



1938

The Reorganization Scandal, 1938

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THE REORGANIZATION SCANDAL.

Everyone is pretty familiar with the court-packing attempt and its defeat by patriotic members of congress. The extraordinary grasp for power in the New Deal's reorganization bill is less generally appreciated. It is well to bear in mind what happened, for it shows that one need be no alarmist to be deeply concerned at the centralization ^{of power} in the White House. It is useful to recall the reorganization scheme also because it may be revived at the next session of congress.

On March 18, 1938, Senator Wheeler's amendment to the President's so-called reorganization bill was defeated by a vote of 45 to 39. The amendment merely required congressional approval of changes in the executive branch of the federal government, its departments and now almost innumerable agencies. Without the Wheeler amendment, all these, and even the semi-judicial bodies such as the Inter-State Commerce Commission, were to be placed completely at the mercy of presidential authority. That was what the New Dealers wanted. They wanted no restraint by the elected representatives of the people. Without even looking at the names, that vote that defeated the Wheeler amendment showed, prima facie, that there were then in the senate 43 senators at the orders of the New Deal machine as against 39 who were more concerned with preserving the authority of congress against presidential usurpation.

Economy and efficiency were the alledged reasons for the bill to reorganize the executive branch of the federal government. Now, as never before, it needs real economy through elimination of usurped, over-lapping and unnecessary agencies, and superfluous personnel. As

never before it needs efficiency through the application of standards of ability instead of partizanship. As never before civil service needs protection and betterment. Does the record of the present Administration hold out any hope that economy or efficiency will be served by giving it more power? Those who have studied the ^{original} reorganization bill have seen from the first that economy and efficiency were sham reasons and that the real aim was one more grab for a monopoly of power for the President.

As an attempt to nullify the power of the people's representatives in Congress and to make presidential power dictatorial and absolute the ^{original} reorganization bill ^{was} ~~is grotesque~~ beyond belief. A masterly analysis of the proposal was set forth in an open letter to the President written for the National Committee to Uphold Constitutional Government, by Mr. Amos Pinchot. He therein shows that the bill as sent to the Capitol by the executive gave the President "--power to abolish, or transfer, or change all federal agencies, their officers, and their functions", -- and thereby to "--control the policies, decisions, and actions of these agencies". He goes on to point out that there are many "-- regulatory agencies in our government, some purely executive and others semi-judicial, upon whose policies and action depends, in large measure, the welfare of every section of the country. These agencies intimately affect the nation's economic life, the life of every class of our people, of all consumers, of labor, of business, and agriculture--" and that any president, with the powers granted in this bill, "--could shape with an iron hand the policies and decisions

and action of all these agencies. For, if their policies, decisions, or action did not suit him, he could disestablish the agencies themselves, remove or discipline their officers, or change the functions of the agencies, as he pleased, in accordance with his own will, or his bias, or his political advantage".

To grasp the full ^{meaning} ~~horror~~ of the proposal it is to be noted that whatever outrageous action any president might take under the authority of this bill, he could veto any law of Congress passed to repeal his action; and only by the two-thirds vote required to over-ride a presidential veto could the people find relief. For good measure, this bill, in the name of economy, would abolish the office of controller, the last bulwark against illegal spending of the taxpayer's money! Such, in brief, is the gist of this amazing proposal, made not in Italy, or Germany, or Russia, but right here in the United States; put into words by those now closest to the President; sent to a committee with very unusual secrecy.

No one doubts that the executive branch of the federal government needs reorganization for economy and efficiency. Such was the ostensible purpose of the president's proposal. And some think the bill, as amended and toned down, might well be passed. It is submitted that such a view is ~~amply~~ answered by asking this question:- Would it not be absurd to turn over the task of reorganization for economy and efficiency to one who is notorious as the greatest official spendthrift in history, who is not notable as a good administrator, and who is a very partizan politician? Since this bill may be revived at the next session of congress, it is well to keep the matter in mind.