the definition of corruption should be expanded to include "mediated corruption" which "links the acts of individual officials to effects on the democratic process" (Thompson, 1993, pp.369).
12. DOI Table of Arrests by year.
13. In *The Federalist*, some of the founders argued that a plethora of rules was useless at best and possibly quite dangerous to liberty. For the relation of federalist theory to urban government, see Bish and Ostrom (1973).
14. The Generally Accepted Government Audit Standard (GAGAS) issued by GAO have been adopted by New York City and many other state and local governments.
15. By corruption against the government we mean fraud perpetrated by contractors,

- vendors, benefit recipients, and other clients and receivers of government services.
16. Interview with a former New York City agency commissioner, May 16, 1991.
 17. Another example of an administrative innovation in the New Deal that reflected Progressive ideals was the refinement and standardization of rulemaking in administrative agencies. The idea that there would be formal rulemaking hearings preceded by published notice was a fulfillment of the Progressive notion of professional governance by policy specialists. Administrative rulemaking is legislation by specialists and experts who have been delegated policy discretion by elected officials. This is as close to scientific administration and as far from the ward politician's smoke-filled room as the Progressives might have dreamed possible.
 18. The Tenement House Committee staged a major exhibition of tenement house conditions in early 1900. The exhibition, held in a building on Fifth Avenue, contained scores of maps and charts and five models of tenements including a detailed scale model of an entire block on the lower east side of Manhattan. The reactions of the thousands of people who saw the exhibit were an inducement to the legislature and the governor to establish the Tenement House Commission (DeForest and Veiller, 1903).
 19. After taking the oath of office, LaGuardia turned to face city hall, shook his fist and announced, "*e finita la cuccagna*" (no more free lunch).
 20. Downs offers the "Law of Counter Control: The greater the effort made by sovereign or top-level officials to control the behavior of subordinate officials, the greater the efforts made by those subordinates to evade or counteract such control" (Downs, 1967, p. 262).
 21. Peter deLeon also criticizes the impact of corruption controls on the federal government:

We need initially to reject the traditional recommendations that more laws or regulations or inspectors general provide the answer. Indeed, one can argue that the only result of more regulations and inspectors would be greater temptation for the vulnerable public servant (deLeon, 1993, p. 223).

References

- Anechiarico, Frank and James B. Jacobs, 1992. "The Continuing Saga of Municipal Reform: New York City and the Politics of Ethics Law." *Urban Affairs Quarterly*, 27(4), pp. 580-603.
- Bancroft, Frederick, ed., 1913. *Speeches, Correspondence, and the Political Papers of Carl Schurz*, vol. 3. New York: G.P. Putnam.
- Banfield, Edward C., 1985. "Corruption as a Feature of Governmental Organization." *The Journal of Law and Economics*, vol. 18, p. 599.
- Beck, R., C. Hoskins, and J. M. Connolly, 1992. "Rent Extraction Through Political Extortion: An Empirical Examination." *Journal of Legal Studies*, vol. 21 (January), pp. 217-224.
- Bing, Julius, 1868. "Our Civil Service." *Putnam Magazine*, New Series, II, no. 8 (August), pp. 233-236.
- Bish, Robert L. and Vincent Ostrom, 1973. *Understanding Urban Government*. Washington, DC: American Enterprise Institute for Public Policy Research.
- Bollens, John C. and Henry J. Schmandt, 1979. *Political Corruption: Power, Money and Sex*. Pacific Palisades, CA: Palisades Publishers.
- Buchanan, James and Gordon Tullock, 1965. *The Calculus of Consent: Logical Foundations of Constitutional Democracy*. Ann Arbor, MI: University of Michigan Press.
- DeForest, Robert W. and Lawrence Veiller, eds., 1903. *The Tenement House Problem: Including the Report of the New York State Tenement House Commission of 1900*, vol. I and II. New York: Macmillan.
- deLeon, Peter, 1993. *Thinking About Political Corruption*. Armonk, NY: M.E. Sharpe.
- Downs, Anthony, 1967. *Inside Bureaucracy*. Boston, MA: Little, Brown.
- Elrod v. Burns*, 1975. 427 U.S. 347.
- Feinman, Ronald L., 1981. *Twilight of Progressivism: The Western Republican Senators and the New Deal*. Baltimore, MD: Johns Hopkins University Press.
- Fesler, James W. and Donald F. Kertel, 1991. *The Politics of the Administrative Process*. Chatham, NJ: Chatham House.
- Ford, Henry James, 1904. "Municipal Corruption." *Political Science Quarterly*, XIX (December), pp. 678, 682-683.
- Foucault, Michel, 1979. *Discipline and Punish: The Birth of the Prison*. New York, NY: Vintage.
- Goodnow, Frank J., 1900. *Politics and Administration*. New York: Russell and Russell.
- Green, Bruce and John D. Feerick, 1991. *Government Ethics Reform for the 1990s: The Collected Reports of the New York State Commission on Government Integrity*. New York: Fordham University Press.
- Gulick, Luther, 1941. "Forward." In Harold Seidman, ed, *Investigating Municipal Administration: A Study of the New York City Department of Investigation*. New York: Columbia University Institute of Public Administration, pp. vii-xi.
- Hoogenboom, Ari, 1961. *Outlawing the Spoils: A History of the Civil Service Reform Movement, 1865-1883*. Urbana, IL: University of Illinois Press.
- Jacobs, James B. and Frank Anechiarico, 1992. "Blacklisting of Public Contractors as an Anti-Corruption and Racketeering Strategy." *Criminal Justice Ethics*, 11(2), pp. 64-76.
- Kaufman, Herbert, 1963. *Politics and Policies in State and Local Governments*. Englewood Cliffs, NJ: Prentice-Hall.
- Lewis, Eugene, 1980. *Public Entrepreneurship: Toward a Theory of Bureaucratic Political Power: The Organizational Lives of Hyman Rickover, J. Edgar Hoover, and Robert Moses*. Bloomington, IN: Indiana University Press.
- Link, Arthur S., ed., 1966. *The Papers of Woodrow Wilson*. Princeton, NJ: Princeton University Press.
- Marx, Gary T., 1992. "When the Guards Guard Themselves: Undercover Tactics Turned Inward." *Policing and Society*, 2, pp. 151-172.
- McCormick, r.L., 1981. "The Discovery That Business Corrupts Politics: A Reappraisal of the Origins of Progressivism." *American Historical Review*, vol. 13, no. 3, pp. 247-274.
- National Performance Review, 1993. "From Red Tape to Results: Creating a Government that Works Better and Costs Less." (September 2). Washington: U.S. Government Printing Office.
- Nelson, William, E., 1982. *The Roots of American Bureaucracy: 1830-1900*. Cambridge, MA: Harvard University Press.
- New York City Comptroller, 1985. "Comptroller's Internal Control and Accountability Directives." (April 15).
- New York State Commission on Government Integrity, 1991. "Playing Ball' with City Hall: A Case Study of Political Patronage in New York City." In *Government Ethics Reform for the 1990s*. New York: Fordham University Press.
- New York State Organized Crime Task Force, 1991. *Corruption and Racketeering in the New York City Construction Industry*. New York: New York University Press.
- Nigro, Felix A., 1959. *Public Personnel Administration*. New York: Henry Holt.
- Osborne, David and Ted Gaebler, 1992. *Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector—From Schoolhouse to Statehouse, City Hall to the Pentagon*. Reading, MA: Addison-Wesley.
- Rich, Wilbur, 1982. *The Politics of Urban Personnel Policy: Reformers, Politicians, and Bureaucrats*. Port Washington, NY: Kennikat Press.
- Rosenbloom, David H., 1985. "The Inherent Politicality of Public Personnel Policy." In David H. Rosenbloom, ed., *Public Personnel Policy: The Politics of Civil Service*. Port Washington, NY: Associated Faculty Press.
- Rutan v. Republican Party of Illinois*, 1990. 497 U.S. 62.
- Sayre, Wallace S. and Herbert Kaufman, 1965. *Governing New York City: Politics in the Metropolis*. New York: W.W. Norton.
- Schurz, Carl, 1893. "Editorial" *Harper's Weekly* 37 (July 1) p. 614.
- Self, Peter, 1972. *Administrative Theories and Politics*. London: Allen and Unwin.
- Steuer, J. A., 1988. *The End of Public Administration: Problems of the Profession in the Post-Progressive Era*. Dobbs Ferry, NY: Transnational.
- Thompson, Dennis F., 1993. "Mediated Corruption: The Case of the Keating Five." *American Political Science Review*, vol. 87, no. 2 (June), pp. 369-381.
- White, Leonard D., 1942. *Introduction to the Study of Public Administration*, 2d ed. New York: Macmillan.
- _____, 1948a. *Introduction to the Study of Public Administration*, 3d ed. New York: Macmillan.
- _____, 1948b. *The Administrative Histories: The Federalists*. New York: Macmillan.
- _____, 1954. *The Jeffersonians*. New York: Macmillan.
- _____, 1958. *The Republican Era 1869-1901*. New York, Macmillan.
- Wiebe, R. H., 1967. *The Search for Order: 1877-1920*. New York: Hill and Wang.
- Winslow, Richard S. and David W. Burke, 1992. *Rogues, Rascals, and Heroes: A History of the New York City Department of Investigation*. New York: New York City Department of Investigation.
- Zuboff, Shoshana, 1988. *In the Age of the Smart Machine*. New York: Basic Books.